



OFFICE OF THE AUDITOR-GENERAL
Promoting Accountability in the Public Sector

**REQUEST FOR PROPOSALS (RFP) - CONSULTANCY FOR
PROVISION OF CAR LOAN & MORTGAGE SCHEME FINANCING
FOR STAFF OF THE OFFICE OF THE AUDITOR-GENERAL**

TENDER No: OAG/RFP/01/2015-2016

INVITATION DATE: 11TH MARCH, 2016

CLOSING DATE: 30TH MARCH, 2016

MARCH, 2016

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SECTION I - LETTER OF INVITATION

Date: 11th March, 2016

TO:

Dear Sir/Madam,

RE: CONSULTANCY SERVICES FOR PROVISION OF CAR LOAN & MORTGAGE SCHEME FINANCING FOR STAFF OF THE OFFICE OF THE AUDITOR-GENERAL

- 1.1 The **Office of the Auditor-General** invites proposals for Consultancy Services on Administration of Staff Car Loan and Mortgage Scheme Financing Services.

The scheme to be referred to as Office of The Auditor-General (OAG) CAR Loan & Mortgage Scheme will be based on a revolving fund and administered by a financial institution/ bank. The scheme shall have standard conditions and legal obligations with clearly set out application procedures.

Currently OAG has a staff of 1250 who are expected to benefit from the scheme.

- 1.2 Eligible consultants may obtain further information and inspect/download the Tender Document from **Office of the Auditor-General's website**(www.kenao.go.ke) or the Supplier's Portal (www.supplier.treasury.go.ke.) free of charge.
- 1.3 A complete set of tender documents may be **downloaded** by interested candidates **for free from the Office of The Auditor-General's website: www.kenao.go.ke or www.supplier.treasury.go.ke**. Those who download the document must immediately forward their particulars (i.e. Name & Contacts of applicant) on e-mail to **info@oagkenya.go.ke** for purposes of registration, receiving any other clarifications and/or addendums.
- 1.4 Completed RFPs are to be enclosed in plain sealed envelopes marked with the specific tender name and reference number and deposited in the Tender Box located at **Office of The Auditor-General, Offices, Anniversary Towers, 8th floor** or to be addressed to **The Auditor-General, P.O. Box 30084-00100, NAIROBI** so as to be received on or before **11.00 AM, local time on 30th March, 2016**. Late proposals will be rejected.
- 1.5 Prices quoted should be net inclusive of all taxes and must be in Kenya Shillings and shall remain valid for **120 days** from the closing date of the tender.

A consultant may bid for one or both lots

- 1.7 Tenders will be opened immediately thereafter

1.8 The request for proposals (RFP) includes the following documents:

- Section I - Letter of invitation
- Section II - Information to consultants
Appendix to Consultants information
- Section III - Terms of Reference
- Section IV - Technical proposals
- Section V - Financial proposal
- Section VI - Standard Contract Form

Yours sincerely

Agnes C. Mita
For: Auditor-General

SECTION II – INFORMATION TO CONSULTANTS (ITC)

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SECTION II: - INFORMATION TO CONSULTANTS (ITC)

2.1 Introduction

- 2.1.1 The Client named the Appendix to “ITC” will select a firm among those invited to submit a proposal, in accordance with the method of selection detailed in the appendix. The method of selection shall be as indicated by the procuring entity in the Appendix.
- 2.1.2 The consultants are invited to submit a Technical Proposal and a Financial Proposal, or a Technical Proposal only, as specified in the Appendix “ITC” for consulting services required for the assignment named in the said Appendix. A Technical Proposal only may be submitted in assignments where the Client intends to apply standard conditions of engagement and scales of fees for professional services which are regulated as is the case with Building and Civil Engineering Consulting services. In such a case the highest ranked firm of the technical proposal shall be invited to negotiate a contract on the basis of scale fees. 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 first hand information on the assignment and on the local conditions, consultants are encouraged to liaise with the Client regarding any information that they may require before submitting a proposal and to attend a pre-proposal conference where applicable. Consultants should contact 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 The Procuring entity will provide the inputs specified in the Appendix “ITC”, assist the firm in obtaining licenses and permits needed to carry out the services and make available relevant project data and reports.
- 2.1.5 Please note that (i) the costs of preparing the proposal and of negotiating the Contract, including any visit to the Client are not reimbursable as a direct cost of the assignment; and (ii) the Client is not bound to accept any of the proposals submitted.
- 2.1.6 The procuring entity’s employees, committee members, board members and their relative (spouse and children) are not eligible to participate.
- 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 of any of 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, cable, telex, facsimile or electronic mail to the Client's address indicated in the Appendix "ITC". The Client will respond by cable, telex, facsimile 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 of proposals, the Client 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, cable, telex or facsimile to all invited consultants and will be binding on them. The Client may at his discretion extend the deadline for the submission of proposals.

