

**BOARD
OF
TRUSTEES**



**SEKU
PENSION
SCHEME**

**P. O. Box 170, 90200 Kitui, Kenya
sekupension@seku.ac.ke**

**REQUEST FOR PROPOSAL FOR PROVISION OF FUND
MANAGEMENT SERVICES TO THE SEKU PENSION
SCHEME**

RFP No. SEKU/PS/RFP/001b/2021-2023

**CLOSING DATE: 24th November 2020 at
10:00am**

TABLE OF CONTENTS

	Page
INTRODUCTION	
SECTION I.	Letter of Invitation 3
SECTION II.	Information to consultants 5
	Appendix to information to Consultants 13
SECTION III.	Terms of reference 18
SECTION IV.	Technical Proposal 28
SECTION V.	Financial Proposal 37
SECTION VI.	Standard Forms of Contract 43
	6.1 Form of tender 44
	6.2 Contract form 45
	6.3 Confidential Business Form 48
	6.4 Tender Security Form 51
	6.5 Performance Security Form 52
	6.6 Letter of Notification of Award 53
	6.7 Form RB1 54
	6.8 Declaration Form 55

SECTION I - LETTER OF INVITATION

SEKU Pension Scheme invites eligible bidders registered with relevant regulatory authorities to submit proposals for the following;

S/no	Tender Description	Tender Name	Closing Date
1	Provision of fund management services to the SEKU pension scheme	SEKU/PS/RFP/001b/2021-2023 (Re-advertised)	24 th Nov 2020

Tender documents detailing the requirements may be obtained from **SEKU Pension Office, at SEKU Main Campus** upon payment of a non-refundable fee of Ksh. **1,000.00** during normal working hours. Tender documents may also be downloaded **free of charge** from www.seku.ac.ke. Those who download should send their details to sekupension@seku.ac.ke for registration and communication of addendum. Completed Tender documents in a plain sealed outer envelope enclosing two separately sealed envelopes (in “Original” and “Copy”) all clearly marked as per instructions in the Tender documents and addressed to:

**The Board of Trustees
SEKU Pension Scheme
P.O. Box 170-90200
KITUI.**

The same should be deposited in the Tender Box situated at the entrance of Procurement Offices on or before **24th November 2020, 10:00am**. Tenders shall be opened immediately thereafter in the presence of Tenderers’ Representatives who choose to attend.

Prices quoted should be inclusive of all taxes and delivery cost, must be expressed in Kenya Shillings and shall be valid for **180 days** from the closing date of this Request for Proposal.

RFP’s must be accompanied by a **Tender Security of Kshs. 1,000,000.00**, valid for **150 days**. Failure to attach the tender security will lead to automatic rejection of the proposal.

SECTION II – INFORMATION TO CONSULTANTS (ITC)

Table of Contents	Page
2.1 Introduction	5
2.2 Clarification and amendment of RFP document	5
2.3 Preparation of Technical Proposal	6
2.4 Financial proposal	7
2.5 Submission, Receipt and opening of proposals	8
2.6 Proposal evaluation general	9
2.7 Evaluation of Technical proposal	9
2.8 Public opening and Evaluation of financial proposal	9
2.9 Negotiations	10
2.10 Award of Contract	11
2.11 Confidentiality	12
2.12 Corrupt or fraudulent practices	12

SECTION II: - INFORMATION TO CONSULTANTS (ITC)

2.1 Introduction

- 2.1.1 The Procuring Entity will select a firm or firms among those invited to submit a proposal, in accordance with the method of selection detailed in the appendix.
- 2.1.2 The consultants are invited to submit a Technical Proposal and a Financial Proposal, as specified in the Appendix “ITC” for consulting services required for the assignment named in the said Appendix. The proposal will be the basis for Contract negotiations and ultimately for a signed Contract with the selected firm.
- 2.1.3 The consultants must familiarize themselves with local conditions and take them into account in preparing their proposals. To obtain firsthand information on the assignment and on the local conditions, consultants are encouraged to liaise with the Procuring Entity in writing regarding any information that they may require before submitting a proposal and to attend a pre-proposal conference where applicable. Consultants should contact in writing the officials named in the Appendix “ITC” to arrange for any visit or to obtain additional information on the pre-proposal conference. Consultants should ensure that these officials are advised of the visit in adequate time to allow them to make appropriate arrangements.
- 2.1.4 Please note that:
- (i) The costs of preparing the proposal and of negotiating the Contract, including any visit to the Procuring Entity are not reimbursable as a direct cost of the assignment;
 - (ii) The Procuring Entity is not bound to accept any of the proposals submitted.
- 2.1.5 The Procuring Entity’s employees, committee members, board members and their relatives (spouse and children) are not eligible to participate.
- 2.1.6 The price to be charged for the physical tender document shall be Kshs. 1,000/=. This method will however be applied as a last resort where all online platforms are not available.
- 2.1.7 The Procuring Entity shall allow the tenderer to review the tender document free of charge before purchase.

2.2 Clarification and Amendment of RFP Documents

- 2.2.1 Consultants may request a clarification on the RFP documents only up to seven [7] days before the proposal submission date. Any request for clarification must be sent in writing by paper mail, or electronic mail to the Procuring Entity’s address indicated in the Appendix “ITC”. The Procuring Entity will respond by paper mail or electronic mail to such requests and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all invited consultants who intend to submit proposals.

2.2.2 At any time before the submission date of proposals, the Procuring Entity may for any reason, whether at his own initiative or in response to a clarification requested by an invited firm, amend the RFP. Any amendment shall be issued in writing through addenda. Addenda shall be sent by mail, Print media or E-mail to all invited consultants and will be binding on them. The Procuring Entity may at his discretion extend the deadline for the submission of proposals through an addendum.

2.3 Preparation of Technical Proposal

2.3.1 The Consultants proposal shall be written in English language

2.3.2 In preparing the Technical Proposal, consultants are expected to examine the documents constituting this RFP in detail. Material deficiencies in providing the information requested may result in rejection of a bidder's proposal.

2.3.3 While preparing the Technical Proposal, consultants must give particular attention to the following:

- (i) Consultants shall not associate with the other consultants invited for this assignment. Any firms associating in contravention of this requirement shall automatically be disqualified.
- (ii) For assignments on a staff-time basis, the estimated number of professional staff-time is given in the Appendix. The proposal shall however be based on the number of professional staff-time estimated by the firm.
- (iii) It is desirable that the majority of the key professional staff proposed be permanent employees of the firm or have an extended and stable working relationship with it.
- (iv) Proposed professional staff must as a minimum, have the experience indicated in Appendix, preferably working under conditions similar to those prevailing in Kenya.
- (v) Alternative professional staff shall not be proposed and only one Curriculum Vitae (CV) may be submitted for each position.

2.3.4 The Technical Proposal shall provide the following information using the attached Standard Forms;

- (i) A brief description of the firm's organization and an outline of recent experience on assignments of a similar nature. For each assignment the outline should indicate *inter alia*, the profiles of the staff proposed, duration of the assignment, contract amount and firm's involvement.
- (ii) Any comments or suggestions on the Terms of Reference, a list of services and facilities to be provided by the Procuring Entity.

- (iii) A description of the methodology and work plan for performing the assignment.
- (iv) The list of the proposed staff team by specialty, the tasks that would be assigned to each staff team member and their timing.
- (v) CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal. Key information should include number of years working for the firm/entity and degree of responsibility held in various assignments during the last ten (10) years.
- (vi) Estimates of the total staff input (professional and support staff) needed to carry out the assignment supported by bar chart diagrams showing the time proposed for each professional staff team member.
- (vii) A detailed description of the proposed methodology, staffing and monitoring of training, if Appendix “A” specifies training as a major component of the assignment.
- (viii) Any additional information requested in Appendix “A”.