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 proposal.

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

- (i) If a firm considers that it does not have all the expertise for the assignment, it may obtain a full range of expertise by associating with individual consultant(s) and/or other firms or entities in a joint venture or sub-consultancy as appropriate. 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 Client.
- (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 staff-time) 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 D). 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 60 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 Client will make his best effort to complete negotiations within this period. If the Client 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, if required, Financial Proposal; see para. 1.2) 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 authorised 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 and other information indicated in the Appendix “ITC” and be clearly marked, “**DO NOT OPEN, EXCEPT IN PRESENCE OF THE OPENING COMMITTEE.**”
- 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 Technical Proposal shall be opened immediately by the opening committee. The Financial Proposal shall

remain sealed and deposited with a responsible officer of the client department up to the time for public opening of financial proposals.

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 Client 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 Client 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 evaluation committee appointed by the Client shall evaluate the proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria as follows;

2.7.1.1 Stage 1- Preliminary Evaluation

Firms will be evaluated against submission of the following **mandatory documents** required. Only firms found to be responsive will proceed to the next stage of evaluation: None – Responsive proposals will be rejected at this stage.

S/No	Requirements	YES/NO
i.	Company Profile	
ii.	Copy of Certificate of Incorporation.	
iii.	Copy of the valid tax compliance certificate.	
iv.	Dully filled, signed & stamped confidential business questionnaire	
v.	Copy of Single Business permit from County Government	
vi.	Three years audited accounts (2013, 2014 & 2015)	
vii.	Valid copy of license from the Central Bank to provide mortgage/ car loan services	
viii.	Evidence of membership to the organization for banks or financial institution	
ix.	Confirmation that the firm is not insolvent /in receivership or in the process of being wound up	
x.	Confirmation that the firm is not corrupt or involved in fraudulent practices. (signed Affidavit to be attached)	

2.7.1.2 Stage 2-Technical Evaluation

Here each responsive proposal will be given a technical score (St). A proposal shall be rejected at this stage if it does not respond to important aspects of the Terms of Reference or if it fails to achieve the minimum technical score of **75%**

	Item Description	Parameter	Maximum score
(i)	<p>Specific experience of the service provider in related assignment</p> <p>(a) No. of years of Experience in mortgage /Car loan scheme management financing.(Minimum required-5 years)</p> <p><i>Evidence required</i></p>	Each year@ 1 marks upto maximum of 5 years	5
	<p>b) Proof of offering similar services to at- least five corporate clients in the last five years</p> <p><i>(Attach copies of LSO/ Contract)</i></p>	Each client @ 3 marks upto a maximum of 5 clients	15
(ii)	<p>Adequacy of the proposed methodology, work plan and comprehensiveness of the proposal in relation to the outlined objectives and outputs in the TOR(s).</p>	-Understanding & conformity of the proposal to the TOR (6 marks)	34
		- Suitability/Appropriateness of the proposed technical approach and methodology (15 marks)	
		Adherence to SRC guidelines (4 Marks)	
		Availability of proposed detailed procedure and timelines for processing of a loan application from receipt of approval from OAG to point of disbursement in all scenarios i.e <ul style="list-style-type: none"> a) Buying of a house b) Construction of a house c) Buying of a car (@ 2 marks upto a maximum of 6 marks)	
	Additional value adding suggestions to the TORs (3 marks)		

	Item Description	Parameter	Maximum score
iii)	Qualifications and competence of the Key staff for the assignment a) Team Leader Experience Should possess 10 years experience in scheme (mortgage/ car loan) management (Attach CV in format provided)	Each year@ 1 mark up to a maximum of 10 years	10
	Academic Qualification (Attach Certificates)	Master of Business Administration (MBA) – 5 marks	10
		Bachelor’s Degree in finance, accounts/ banking or equivalent from a recognized university. – 5 marks	
	Professional Qualification (Attach Certificates)	CPAK/ ACCA – 3 marks	3
		Membership to a professional body -2 marks	2
	b) Account manager(s) Car Loan/Mortgage schemes Demonstrate relevant experience of 5 years in handling similar assignments (Attach CVs)	1 mark for each year for each manager upto a maximum of 5 marks	5
	Academic Qualification (Attach Certificates)	Bachelor’s Degree in finance, accounts or related field (5 marks each)	5
	Professional Qualification (Attach Certificates)	CPAK/ACCA– 3 marks	3
	c) Relationship Officer (Attach CV)	B’COM Marketing Option or equivalent	5
iv)	General Presentation and outlook of the document	Tender Document serialized and arranged in an orderly manner	3
V	Restrictions clauses	½ mark less for noted restriction on regions e.t.c. upto a maximum of 3 marks	
	Total Points		100

2.7.2 The same criteria shall be applied in evaluating each scheme i.e. car loan and mortgage

2.8 Public Opening and Evaluation of Financial Proposal

2.8.1 After Technical Proposal evaluation, the Client 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 after completing the selection process. The Client shall simultaneously notify the consultants who have secured the minimum qualifying mark, indicating the date and time set for opening the Financial Proposals and stating that the opening ceremony is open to those consultants who choose to attend. The opening date shall not be sooner than seven (7) days after the notification date. The notification may be sent by registered letter, cable, telex, facsimile or electronic mail.

2.8.2 The Financial Proposals shall be opened publicly in the presence of the consultants' 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 Client shall prepare minutes of the public opening.

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 While comparing proposal prices between local and foreign firms participating in a selection process in financial evaluation of Proposals, firms incorporated in Kenya where indigenous Kenyans own 51% or more of the share capital shall be allowed a 10% preferential bias in proposal prices. However, there shall be no such preference in the technical evaluation of the tenders. Proof of local incorporation and citizenship shall be required before the provisions of this sub-clause are applied. Details of such proof shall be attached by the Consultant in the financial proposal.

2.8.5 The formulae for determining the Financial Score (Sf) shall, unless an alternative formulae 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.

- 2.8.6 The tender evaluation committee shall evaluate the tender within 30 days of from the date of opening the tender.
- 2.8.7 Contract price variations shall not be allowed for contracts not exceeding one year (12 months).
- 2.8.8 Where contract price variation is allowed, the variation shall not exceed 10% of the original contract price
- 2.8.9 Price variation requests shall be processed by the procuring entity within 30 days of receiving the request.

2.9 Negotiations

- 2.9.1 Negotiations will be held at the same address as “address to send information to the Client” 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 Client and firm 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 Client 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 Client expects to negotiate a contract on the basis of the experts named in the proposal. Before contract negotiations, the Client will require assurances that the experts will be actually available. The Client 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 Client and the selected firm will initial the agreed Contract. If negotiations fail, the Client 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 Client 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 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 TO INFORMATION TO CONSULTANTS

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 and to consultants and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the information to consultants.