2.3.5 The Technical Proposal shall not include any financial information.

2.4 **Preparation of Financial Proposal**

2.4.1 In preparing the Financial Proposal, consultants are expected to take into account the requirements and conditions outlined in the RFP documents. The Financial Proposal should follow Standard Forms (Section V).

It lists all costs associated with the assignment including;

- (a) Remuneration for staff (in the field and at headquarters), and;
- (b) Reimbursable expenses such as subsistence (per diem, housing), transportation (international and local, for mobilization and demobilization), services and equipment (vehicles, office equipment, furniture, and supplies), office rent, insurance, printing of documents, surveys, and training, if it is a major component of the assignment. If appropriate these costs should be broken down by activity.

2.4.2 The Financial Proposal should clearly identify as a separate amount, the local taxes, duties, fees, levies and other charges imposed under the law on the consultants, the sub-consultants and their personnel, unless Appendix “A” specifies otherwise.

2.4.3 Consultants shall express the price of their services in Kenya Shillings.

2.4.4 Commissions and gratuities, if any, paid or to be paid by consultants and related to the assignment will be listed in the Financial Proposal Submission Form.

2.4.5 The Proposal must remain valid for **180 Days** after the submission date. During this period, the consultant is expected to keep available, at his own cost, the professional staff proposed for the assignment. The Procuring Entity will make his best effort to complete negotiations within this period. If the Procuring Entity wishes to extend the validity period of the proposals, the consultants shall agree to the extension.

2.5 Submission, Receipt, and Opening of Proposals

2.5.1 The original proposal (Technical Proposal and Financial Proposal) shall be prepared in indelible ink. It shall contain no interlineation or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initialed by the persons or person authorized to sign the proposals.

2.5.2 For each proposal, the consultants shall prepare the number of copies indicated in Appendix "A". Each Technical Proposal and Financial Proposal shall be marked "**ORIGINAL**" or "**COPY**" as appropriate. If there are any discrepancies between the original and the copies of the proposal, the original shall govern.

2.5.3 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "**TECHNICAL PROPOSAL,**" and the original and all copies of the Financial Proposal in a sealed envelope clearly marked "**FINANCIAL PROPOSAL**" and warning: "**DO NOT OPEN WITH THE TECHNICAL PROPOSAL**". Both envelopes shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, the tender reference number (**SEKU/PS/RFP/001b/2021-2023**) and other information indicated below and be clearly marked, "**DO NOT OPEN, EXCEPT IN PRESENCE OF THE TENDER OPENING COMMITTEE.**"

SEKU/PS/RFP/001b/2021-2023

P.O Box 170 – 90200

Kitui

2.5.4 The completed Technical and Financial Proposals must be delivered at the submission address on or before the time and date stated in the Appendix "ITC". Any proposal received after the closing time for submission of proposals shall be returned to the respective consultant unopened.

2.5.5 After the deadline for submission of proposals, the outer envelope and the Technical Proposal shall be opened immediately by the opening committee. The Financial Proposal shall remain sealed, marked with tender number allocated at the time of opening of the outer envelope deposited and secured in the tender box of the Procuring Entity up to the time for public opening of financial proposals.

2.5.6 Kindly note that the Financial Quotes provided must be valid for 6 (six) Months

2.6 **Proposal Evaluation General**

2.6.1 From the time the bids are opened to the time the Contract is awarded, if any consultant wishes to contact the Procuring Entity on any matter related to his proposal, he should do so in writing at the address indicated in the Appendix "ITC". Any effort by the firm to influence the Procuring Entity in the proposal evaluation, proposal comparison or Contract award decisions may result in the rejection of the consultant's proposal.

2.6.2 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.

2.7 **Evaluation of Technical Proposal**

2.7.1 The tender evaluation committee appointed by the Procuring Entity shall evaluate the proposals on the basis of their responsiveness to the Terms of Reference, applying broadly (but not exclusively) the evaluation criteria as follows:

- a) Completeness of bidding information, corporate structure, specific experience of the bidder to similar briefs.
- b) Qualification and competence of the key staff for the assignment and proposed team.
- c) Administrative and system capabilities, corporate governance and risk control.
- d) Asset transfer restrictions, training and transfer of relevant skills.

2.7.2 Each responsive proposal will be given a technical score (St). A proposal shall be rejected at this stage if it does not respond to all important aspects of the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Appendix "ITC". The consultant may be asked as part of their evaluation to demonstrate their proposal or arrange a visit to an institution where similar services have been provided. This will be at the discretion of the Procuring Entity. **A tenderer must score a minimum of 70% on the technical Proposal to qualify for financial evaluation.**

2.8 **Opening and Evaluation of Financial Proposal**

2.8.1 After Technical Proposal evaluation, the Procuring Entity shall notify those consultants whose proposals did not meet the minimum qualifying mark or were considered non-responsive to the RFP and Terms of Reference, indicating that their Financial Proposals will be returned unopened after completing the selection process. The procuring entity shall simultaneously notify consultants who have secured the minimum qualifying mark indicating the date and time set for opening the financial proposal and stating that the opening ceremony is open to those consultants who choose to attend. The opening shall not be sooner than seven (7) days after the notification date.

2.8.2 The Financial Proposals shall be opened publicly in the presence of the consultant's representatives who choose to attend. The name of the consultant, the technical Scores and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. The Procuring Entity shall prepare minutes.

- 2.8.3 The evaluation committee will determine whether the Financial Proposals are complete (i.e. Whether the consultant has costed all the items of the corresponding Technical Proposal and correct any computational errors). The cost of any unpriced items shall be assumed to be included in other costs in the proposal. In all cases, the total price of the Financial Proposal as submitted shall prevail.
- 2.8.4 The formulae for determining the Financial Score (Sf) shall, unless an alternative formula is indicated in the Appendix “ITC”, be as follows: -
 $Sf = 100 \times \frac{FM}{F}$ where Sf is the financial score; FM is the lowest priced financial proposal and F is the price of the proposal under consideration. Proposals will be ranked according to their combined technical (*St*) and financial (*Sf*) scores using the weights (*T*=the weight given to the Technical Proposal; *P* = the weight given to the Financial Proposal; $T + p = 1$) indicated in the Appendix. The combined technical and financial score, *S*, is calculated as follows: - $S = St \times T \% + Sf \times P \%$. The firm achieving the highest combined technical and financial score will be invited for negotiations.
- 2.8.5 The tender evaluation committee shall evaluate the tender within 30 days from the date of opening the tender.
- 2.8.6 Price variations are not allowed for this tender.
- 2.8.7 Selected bidders will be invited to make presentations to the tender evaluation committee before contract is awarded at a date to be advised. The presentation will be expected to major on compliance to the TOR set in this document.

2.9 Negotiations

- 2.9.1 Negotiations will be held at the same address as “address to send information to the Procuring Entity” indicated in the Appendix “ITC”. The aim is to reach agreement on all points and sign a contract.
- 2.9.2 Negotiations will include a discussion of the Technical Proposal, the proposed methodology (work plan), staffing and any suggestions made by the firm to improve the Terms of Reference. The Procuring Entity and Bidder will then work out final Terms of Reference, staffing and bar charts indicating activities, staff periods in the field and in the head office, staff-months, logistics and reporting. The agreed work plan and final Terms of Reference will then be incorporated in the “Description of Services” and form part of the Contract. Special attention will be paid to getting the most the firm can offer within the available budget and to clearly defining the inputs required from the Procuring Entity to ensure satisfactory implementation of the assignment.
- 2.9.3 Unless there are exceptional reasons, the financial negotiations will not involve the remuneration rates for staff (no breakdown of fees).