Clause Reference

2.1 The name of the Client is: **Office of the Auditor-General**

2.1.1 The method of selection is: **Quality Cost Based Selection (QCBS)**

2.1.2 Technical and Financial Proposals are requested: **Yes**

The name, objectives, and description of the assignment are:

Name: Consultancy Service for Provision of:

- i)** Mortgage Scheme Financing to the staff Office of The Auditor-General- **Lot 1**

- ii)** Car Loan Scheme Financing to the staff of the Office of The Auditor- General – **Lot 2**

Objective:

a) Mortgage Scheme – Lot 1

- Administer the scheme on behalf of Office of the Auditor-General.
- Appraise request and disburse loans to qualifying members of staff.
- Pay the OAG returns on deposits.
- Provide credit and loan evaluation services.
- Provide valuation & legal services.
- Remit quarterly reports on the status of the account.
- Keep the joined title documents until the loan is fully repaid.
- Ensure all the relevant insurances are in place, valid and in their custody.
- Keep record of repayments and institute action to ensure full recovery in case of default.
- Track repayment of loan for all beneficiaries to ensure the payments are up to date and advise OAG in case of default.
- In case of disciplinary cases, ensure the interest is translated into market immediately OAG advices so in writing.

b) Car Loan Scheme – Lot 2

- Provide appraisal services.
- Make payments to the sellers for positive appraisals.

- Advise OAG on monthly repayments
- Keep the log book and blank transfer form until the loan is fully repaid.
- Advise on any defaults and institute measures to ensure full recoveries of the loan balance
- Revert the rates to market rates where OAG advises so in line with the policy.

2.1.3 A pre-proposal conference will be held: **No**

The name(s), address and telephone numbers of the Client's official(s) are:

**Office of The Auditor-General, Anniversary Towers,
P.O. Box 30084-00100, NAIROBI. Tel. No. +254 - 20 - 3342330,
FAX: + 254 - 20 - 311482,
Email: oag@oagkenya.go.ke,
Website: www.kenao.go.ke.**

2.1.4 The Client will provide the following inputs:

a) Counter Part / Liaison staff

b) Seed money of approximately Ksh. 150 Million

2.3.3 (ii) The estimated number of professional staff months required for the assignment is; **N/A**

(iv) The minimum required experience of proposed professional staff is

S/No	Qualifications and competence of the Key staff for the assignment
1	<p>Team Leader Should possess</p> <ul style="list-style-type: none"> - Master of Administration (MBA) from a recognized university - 10 years' experience in scheme (mortgage/ car) management --Bachelor's Degree in finance, accounts/ banking or equivalent from a recognized university - Post graduate diploma qualification in either CPAK, ACCA - Be a member of a professional body
2	<p>Account manager(s) Car/Mortgage schemes</p> <ul style="list-style-type: none"> - Bachelor's Degree in finance, accounts/ banking or equivalent from a recognized university - Demonstrate relevant experience of 5 years in handling similar assignments - Post graduate diploma qualification in either CPAK, ACCA - Be a member of a professional body
3	<p>Relationship Officer B'COM Marketing Option or equivalent</p>

(vii) Training is a specific component of this assignment: **No**

(viii) Additional information in the Technical Proposal includes:
There are no Reimbursable

2.1.7 Taxes: **Firm to pay the all the relevant taxes as applicable.**

2.5.2 Consultants must submit an original and **one** additional copy of each proposal.

2.5.3 The proposal submission address is: Information on the outer envelope should also include:

**Office of The Auditor-General,
Anniversary Towers,
P.O. Box 30084-00100,
NAIROBI.**

2.5.4 Proposals must be submitted no later than the following date and time: **11.00 AM** local time, **30th March, 2016**

2.6.1 The address to send information to the Client is:

**Office of The Auditor-General,
Anniversary Towers,
P.O. Box 30084-00100,
NAIROBI.
Tel. No. +254 – 20 – 3342330
Email: oag@oagkenya.go.ke
Website: www.kenao.go.ke**

2.7.1.2 The minimum technical score required to pass: **75 %**

2.8.5 Alternative formulae for determining the financial scores is the following: **N/A**

The weights given to the Technical and Financial Proposals are:

T= (0. 80)

P= (0.20)

2.9.2 The assignment is expected to commence from: **May, 2016**

SECTION III: - TECHNICAL PROPOSAL

Notes on the preparation of the Technical Proposals

- 3.1 In preparing the technical proposals the consultant is expected to examine all terms and information included in the RFP. Failure to provide all requested information shall be at the consultants own risk and may result in rejection of the consultant's proposal.
- 3.2 The technical proposal shall provide all required information and any necessary additional information and shall be prepared using the standard forms provided in this Section.
- 3.3 The Technical proposal shall not include any financial information unless it is allowed in the Appendix to information to the consultants or the Special Conditions of contract.

SECTION III - TECHNICAL PROPOSAL

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1. Technical proposal submission form	
2. Firms references	
3. Comments and suggestions of consultants on the Terms of reference and on data, services and facilities to be provided by the procuring entity	
4. Description of the methodology and work plan for performing the assignment	
5. Team composition and Task assignments	
6. Format of curriculum vitae (CV) for proposed Professional staff	
7. Time schedule for professional personnel	
8. Activity (work schedule)	

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:]

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 or in association, 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):
Name of Associated Consultants. If any:	Approx. Value of Services (Kshs)
	No of Months of Professional Staff provided by Associated Consultants:
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)

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.

**14. DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR
PERFORMING THE ASSIGNMENT**

5. TEAM COMPOSITION AND TASK ASSIGNMENTS

1. Technical/Managerial Staff

Name	Position	Task

2. Support Staff

Name	Position	Task

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: _____

7. TIME SCHEDULE FOR PROFESSIONAL PERSONNEL

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: _____

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 IV: - FINANCIAL PROPOSAL

Notes on preparation of Financial Proposal

- 4.1 The Financial proposal prepared by the consultant should list the costs 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.
- 4.2 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 insurances specified in the request for proposal.
- 4.3 The financial proposal should be prepared using the Standard forms provided in this part

SECTION IV - FINANCIAL PROPOSAL STANDARD FORMS

Table of Contents

	Page
1. Financial proposal submission Form	
2. Summary of costs	
3. Breakdown of price/per activity	
4. Breakdown of remuneration per activity	
5. Reimbursables per activity	
6. Miscellaneous expenses	

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]*

2. SUMMARY OF COSTS

Costs	Currency(ies)	Amount(s)
a) Subtotal For lot 1		<hr/>
Add Taxes		<hr/>
b) Subtotal For lot 2		<hr/>
Taxes		<hr/>
Total Amount of Financial Proposal (Inclusive of Taxes)		<hr/>

3. BREAKDOWN OF PRICE PER ACTIVITY

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

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. 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				

6. MISCELLANEOUS EXPENSES

Activity No. _____ Activity Name: _____

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

SECTION V: - TERMS OF REFERENCE

TERMS OF REFERENCES (TOR)

1.0 BACKGROUND INFORMATION

1.1 The Office of the Auditor-General (OAG) is an independent office established under Article 229 of the Constitution of Kenya. The office is charged with the primary oversight role of ensuring accountability within the three arms of government (Legislature, Judiciary and the Executive) as well as the Constitutional Commissions, Independent Offices and any other entity funded from public funds.

1.2 The Office intends to engage a financial institutions) to administer Staff Car Loan and Mortgage Scheme Financing Services.

The scheme to be referred to as Office of The Auditor-General (OAG) CAR Loan & Mortgage Scheme will be based on a revolving fund and administered by a financial institution/ bank. The scheme shall have standard conditions and legal obligations with clearly set out application procedures.

1.3 Currently OAG has a staff of 1250 who are expected to benefit from the scheme.

2.0 SPECIFIC REQUIREMENT

The proposed housing mortgage and car loan schemes will be operated as per the provisions of the Salaries and Remuneration Commission's (SRC) guidelines of 17th December, 2014.

The specific requirement for each scheme is as follows:

2. 1 MORTGAGE SCHEME- LOT 1

2. 1.1 Purpose

The purpose of the Housing Mortgage Scheme is to assist an employee purchase or construct a residential house in line with the. The scheme will, however, not support purchase of housing for speculative purposes.