- 2.9.4 Having selected the firm on the basis of, among other things, an evaluation of proposed key professional staff, the Procuring Entity expects to negotiate a contract on the basis of the experts named in the proposal. Before contract negotiations, the Procuring Entity will require assurances that the experts will be actually available. The Procuring Entity will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key staff were offered in the proposal without confirming their availability, the firm may be disqualified.
- 2.9.5 The negotiations will conclude with a review of the draft form of the Contract. To complete negotiations the Procuring Entity and the selected firm will initial the agreed Contract. If negotiations fail, the Procuring Entity will invite the firm whose proposal received the second highest score to negotiate a contract.
- 2.9.6 The Procuring Entity shall appoint a team for the purpose of the negotiations.

2.10 Award of Contract

- 2.10.1 The Contract will be awarded following negotiations. After negotiations are completed, the Procuring Entity will promptly notify other consultants on the shortlist that they were unsuccessful and return the Financial Proposals of those consultants who did not pass the technical evaluation.
- 2.10.2 The selected firm(s) is expected to commence the assignment on the date and at the location specified in "Appendix "A".
- 2.10.3 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.
- 2.10.4 The Procuring Entity may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
- 2.10.5 The Procuring Entity shall give prompt notice of the termination to the tenderers and on request give its reasons for termination within 14 days of receiving the request from any tenderer.
- 2.10.6 To qualify for contract awards, the tenderer shall have the following:
- (a) Necessary qualifications, capability experience, services, equipment and facilities to provide what is being procured.
 - (b) Legal capacity to enter into a contract for procurement
 - (c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
 - (d) Shall not be debarred from participating in public procurement.

2.11 Confidentiality

2.11.1 Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the consultants who submitted the proposals or to other persons not officially concerned with the process, until the winning firm has been notified that it has been awarded the Contract.

2.12 Corrupt or fraudulent practices

2.12.1 The Procuring Entity requires that the consultants observe the highest standards of ethics during the selection and award of the consultancy contract and also during the performance of the assignment. The tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.

2.12.2 The Procuring Entity will reject a proposal for award if it determines that the consultant recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.

2.12.3 Further a consultant who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

Appendix A - to Information to Consultants (ITC)

The following information for procurement of consultancy services and selection of consultants shall complement or amend the provisions of the information to consultants. Wherever there is a conflict between the provisions of the information to consultants and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the information to consultants.

INFORMATION TO CONSULTANTS REFERENCE	Particulars of Appendix to Information to Consultants
2.1.1	The name of the Procuring Entity: SEKU Pension Scheme The method of selection is: Quality and cost based selection
2.1.2	Technical and Financial proposal are requested: Yes The name and description of the assignment is: Provision Of Fund Management Services
2.1.3	A pre-proposal conference will be held: No The name, address, and telephone numbers of the client(s) is: The Pensions Administrator, SEKU Pension Scheme SEKU Main campus 9:00am and 5:00pm from Monday to Friday
2.1.5	The minimum required experience of proposed professional staff: Ten (10) Years
2.1.6	Training is a specific component of this assignment: Yes
2.5.2	Consultant must submit an original and four (4) additional copies of each proposal and Two readable compact discs (CD-R) containing electronic copies of all the documents in the hard copies.
2.5.3	Proposal documents should be deposited in the Tender Box at the entrance of Procurement offices so as to be received on or before 24th November, 2020 at SEKU MAIN CAMPUS before 10:00am Information on the outer envelope should include the procuring entity address and the Request for Proposal number.
2.5.4	The proposal must be submitted not later than 24th November 2020 at 10:00am.
2.6.1	The address to send information to the client is: SEKU Pension scheme P.O Box 170 – 90200. KITUI Email: sekupension@seku.ac.ke

2.8.1	The public opening of the financial proposal shall be done by the tender evaluation after technical evaluation. All non-responsive tenderers in the technical evaluation will have their financials returned un-opened.
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2.7.1 EVALUATION CRITERIA TO BE USED TO EVALUATE THE PROPOSAL

1. Stage 1: Compliance with Mandatory Requirements
2. Stage 2: Compliance with Technical Requirements
3. Stage 3: Financial Evaluation
4. Stage 4: Combining Financial and Technical scores
5. Stage 5: Demonstration and Negotiations
6. Stage 6: Recommendations

Stage 1: Compliance to Mandatory Requirements (MR)

The first stage of the evaluation will involve determination of responsiveness to the Mandatory Requirements of the request for proposal and will include:

No.	Requirements	Tenderer's Response
MR1	Provide documentary evidence (copy) of Company's Certificate of Incorporation or Business Registration Certificate.	
MR2	Provide copy of the company's PIN and current/valid Certificate of Tax Compliance issued by Kenya Revenue Authority (KRA).	
MR3	Provide copy of company valid Capital Markets Authority (CMA) registration certificate	
MR4	Provide Tender Security of Kshs. 1,000,000.00 (one million Kenya shillings) valid for 180 days in the format provided in the tender documents.	
MR5	Provide current valid Certificate of Registration as a Fund Manager issued by the Retirement Benefits Authority (RBA) .	
MR6	Provide copies of Audited accounts of the company for the last three financial years (2017, 2018 and 2019).	
MR7	Submit a completed company profile using the confidential Business Questionnaire provided in this tender document.	
MR8	Provide evidence of valid professional indemnity insurance of at least of Kshs. 1(One) Billion.	
MR 9	Provide information on Litigation History	
MR10	Provide self-declaration information that the company has not been debarred from participating in public tenders	
MR 11	All pages must be Bound and serialized including any appendices	
MR 12	Self-declaration that the bidder has not been involved in and will not be involved in corruption and fraudulent	

All the above requirements **MUST** be satisfied by commissioner for oaths except MR11. Tenders who do not satisfy any of the above requirements shall be deemed Non- responsive and their tenders will not be evaluated further.

Bidders who satisfy all mandatory requirements will be progressed to the second stage which will involve Technical Evaluation of the bids.

STAGE 2: COMPLIANCE WITH THE TECHNICAL REQUIREMENTS

Proposal meeting all the mandatory requirements will be subjected to Technical Evaluation based on the criteria given below:

NO	EVALUATION ATTRIBUTE	CRITERIA	SCORE%
T1	Number of years the service provider has been in the business of Fund Management Services	<ul style="list-style-type: none"> • Half (0.5) a mark for each year served up to a maximum of 10 Years 	5
T2	Provide a list of qualified personnel with over 10 years' experience . Qualified technical personnel specialized in Fund Management (provide evidence using CV and relevant professional certificates i.e. Certified Financial Analyst (CFA) or equivalent otherwise no score). Technical staff with post graduate degree in the relevant area must provide evidence.	<ul style="list-style-type: none"> • 5 Staff and above - 10 • 4 Staff members - 8 • 3 staff members - 6 • 2 staff Members - 4 • 1 Staff Member - 2 	10
T3	Provide a list of at least 5 pension schemes clients / retirement benefits schemes (complete with address and telephone numbers) of which the company has provided similar services in the last 5 years each with an asset portfolio of over Kshs. 800 Million. The tenderer should avail reference letters confirming the <u>portfolio value from all the 5 largest clients served</u> . The SEKU Pension scheme may conduct due diligence to verify the information provided.	<ul style="list-style-type: none"> • Over 800 Million- 2 marks per client's reference letter provided. • Below 800 Million – 0mark 	10
T4	Total value of client assets managed (portfolio value) as per reference letters confirming the <u>portfolio value</u>	<ul style="list-style-type: none"> • Over Kshs.150 Billion –10 • Over 100 B to 150 Billion-8 • Over 50B to 100Billion - 5 • Below 50 Billion - 0 	10
T5	Total value of <u>retirement related</u> assets under management. To score bidders shall break down the assets in tabular format	<ul style="list-style-type: none"> • Over Kshs.150 Billion –10 • Over 100 B to 150 Billion-8 • Over 50B to 100Billion - 5 • Below 50 Billion - 0 	10