2.1. 2 Specific outputs:

The successful service provider is expected to:-

- (i) Administer the scheme on behalf of Office of the Auditor General.
- (ii) Appraise request and disburse loans to qualifying members of staff.
- (iii) Pay the OAG returns on deposits.
- (iv) Provide credit and loan evaluation services.
- (v) Provide valuation & legal services.
- (vi) Remit quarterly reports on the status of the account.

- (vii) Keep the joint title documents until the loan is fully repaid.
- (viii) Ensure all the relevant insurances are in place, valid and in their custody.
- (ix) Keep record of repayments and institute action to ensure full recovery in case of default.
- (x) Track repayment of contract and exited employees to ensure the payments are up to date and advise OAG in case of default.
- (xi) In case of disciplinary cases, ensure the interest is translated into market immediately the OAG advices so in writing.

2.1.3 Where a Borrower ceases to be an Employee of the Office of the Auditor-General

Where a borrower ceases to be an employee of the Office of The Auditor-General for whatever reason other than disciplinary grounds, the terms of the loan remains in force and does not change for life of the loan unless in the cases of default.

In both cases of disciplinary or default, the interest reverts to commercial terms as will be advised by the Scheme Administrator.

In the incident of death in service, the Mortgage Insurance Policy terms shall apply.

2.1.4 Interest

The interest rate chargeable on the loan granted shall be at a maximum of 5% per annum on a reducing balance the OAG as per the terms of the agreement. The OAG reserves the right to vary the rate of interest of the situation may demand from time to time. This will however, be guided by the agreement between the OAG and the Scheme Administrator and shall apply to new borrowers only.

2.2 House Purchase Loan

2.2.1 The following documents shall be required:

- (i) A valid offer for sale by the legal vendor of his/her legally appointed agent.
- (ii) A copy of the Title Document – certificate of lease or title deed.
- (iii) A valuation report by qualified valuers appointed by the Scheme Administrator.
- (iv) Original pay slips for the last three months.
- (v) Recommendation from the employer/sponsor.

2.3.0 House Construction Loan

2.3.1 The following documents shall be required:

- (i) Present proof of ownership of land on which the house is to be constructed e.g title deed, certificate of lease or letter of allotment.
- (ii) Spousal consent form; Affidavit to confirm spousal consent (where applicable).
- (iii) Duly approved Plan by an authorized Local Authority.
- (iv) Certified Bill of Quantities and Contractor's certified estimated building cost.
- (v) Architect's certificate detailing the amount of work done/executed.
- (vi) Proof of a registered contractor to undertake the construction works.

2.3.2 For consideration of house construction loan, the following basic conditions shall apply:

- (i) A Certified building plan approved by the relevant local Authority.
- (ii) This loan shall include the legal fees, valuation fees, administrative costs, insurance and other related charges which shall be borne by the employee.
- (iii) An employee who is advanced a loan for construction of a house will be expected to complete construction and take occupation of the house within a period of twenty four (24) months from the start of construction, unless request for extension is put in writing and so granted by the Scheme Administrator.
- (iv) At the completion of construction, the Scheme Administrator shall convert the construction loan to normal loan and administered under same agreement as in direct house purchase loan.
- (v) Fund shall only be released in phases on as and when advised by the Quantity Surveyors, Valuer or Architect and as may be determined by the Scheme Administrator.
- (vi) Interest shall be payable upon release of funds.

3.0 TERMS OF REFERENCE FOR CAR LOAN SCHEME- LOT 2

3.1.1 Purpose

The purpose of the Car Loan Scheme is to assist an employee purchase a car for personal use. The scheme will, however, not support purchase of cars for speculative purposes.

3.1.2 Specific objectives:

The successful service provider is expected to:-

- (i) Provide appraisal services.
- (ii) Make payments to the sellers for positive appraisals.
- (iii) Advise OAG on monthly repayments
- (iv) Keep the log book and blank transfer form until the loan is fully repaid.
- (v) Advise on any defaults and institute measure to ensure full recoveries of the loan balance
- (vi) Revert the rates to market rates where OAG advises so in line with the policy.