T6	Growth of Fund manager's business in the last 3 years – To score bidders shall indicate reasons for the growth broken down year by year and in percentage format.	<ul style="list-style-type: none"> • Over 15% - 5 marks • Over 10% to 15% - 4 marks • Over 5% to 10% - 3 marks • Below 5% - 1 mark 	5
T7	Asset allocation and investment process	Demonstrate and avail at least 5 firms/portfolios <u>in form of a table</u> with evidence of the asset allocation and investment process detailing (research, approach, process, philosophy, style, evaluation approvals, monitoring and reporting as per clause 3.23 – 3 marks for each firm to a maximum of 5	15
T8	Risk analysis and mitigation	State five (5) key risk analysis and mitigation measures employed by your Fund management to protect investments; detailing risk awareness, management and control strategies in place as per clause 3.29 – 3 marks for each complete risk measure to a maximum of 5	15
T9	Market coverage capabilities experience and portfolio diversity	<ul style="list-style-type: none"> • Equities - 2 Marks • Fixed income – 2 Marks • Offshore – 3 Marks • Private Equities – 3 Marks • Real property - 2 Marks • Any other alternative investments – 3 marks 	15
T10	Profitability margin	<ul style="list-style-type: none"> • 25% and above – 3 Marks • 15% to 25% - 2 Marks • 7.5% to 15% - 1 Marks • Less than 7.5% - 0 Mark 	3
T11	Profitability margin in the last 3 years	<ul style="list-style-type: none"> • 2:1 - 2 • 1:1 - 1 • Less than 1:1 - 0 	2
	TOTAL		100%

The consultant will be required to score a minimum of **70% and above** on the technical Evaluation to qualify to have their financial bids opened for evaluation.

Stage 3: Financial Evaluation

Bidder with a score of **70% and above** on the Technical Evaluation shall qualify to have their financial bids opened for evaluation. Bidders who fail to achieve the minimum technical score will have their financial bids returned as per section 2.8.1 of this document

Stage 4: Combining Financial and Technical Scores

Combining Financial and Technical score will be carried out as per clause 2.8.4 the weight to be assigned for the technical scores (t) will be 80% while the financial scores (p) will be 20%. The bidder(s) with the highest combined financial and technical score will be invited for negotiation.

Stage 5: Demonstration and Negotiations

The highest scored bidder shall be invited for a demonstration on compliance to the technical specifications by the technical evaluation committee also negotiate on the improvement of the TORs.

Stage 6: Recommendation

The successful bidder upon successful conclusion of the negotiation will then be recommended for consideration of award.

SECTION III: - TERMS OF REFERENCE

3.0 INTRODUCTION AND BACKGROUND

- 3.1 The South Eastern Kenya University ('the Employer') operates retirement benefits arrangements namely:
- i) The South Eastern Kenya University Pension Scheme ("The Fund"); and the arrangements are established under irrevocable trust and covers permanent and pensionable employees of South Eastern Kenya University.
- 3.2 The Fund was established and registered by RBA on **20th May 2010** under certificate no.1852.
- 3.3 This Request for Proposal is being made only in respect of the Fund.**
- 3.4 The membership of the **Fund** as at 30th June, 2020 comprising of 352 **active members**.
- 3.5 The estimated value of the Funds' assets is **Kshs. 730 million**. The main source of funds is contributions and investment income.
- 3.6 The Trustees of the Fund are reviewing their Fund Management arrangements and seek Proposals from Fund Managers for the management of Funds assets.
- 3.7 The Fund Trustees may select one or more firm among those invited to submit proposals, in accordance with the method of selection set out in this Request for Proposals ('RFP') document.
- 3.8 The bidders are invited to submit a Technical Proposal and a Financial Proposal, as specified in this document for provision of Fund Management Services to the Fund. The successful Proposal(s) will be the basis for negotiations and ultimately for a signed Contract with the selected firm.
- 3.9 To obtain information on the Fund or to seek any clarifications, bidders are requested to contact the Pensions Administrator in writing regarding any information that they may require before submitting a proposal through the address stated in the RFP document.
- 3.10 At any time before the submission of proposals, the Trustees of the Fund may for any reason, whether at their own initiative or in response to a clarification requested by an invited firm, amend the RFP. Any amendments shall be issued in writing through addenda. The Fund may at its discretion extend the deadline for the submission of the proposals through addenda.

3.11 Please note that:

- (i) The costs of preparing the proposal and of negotiating the Contract, including any visits to the Fund are for the account of the bidder; and
- (ii) The Fund Trustees are not bound to accept the proposal with the lowest submitted bid or any proposal(s) submitted.

3.12 Brief on the Assignment

- a) The main objective of this assignment is to ensure that the assets of the Fund are prudently and professionally managed by the appointed Fund Managers as stipulated by the Retirement Benefit Act, 1997 and the Funds Investment Policy Statement.

3.13 The key responsibilities of the selected Fund Managers include, inter alia: -

- (a) Provide investment advice on the suitability, risk return and characteristics of the asset classes available to the Fund.
- (b) Provide to the Fund Trustees, on a quarterly basis, with inter alia:
 - (i) A portfolio statement reflecting the book and market value of each financial asset;
 - (ii) A statement of the capital transactions;
 - (iii) A statement of the revenue receipts;
 - (iv) A call deposit account statement reflecting the status of the Fund portfolio as at the last day of the previous month;
 - (v) Overall performance and performance by asset class over:
 - a) the month;
 - b) the year;
 - c) a 3-year period.
- (c) Make available a Portfolio Manager at all reasonable times for queries and advice as well as for discussions with the Fund.
- (d) Make records pertaining to the financial assets available for inspection by the Funds appointed auditors or their duly authorized representatives, whenever reasonably necessary for audit and control purposes.
- (e) Realize such financial assets as the Fund Trustees may request in writing from time to time.
- (f) In conjunction with the Custodian, monitor the collection of all income and other benefits arising from the financial assets, which are paid into the Fund account or invested, on the Fund's behalf.
- (g) Act in the best interest of the Fund at all times; the Fund Manager(s) shall indemnify the Fund for any loss or damage that the Fund may suffer as a direct or indirect result of dishonesty or gross negligence on the part of the Fund Manager or any person engaged in carrying out Fund Management duties in terms hereof.

3.14 General Information about The Bidder

Please provide the following information about your firm:

- i) Name of the Bidder
- ii) Registered Office
- iii) postal Address
- iv) Telephone Number
- v) Fax Number
- vi) E-mail Address
- vii) Date of incorporation
- viii) Certificate of incorporation number
- ix) Country of incorporation
- x) KRA PIN - corporate
- xi) International affiliations

3.15 Attachments – Please attach Copies

- (a) Audited report and accounts for the last three (3) years
- (b) Certificate of incorporation
- (c) CMA registration certificate
- (d) RBA certificate of registration
- (e) Tax compliance certificate
- (f) Company PIN

3.16 Relevant services carried out previously

Please provide ten references from largest Pension Schemes clients and/or provident funds that your firm is currently managing in the capacity of Fund Managers, indicating the following items;

- (a) Scheme/client name
- (b) Contact name
- (c) Position of contact
- (d) Appointment date
- (e) Duration of appointment
- (f) Size of scheme asset under your Management in Kshs.
- (g) Confirmation that we may contact them to confirm appointment
- (h) Please indicate the names of the professional staff that are currently serving the selected client.

3.17 Background

- a) Please provide a brief description of your firm's history, ownership structure, organisational structure and the main objects and main business areas.
- b) Describe the experience you have of managing a segregated discretionary and segregated non-discretionary mandate and indicate the advantages and disadvantages to your institution of each of these mandates

3.18 Funds under management

- (a) Please provide the following information for the schemes and/or Funds under custody. All figures should be in Kshs.

- Total number of clients managed
 - Total number of retirement schemes/Funds managed
 - Total value of client asset managed
 - Total value of pension client assets managed
 - Value of largest client and type (pension or other)
 - Median value of pension / provident fund assets
 - Number of clients lost in the last 3 (three) years
 - Value of assets lost in the last three (3) Years
 - Number of clients won in the last three (3) Years
 - Value of asset won in the last three (3) years
 - Explain briefly the reasons for the additions and the departures as at 30th June 2017, 2018 and 2019.
- (b) What has been the annual growth of your business over the last 3 years?
- (c) Are you able to identify the reasons for your growth?
- (d) What measures are in place to ensure that you continue to grow in the future?
- (e) How has your company structure changed to accommodate that growth?
- (f) Indicate with reason whether you propose segregated investments for the Fund or whether you propose making use of polled Funds.
- (g) If the Act and regulation under the Act guiding investments (i.e. the investment guidelines) were to be removed in totality, please explain in detail what sort of limitations you would put in place to manage the investment related risks for the Fund and how you would ensure compliance of the same.

3.19 Fund Management Personnel

- (a) Please provide the following information in respect of your fund management personnel in Kenya (note that back-office or non-fund management personnel) should be clearly indicated
- Total employees
 - Portfolio managers
 - Analysts (not included above)
 - Client Service/marketing (not included above)
 - Administrator(s) (not included above)
 - Other professionals (not included above)
 - Other full time employees (not included above)
 - Overseas professional (if applicable)

- Provide an organizational flow chart and an organogram of the firm indicating the staff name, qualification (CFA, etc.) and position in the firm.
- Where staff carry out more than one function, clearly indicate the various roles they are expected to carry out.

(b) Please give an indication of turnover of personnel and specify the number of personnel who have left and joined over the last three years

(c) Please give an indication of the number, average experience (in years) and average service (in years) of your equity managers and equity analysts.

(d) Please give an indication of the number, average experience (in years) and average (in years) of your bond managers and bond analysts.

(e) Please give an indication of the number, average experience (in years) and average service (in years) of your offshore asset managers and offshore asset analysts.

3.20 The team

Please provide a brief background of the team (comprising front and back office staff) proposed for this assignment e.g. client manager, director, back office administrator etc. Please include their CV in the format prescribed in the proposed CV format attached as part of annexes in this tender document, the number of client's responsibilities for each staff and the degree of responsibility held in various assignments over the last three years.

3.21 Asset Allocation and Investment Process

3.21.1 Do you have a house view policy?

3.21.2 What is your investment philosophy and process? Describe these

3.21.3 Describe in detail how you go about selecting an equity for inclusion in your house view policy?

3.21.4 Describe in detail how you go about selecting a government security for inclusion in your house view policy?

3.21.5 Describe in detail how you go about selecting an offshore investment (equity and bond) for inclusion in your house view policy?

3.21.6 Describe in detail how you go about selecting a corporate instrument for inclusion in your house view policy?

3.21.7 Who would make decisions for specific asset allocation for a fund of this type and how much discretion does this individual have regarding asset allocation?

3.21.8 What internal compliance checks are in place to ensure the fund specific limits are not breached? In the event that they are breached, would the trustees be informed of the breach?

3.21.9 Describe the steps that would be taken to rectify the breach, including the considerations and timelines within which this would be done?

- 3.21.10 Indicate for the following asset classes, the preferred benchmarks and the reasons for selecting these benchmarks and the appropriateness of the selected benchmarks.
- (i) Quoted Equities
 - (ii) Unquoted equities
 - (iii) Long-term fixed income instruments (Government or corporate securities) of duration of more than 1 or more years
 - (iv) Short-term fixed income instruments (government or corporate securities) of durations less than 1 year
 - (v) Off shore equities
 - (vi) Offshore Bonds
 - (vii) Property investments
 - (viii) Private equities
- 3.21.11 Please show in a table your average asset allocation history for multi asset funds over the last two years where you have full discretion mandate?
- 3.21.12 Are you able to accommodate a client-specific benchmark?
- 3.21.13 Do you currently have in place specific client bench marks?
- 3.21.14 Are the proposed benchmarks independently prepared and free from manipulation?

3.22 Funds Under Management - Distribution

Please provide the following information for the funds under management in the form of a table: -

Total value in Kshs. of:

- Government securities (treasury bills and bonds)
- Quoted equities
- Unquoted equities
- Fixed and call deposits
- Corporate bonds
- Commercial papers
- Offshore investments
- Cash
- Other (please specify)

As at 30th June 2017, 2018, 2019

3.23 Fixed Income Securities

- a) Describe briefly your approach to managing long-term interest portfolios.
- b) Describe briefly your approach to managing short-term fixed interest portfolios
- c) What do you regard as the most important source of additional performance when managing short term fixed income portfolios in Kenya at the present time (e.g. market timing, anomaly switching, yield curve plays, investment in other related classes)? how do you expect these to change?
- d) For corporate bonds, how do you select an appropriate instrument and manage and restrict the credit related risks?

- e) How actively do you manage portfolios? i.e. What turnover (purchase and sales) as a proportion of the value of the portfolio would be expected in a typical year? What level of turnover would you expect for a brief of this nature?
- f) How much freedom of action do portfolio managers have in deciding the strategy within bond portfolios?
- g) Do any internal controls apply?
- h) Would you propose to use a pooled or segmented approach for the bond period?

3.24 Equity stocks

- a) Please describe your philosophy for quoted and unquoted regional equities
- b) Do you carry out your research on equity investments?
- c) Is your research department separate from your Fund management? If Yes or no, please explain the advantages and disadvantages of your approach.
- d) Describe how you carry out your research on quoted and unquoted equities.
- e) Do you adopt a “top-down” or “bottom-up” approach or both?
- f) Describe the approach you adopt and why you prefer this approach
- g) Are “top-down” or “bottom-up” considerations most important to the structure of your Kenyan equity portfolio?
- h) What characteristics do you look for in a stock?
- i) Do you target sectors?
- j) What levels of performance have you achieved relative to the NSE 20 share index over the last 12 months, 36 Months, and 60 months to December, 2018? And hence, what level of out/under performance over these indices have you achieved?
- k) If you propose using pooled fund for all or part of the Kenyan equity exposure, please provide details of the size and performance objective of the fund(s).

3.25 Oversees Securities

- a) Do you propose a pooled or segmented approach to offshore equity investments? Why?
- b) Do you propose a pooled or segmented approach to offshore fixed income investments? Why?

- c) Indicate the name, fund size and performance objective of all the pooled overseas funds in which you would propose to invest for this mandate. Indicate their performance over the last 12 months, 36 months and 60 months.
- d) Do you have a dedicated offshore research department?
- e) Do you have any association or links with specific offshore managers? If yes, indicate who and type of your association you have with them. How often do you receive research information for offshore investments?

3.26 Cash

- a) Please provide details of how cash deposits are invested
- b) Indicate the criteria used to select the institution with which you are placing such deposits and the current list of approved institutions.
- c) Is there an in-house limit on exposure placed with such institutions?
- d) What due diligence do you carry out on such institutions and how often?
- e) Is it possible for this to be tailored to the client's requirements?