3.1.3 Where a Borrower ceases to be an employee of the OAG

Where a borrower ceases to be an employee of Office of The Auditor-General for whatever reason other than disciplinary grounds, the terms of the loan remains in force and does not change for life of the loan unless in the cases of default.

In both cases of disciplinary or default, the interest reverts to commercial terms as will be advised by the Scheme Administrator.

In the incident of death in service, the Mortgage Insurance Policy terms shall apply.

3.2 Type of Vehicle

3.2.1 Second- Hand Motor Vehicles:

The loan shall be used to purchase a motor vehicle that is not more than eight years old. Employees intending to purchase used motor vehicles shall be required to submit a mechanical inspection and valuation report obtained at a valuation agency such as the Automobile Association of Kenya (AA). The borrower or the seller shall meet the valuation charges.

3.2.2 New Motor Vehicles

Applications to purchase a new car shall be accompanied by the pro-forma invoice from the supplier. No loan shall be granted by the OAG unless it is

satisfied as to the mechanical soundness and, marketability of the vehicle to be purchased.

3.3 Logbook

- a) The logbook will be registered in the joint names of OAG and the employee. The borrower shall also sign a blank transfer form, which shall be deposited with the scheme administrator.
- b) The logbook will be in the custody of the scheme administrator until the loan is fully settled.

3.4. Vehicle Maintenance

- a) The borrower shall maintain the said vehicle in good working condition and shall neither use the said vehicle on public road if the vehicle is defective nor shall the borrower violate or fail to observe any of the terms under which the vehicle is insured.
- b) Where OAG is of the opinion that such a vehicle is not maintained properly the motor vehicle shall be impounded and sold to recover the outstanding debt and the borrower shall pay the OAG's debt, the OAG shall recover any outstanding amount from the salary or other monies due to the borrower.
- c) The car shall be driven by the borrower personally or by his authorized driver as the case shall be (if qualified). The driver shall possess a valid driving license and a current certificate of competency.
- d) Where the vehicle is involved in an accident or stolen, the borrower shall immediately inform OAG, his insurers and the police in writing.

3.5. Supporting Documents

- a) Facilitation shall depend on the applicant's production of a valid driving license to drive the class of motor vehicle for which the loan is required; as required by the Traffic Act;
- b) The last three pay slips
- c) Recommendation letter by the head of department
- d) Duly filled and authorized form from the human resource
- e) Vehicle mechanical report from an authorized agent e.g AA of Kenya
- f) Copy of logbook
- g) Details of vendor (for second hand) or supplier (for new) of vehicle.
- h) Sale agreement between vendor and purchaser.

3.6 Repayment

- a) The loan shall be recovered within sixty (60) months or the number of months remaining to the borrower's retirement at 60 years whichever is less.
- b) Under the contract terms of service, in respect of borrowers, the repayments thereof shall be made and restricted to the unexpired period of the contract agreement.
- c) Notwithstanding the above, OAG reserves the right to recall in the entire loan facility and require immediate redemption of the said loan without notice.
- d) The balance of salary after the loan deductions shall not be less than one third (1/3) of the employee's net salary.
- e) Repayment of advance before expiry of agreed period: Any employee wishing to repay the loan in full before the expiry of the agreed period shall be free to do so. In such cases, a recalculation of the interest shall be made to take into account the shorter duration over which the loan was outstanding.
- f) Upon completion of full repayment of loan, the employee shall pay the necessary transfer fees to have the vehicle transferred to his/her sole ownership.

3.7. Interest

The interest charged is on reducing monthly balances as shall be decided and agreed by OAG and Scheme Administrator from time to time. However, it shall not be more than five (5%).

3.8 Where a Borrower ceases to be an Employee of the Authority

Where a borrower ceases to be an employee of OAG for whatever reason other than disciplinary grounds, the terms of the loan remain in force and do not change for the life of the loan unless in the cases of default in which case it reverts to commercial terms as will be advised by the scheme administrator.