3.27 Risk Controls

- a) To what extent is there an "independent" check in relation to client and house guidelines (where independent means independent of the portfolio manager and/or Director)?
- b) Is it possible for the Fund to receive fund reports on ad-hoc basis?
- c) Who (indicate name and position) is responsible for this compliance check?
- d) How do you ensure that potential breaches in your client agreements are addressed *ex ante*? And would such breaches be disclosed to the Scheme Trustees?
- e) Please enclose a copy of a sample client agreement?

3.28 Asset Allocation

- a) What controls do you operate at the asset allocation level?
- b) Are there any controls in place to ensure consistency between the asset distributions of similar funds? If so, who is responsible for monitoring these?
- c) Is it possible for a portfolio manager to deviate from your house policy towards asset allocation? If so, to what extent?

3.29 Stock selection

- a) What controls do you operate at the stock selection level? How do you ensure, in advance, that unauthorized trades are not made?

- b) To what extent can the portfolio manager use their discretion within these controls?

3.30 Custody

- (a) Do you have a preferred custodian? If yes, please provide the name.
(b) Explain the reasons for your preference.

3.31 Administration

3.31.1 How many personnel do you employ in your administration department?

3.31.2 Please confirm that you are able to provide the following: -

- Quarterly reconciliation of cash and book values
- A quarterly valuation / review of portfolio

3.31.3 Approximately how long, after the month and quarter ends, are you able to dispatch the relevant portfolio and holding reports? Are you able to guarantee this?

3.31.4 Are you able to provide data and performance information in an electronic format for performance measurements?

3.31.5 Do you use a system to manage your client portfolio?

3.31.6 Describe the system you have, including its capabilities, the reporting modules, restrictions, accessibility and the up-grades implemented.

3.31.7 Is your system able to prepare customized reports?

3.31.8 Are your reports reconciled with those of the custodians?

- If yes, how often?
- If differences are noted, what actions are taken to reconcile these and over what time frame?

3.32 Professional Indemnity

3.32.1 Does your company have in place professional indemnity insurance for the current year?

3.32.2 If yes, please state the amount of cover and the name of the insurer.

3.32.3 Provide a copy of the current PI cover in place.

3.33 Performance statistics

Please provide annual time – weighted rates of returns from 01 July 2016 to 30th June 2018 for the following: -

- a) Total assets for your balanced/multi asset funds excluding property;
- b) The equity stocks component of your multi asset funds;
- c) The other fixed income component of your multi asset funds; and
- d) The overseas securities component of your multi asset funds.

This information **MUST** be provided in the format in the form of time weighted rates of returns

3.34 Value Added Services

Please provide a list of value added services that your firm can provide to the Fund

3.35 Fees

Please provide the following information regarding your fees for this assignment:

- a) Please list or attach your fee schedule. Please explain exactly what this would include and clarify if your fees include taxes. If this is not indicated, the Trustees of the scheme will assume that the fees quotes are inclusive of all taxes. In addition, your fee quotation must remain valid for at least one hundred and eighty days (**180 days**) from the date of submission of the proposal.
- b) What is the minimum size of account your firm will accept?
- c) What is the minimum annual fee?
- d) Are you able to charge performance related fees?
- e) Are you able to charge fees based on the asset class managed?
- f) Under what circumstances are your fees negotiable?
- g) What is your billing frequency?

The technical proposal shall not include any financial information. **Any financial information contained in the technical proposal will be treated as non-responsive and cause for disqualification.**

The financial proposal shall provide the information requested in sections 3.34 and 3.35 of this RFP.

SECTION IV – TECHNICAL PROPOSAL

	Page
4.1 Technical proposal submission form	29
4.2 Firm’s references	30
4.3 Comments and suggestion on terms of consultants on the terms of reference and on data, services and facilities to be provided by the procuring entity.	31
4.4 Description of the methodology and work plan for performing the assignment	32
4.5 Team composition and task assignments	33
4.6 Format of curriculum Vitae(CV) for proposed Professional staff	34
4.7 Time Schedule for professional personnel	35
4.8 Activity (work schedule)	36

[Date]

4.1 TECHNICAL PROPOSAL SUBMISSION FORM

[_____ Date]

To: _____ [Name and address of Client)

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for _____
_____ [Title of consulting services] in accordance with
your Request for Proposal dated _____ [Date] and our Proposal. We
are hereby submitting our Proposal, which includes this Technical Proposal, [and a
Financial Proposal sealed under a separate envelope-where applicable].

We understand you are not bound to accept any Proposal that you receive.

We remain,

Yours sincerely,

_____ [Authorized Signature]:

_____ [Name and Title of Signatory]

:

_____ [Name of Firm]

:

_____ [Address:]

4.2 FIRM'S REFERENCES

Relevant Services Carried Out in the Last Five Years That Best Illustrate Qualifications

Using the format below, provide information on each assignment for which your firm either individually, as a corporate entity was legally contracted.

Assignment Name:	Country
Location within Country:	Professional Staff provided by Your Firm/Entity(profiles):
Name of Client:	Clients contact person for the assignment.
Address:	No of Staff-Months; Duration of Assignment:
Start Date (Month/Year): Completion Date (Month/Year):	Approx. Value of Services (Kshs)
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:	
Narrative Description of project:	
Description of Actual Services Provided by Your Staff:	

Firm's Name: _____

Name and title of signatory; _____

(May be amended as necessary)

4.3 COMMENTS AND SUGGESTIONS OF CONSULTANTS ON THE TERMS OF REFERENCE AND ON DATA, SERVICES AND FACILITIES TO BE PROVIDED BY THE CLIENT.

On the Terms of Reference:

- 1.
- 2.
- 3.
- 4.
- 5.

On the data, services and facilities to be provided by the Client:

- 1.
- 2.
- 3.
- 4.
- 5.

4.4 DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

4.5 TEAM COMPOSITION AND TASK ASSIGNMENTS

1. Technical/Managerial Staff

Name	Position	Task

2. Support Staff

Name	Position	Task

4.6 FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

Proposed Position: _____

Name of Firm: _____

Name of Staff: _____

Profession: _____

Date of Birth: _____

Years with Firm: _____ Nationality: _____

Membership in Professional Societies: _____

Detailed Tasks Assigned: _____

Key Qualifications: *[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations].*

Education: *[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended and degree[s] obtained.]*

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments.]

Certification:

I, the undersigned, certify that these data correctly describe me, my qualifications, and my experience.

_____ Date: _____
[Signature of staff member]

_____ Date: _____
[Signature of authorised representative of the firm]

Full name of staff member: _____

Full name of authorized representative: _____

4.7 TIME SCHEDULE FOR PROFESSIONAL PERSONNEL

Months (in the Form of a Bar Chart)

Name	Position	Reports Due/ Activities	Months (in the Form of a Bar Chart)												Number of months		
			1	2	3	4	5	6	7	8	9	10	11	12			

Reports Due: _____

Activities Duration: _____

Signature: _____
(Authorized representative)

Full Name: _____

Title: _____

Address: _____

4.8 ACTIVITY (WORK) SCHEDULE

(a). Field Investigation and Study Items

[1st, 2nd, etc., are months from the start of assignment)

	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th	9 th	10 th	11 th	12 th
Activity (Work)												

(b). Completion and Submission of Reports

Reports	Date
1. Inception Report	
4. Interim Progress Report (a) First Status Report (b) Second Status Report	
3. Draft Report	
4. Final Report	

SECTION V: FINANCIAL PROPOSAL FORMS

Notes on preparation of financial proposal

1. The financial proposal prepared by the consultants should list the cost associated with the assignment. These costs normally cover remuneration for staff, subsistence, transportation, services and equipment, printing of documents, surveys etc. as may be applicable. The costs should be broken down to be clearly understood by the procuring entity.
2. The financial proposal shall be in Kenya Shillings, or any other currency allowed in the request for proposal and shall take into account the tax liability and cost of insurance specified in the request for proposal. Where another currency other than Kenya Shillings is used, the applicable rate for conversion will be the **SEKU mean rate for the date of tender opening**.
3. The financial proposal should be prepared using the standard forms provided in this part.

Table of Contents

	Page
5.1 Financial proposal submission Form	39
5.2 Summary of costs	40
5.3 Breakdown of price/per activity	40
5.4 Breakdown of remuneration per activity	41
5.5 Reimbursables per activity	41
5.6 Miscellaneous expenses	42

5.1 FINANCIAL PROPOSAL SUBMISSION FORM

_____ [Date]

To: _____

[Name and address of Client]

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for (_____) [Title of consulting services] in accordance with your Request for Proposal dated (_____) [Date] and our Proposal. Our attached Financial Proposal is for the _____ sum of (_____) [Amount in words and figures] inclusive of the taxes.

We remain,

Yours sincerely,

_____ [Authorized Signature]

:

_____ [Name and Title of Signatory]:

_____ [Name of Firm]

_____ [Address]

5.2 SUMMARY OF COSTS

Costs	Currency(ies)	Amount(s)
Subtotal		
Taxes		
Total Amount of Financial Proposal		_____

5.3 BREAKDOWN OF PRICE PER ACTIVITY

Activity NO.: _____	Description: _____
Price Component	Amount(s)
Remuneration	
Reimbursable	
Miscellaneous Expenses	
Subtotal	_____

5.4 BREAKDOWN OF REMUNERATION PER ACTIVITY

Activity No. _____ Name: _____				
Names	Position	Input (Staff months, days or hours as appropriate.)	Remuneration Rate	Amount
Regular staff				
(i)				
(ii)				
Consultants				
Grand Total				

5.5 REIMBURSABLES PER ACTIVITY

Activity No: _____ Name: _____

No.	Description	Unit	Quantity	Unit Price	Total Amount
1.	Air travel	Trip			
2	Road travel	Kms			
3.	Rail travel	Kms			_____
4.	Subsistence Allowance	Day			_____
	Grand Total				

5.6 MISCELLANEOUS EXPENSES

Activity No. _____ Activity Name: _____

No.	Description	Unit	Quantity	Unit Price	Total Amount
1.	Communication costs _____ _____				
2.	(telephone, telegram, telex)				
3.	Drafting, reproduction of reports				
4.	Equipment: computers etc.				_____
	Software				_____
	Grand Total				_____

SECTION VI: STANDARD FORMS

Notes on the standard forms

- 6.1 **Form of Tender**-The form of Tender must be completed by the tenderer and submitted with the tender documents. It must also be duly signed by duly authorized representatives of the tenderer.
- 6.2 **Contract Form** -The contract form shall not be completed by the tenderer at the time of submitting the tender. The contract form shall be completed after contract award and should incorporate the accepted contract price.
- 6.3 **Confidential Business Questionnaire Form** - This form must be completed by the tenderer and submitted with the tender documents.
- 6.4 **Tender Security Form**-When required by the tender documents the tenderer shall provide the tender security either in the form included herein or in another format acceptable to the procuring entity. The tender security form must be completed by the tenderers and submitted with the tender.
- 6.5 **Performance security Form** -The performance security form should not be completed by the tenderers at the time of tender preparation. Only the successful tenderer will be required to provide performance security in the form provided herein or in another form acceptable to the procuring entity.
- 6.6 **Letter of Notification** – This form should not be completed by the tenderer at the time of submitting the tender.
- 6.7 **Form RB 1:** This form should not be completed at the time of submitting the bid. The form is a sample to be used by the tenderers to lodge any appeals.
- 6.8 **Declaration form** – This form must be completed by the tenderer at the time of submitting the tender

6.1 Form of Tender

To: Name and address of procuring entity

Date

Tender No.
Tender Name

Gentlemen and/or Ladies: -

Having examined the Tender documents including Addenda No. (insert numbers) the receipt of which is hereby duly acknowledged, we the undersigned, offer to procure (the particulars of the tender) under this tender in conformity with the said Tender document for the sum of [Total Tender amount in words and figures] or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Tender.

We undertake, if our Tender is accepted, to abide by the conditions of the tender.

We agree to abide by this Tender for a period of [number] days from the date fixed for Tender opening of the Instructions to Tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

This Tender, together with your written acceptance thereof and your notification of award, shall constitute a Contract between us subject to the signing of the contract by both parties.

We understand that you are not bound to accept the lowest or any Tender you may receive.

Dated this _____ day of _____ 2019

[Signature]

[In the capacity of]

Duly authorized to sign Tender for and on behalf of _____

6.2 SAMPLE CONTRACT FOR CONSULTING SERVICES

CONTRACT

This Agreement, [hereinafter called “the Contract”) is entered into this _____ [Insert starting date of assignment], by and between _____ [Insert Client’s name] of [or whose registered office is situated at] _____ [insert Client’s address](hereinafter called “the Client”) of the one part AND _____ [Insert Consultant’s name] of [or whose registered office is situated at] _____ [insert Consultant’s address] (hereinafter called “the Consultant”) of the other part.

WHEREAS the Client wishes to have the Consultant(s) perform the services [hereinafter referred to as “the Services”, and

WHEREAS the Consultant is willing to perform the said Services,

NOW THEREFORE THE PARTIES hereby agree as follows:

1. Services (i) The Consultant shall perform the Services specified in Appendix A, “Terms of Reference and Scope of Services,” which is made an integral part of this Contract.

(ii) The Consultant shall provide the personnel listed in 4.5, “Consultant’s Personnel,” to perform the Services.

(iii) The Consultant shall submit to the Client the reports in the form and within the time periods specified in this tender

2. Term The Consultant shall perform the Services during the period commencing on _____ [Insert starting date] and continuing through to _____ [Insert completion date], or any other period(s) as may be subsequently agreed by the parties in writing.

3. Payment A. Ceiling
For Services rendered pursuant to Appendix A, the Client shall pay the Consultant an amount not to exceed _____ [Insert amount]. This amount has been established based on the understanding that it includes all of the Consultant’s costs and profits as well as any tax obligation that may be imposed on the Consultant.

B. Schedule of Payments

The schedule of payments is specified below (Modify in order to reflect the output required.

Kshs _____ upon the Client's receipt of a copy
of this Contract signed by the Consultant;

Kshs _____ upon the Client's receipt of the
draft report, acceptable to the Client; and

Kshs _____ upon the Client's receipt of the final
report, acceptable to the Client.

Kshs _____ Total

C. Payment Conditions

Payment shall be made in Kenya Shillings unless otherwise specified not later than thirty [30] days following submission by the Consultant of invoices in duplicate to the Coordinator designated in Clause 4 here below. If the Client has delayed payments beyond thirty (30) days after the due date hereof, simple interest shall be paid to the Consultant for each day of delay at a rate three percentage points above the prevailing South Eastern Kenya University's average rate for base lending.

4. **Project Administration**

A. Coordinator.

The Client designates **The Fund Accountant** as Client's Coordinator; the Coordinator will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for payment.

B. Reports.

The reports shall be submitted in the course of the assignment and will constitute the basis for the payments to be made under paragraph 3.

5. **Performance Standards**

The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory.

6. **Confidentiality**

The Consultant shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this

Contract or the Client's business or operations without the prior written consent of the Client.

7. Ownership of Material

Any studies, reports or other material, graphic, software or otherwise prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software.

8. Consultant Not to be Engaged in certain Activities

the Consultant agrees that during the term of this Contract and after its termination the Consultant and any entity affiliated with the Consultant shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

9. Insurance

The Consultant will be responsible for taking out any appropriate insurance coverage.

10. Assignment

The Consultant shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.

11. Law Governing Contract and Language

the Contract shall be governed by the laws of Kenya and the language of the Contract shall be English Language.

12. Dispute Resolution

Any dispute arising out of the Contract which cannot be amicably settled between the parties shall be referred by either party to the arbitration and final decision of a person to be agreed between the parties. Failing agreement to concur in the appointment of an Arbitrator, the Arbitrator shall be appointed by the chairman of the Chartered Institute of Arbitrators, Kenya branch, on the request of the applying party.

FOR THE CLIENT

FOR THE CONSULTANT

Full name; _____ Full name; _____

Title; _____ Title; _____

Signature; _____ Signature; _____

Date; _____ Date; _____

6.3 CONFIDENTIAL BUSINESS QUESTIONNAIRE

You are requested to give the particulars in Part 1 and either Part 2 (a), 2 (b) or 2 (c), whichever applies to your type of business. Part 2 (d) to part 2(g) must be filled.

You are advised that it is a serious offence to give false information on this Form. Giving wrong or false information on this Form will lead to automatic disqualification / termination of your business proposal at your cost.

Business Name of Applicant (s)

.....
.....

Part 1 – General

Business Name: _____

Certificate of Incorporation/Registration NoDate of Incorporation/Registration__

State if Special Group (if any) (attached Certified Certificate _____)

Location of business premises:

Physical address _____ Town _____ Country _____

Building..... Fax No’s..... Plot No.....

Street / Road Postal Address Postal / Country Code.....

Telephone No’s Fax No’s.....

E-mail address

Website.....

Contact Person (Full Names (in BLOCK Letters)

Name _____ Position / Title _____ Email _____

Direct / Mobile No’s _

Does Contact person have Power of Attorney? (Yes / No) If Yes, attach power of attorney document

Nature of Business

Value of the largest single assignment you have undertaken to date (Kshs.)

Was this successfully undertaken? Yes / No. _____

Banking: -

Name (s) of your banker (s) _____ Branch

Physical address

Email

Financial Auditor: -

Name _____

Physical Address

Tel No's_

Email

Part 2 (a) – Sole Proprietors

Full names

.....

Nationality _____ *Citizenship detail _____

Physical _____ Address

.....

Phone Number _____

Email

.....

Part 2 (b) – Partnerships

Give details of partners as follows:

	Full Name	Nationality	Citizenship Details	Shares
1				
2				

3				
4				
5				

Part 2 (c) – Registered Company

Private or public

State the nominal and issued capital of the Company: -

Nominal Kshs _____ Issued Kshs

Give details of all directors as follows: -

	Full Name	Nationality	Citizenship Details	Shares
1				
2				
3				
4				
5				

Part 2 (d) – Interest in the Firm:

Is there any person / persons in South Eastern Kenya University or any other public institution that has interest in the Firm? Yes / No? _____ (Delete as necessary); If YES, give details below: -

	Institution	Title	Signature	Date
1				
2				
3				
4				

6.4 TENDER SECURITY FORM

Whereas [name of Bidder] (hereinafter called <the tenderer> has submitted its bid dated [date of submission of bid] for [particulars] (hereinafter called <the tender>).

KNOW ALL PEOPLE by these presents that WE [name of bank] of [name of country], having our registered office at [name of procuring entity] (hereinafter called <the procuring entity> in the sum of [state the amount] for which payment well and truly to be made to the said procuring entity, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this _____ day of _____ 20 _____

THE CONDITIONS of this obligation are: -

1. If the tenderer withdraws its tender during the period of tender validity specified by the procuring entity on the Form; or
2. If the tender, having been notified of the acceptance of its tender by the procuring entity during the period of tender validity
 - (a) Fails or refuses to execute the Contract Form, if required; or
 - (b) Fails or refuses to furnish the performance security, in accordance with the Instructions to tenders.
 - (c) Refuses correction of arithmetic errors in the tender.

We undertake to pay to the procuring entity up to the above amount upon receipt of its first written demand, without the procuring entity having to substantiate its demand, provided that in its demand the procuring entity will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the conditions, specifying the occurred condition(s)

This tender guarantee will remain in force up to and including thirty (30) days after the period of tender validity, and any demand in respect thereof should reach the Bank not later than the above date

[Signature of the Bank]

6.5 PERFORMANCE SECURITY FORM

To:
[Name of procuring entity]

WHEREAS [Name of tenderer]
(Hereinafter called “the tenderer”) has undertaken, in pursuance of Contract No. ____
_____ [Reference number of the contract] dated _____ 20 ____
_ to supply
[Description of materials and spares] (Hereinafter called “the Contract”)

AND WHEREAS it has been stipulated by you in the said Contract that the tenderer shall furnish you with a bank guarantee by a reputable bank for a sum specified therein as security for compliance with the Tenderer’s performance obligations in accordance with the Contract

AND WHEREAS we have agreed to give the tenderer a guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the tenderer, up to a total of
[amount of the guarantee in words and figures], and we undertake to pay you, upon your first written demand declaring the tenderer to be in default under the Contract and without cavil or argument, any sum of sums within the limits of [amount of guarantee] as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the _____ day of _____ 20 ____

Signature and seal of the Guarantors

[Name of bank of financial institution]

[Address]

[Date]

6.6 LETTER OF NOTIFICATION OF AWARD

Address of Procuring Entity

To: _____

RE: Tender No. _____

Tender Name _____

This is to notify that the contract/s stated below under the above mentioned tender have been awarded to you.

1. Please acknowledge receipt of this letter of notification signifying your acceptance.
2. The contract/contracts shall be signed by the parties within 30 days of the date of this letter but not earlier than 14 days from the date of the letter.
3. You may contact the officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

(FULL PARTICULARS) _____

SIGNED FOR ACCOUNTING OFFICER

6.7 FORM RB 1

REPUBLIC OF KENYA

PUBLIC PROCUREMENT ADMINISTRATIVE REVIEW BOARD

APPLICATION NO..... OF.....20.....

BETWEEN APPLICANT AND

.....RESPONDENT (*Procuring Entity*) Request for review of the decision of the..... (*Name of the Procuring Entity*) ofdated the...day of20.....in the matter of Tender No.....of20...

REQUEST FOR REVIEW

I/We....., the above named Applicant(s), of address: Physical address..... Fax No.....Tel. No..... Email, hereby request the Public Procurement Administrative Review Board to review the whole/part of the above mentioned decision on the following grounds, namely: -

- 1.
- 2.
- etc.

By this memorandum, the Applicant requests the Board for an order/orders that: -

- 1.
- 2.
- Etc.

SIGNED (Applicant)

Dated on..... day of/...20...

FOR OFFICIAL USE ONLY

Lodged with the Secretary Public Procurement Administrative Review Board on day of20.....

SIGNED
Board Secretary

6.8 DECLARATION FORM

Date _____

To: _____

The tenderer i.e. (name and address) _____

_____ declare the following:

- a) Has not been debarred from participating in public procurement.
- b) Has not been involved in and will not be involved in corruption and fraudulent practices regarding public procurement.

Title: _____

Signature: _____

Date: _____

(to be signed by authorized representative and officially stamped)