3.9.0 Insurance policy cover of Motor Vehicle(s)

- a) The employee to whom the car loan is made shall take a comprehensive insurance policy cover in the joint names of OAG or scheme administrator and employee.
- b) It is the responsibility of the scheme administrator to arrange for the renewal of the insurance policy when it becomes due whilst there is any advance still outstanding.
- c) The insurance charges shall be borne by the employee through check off system where OAG shall make monthly remittances to the scheme administrator within a twelve months period.
- d) The policy document shall be deposited with the scheme administrator for safe custody.
- e) Disciplinary action shall be taken on failure to observe this condition. When the loan has been fully paid off, the authority interest in the vehicle ends and the insurance policy shall be returned to the employee for retention.

4.0 EVALUATION OF THE PROPOSALS

Each scheme will be evaluated and awarded separately as a lot using the evaluation criteria contained in **clause 2.7** in each case.

CONTRACT FOR CONSULTANT'S SERVICES

Large Assignments (Lump-Sum Payments)

between

[name of the Client]

AND

[name of the Consultant]

Dated: _____*[date]*

I. FORM OF CONTRACT

Large Assignments (Lump-Sum Payments)

This Agreement (hereinafter called the "Contract") is made the _____ day of the month of _____ [month], [year], between _____, [name of client] of [or whose registered office is situated at] _____ [location of office] (hereinafter called the "Client") of the one part AND

_____ [name of consultant] of [or whose registered office is situated at] _____ [location of office] (hereinafter called the "Consultant") of the other part.

WHEREAS

- (a) the Client has requested the Consultant to provide certain consulting services as defined in the General Conditions of Contract attached to this Contract (hereinafter called the "Services");
- (b) the Consultant, having presented to the Client that he has the required professional skills and personnel and technical resources, have agreed to provide the Services on the terms and conditions set forth in this Contract;

NOW THEREFORE the Parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:
 - (a) The General Conditions of Contract;
 - (b) The Special Conditions of Contract;
 - (c) The following Appendices: [**Note:** *If any of these Appendices are not used, they should be deleted from the list*]
 - Appendix A: Description of the Services
 - Appendix B: Reporting Requirements
 - Appendix C: Key Personnel and Sub consultants
 - Appendix D: Breakdown of Contract Price in Foreign Currency
 - Appendix E: Breakdown of Contract Price in Local Currency
 - Appendix F: Services and Facilities Provided by the Client
2. The mutual rights and obligations of the Client and the Consultants shall be as set forth in the Contract; in particular:

- (a) The Consultant shall carry out the Services in accordance with the provisions of the Contract; and
- (b) the Client shall make payments to the Consultant in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of _____ [*name of client*]

[*full name* _____ of _____ Client's
authorised representative _____

[*title*] _____

[*signature*] _____

[*date*] _____

For and on behalf of _____ [*name of consultant*]

[*full name of Consultant's*
authorized representative] _____

[*title*] _____

[*signature*] _____

[*date*] _____

II. GENERAL CONDITIONS OF CONTRACT

1. GENERAL PROVISIONS

1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract shall have the following meanings:

- (a) “Applicable Law” means the laws and any other instruments having the force of law in the Republic of Kenya as they may be issued and in force from time to time;
- (b) “Contract” means the Contract signed by the Parties, to which these General Conditions of Contract (GC) are attached together with all the documents listed in Clause 1 of such signed Contract;
- (c) “Contract Price” means the price to be paid for the performance of the Services in accordance with Clause 6 herebelow;
- (d) “Foreign Currency” means any currency other than the Kenya Shilling;
- (e) “GC” means these General Conditions of Contract;
- (f) “Government” means the Government of the Republic of Kenya;
- (g) “Local Currency” means the Kenya Shilling;
- (h) “Member”, in case the Consultant consists of a joint venture of more than one entity, means any of these entities; “Members” means all these entities, and “Member in Charge” means the entity specified in the SC to act on their behalf in exercising all the Consultant’s rights and obligations towards the Client under this Contract;
- (i) “Party” means the Client or the Consultant, as the case may be and “Parties” means both of them;
- (j) “Personnel” means persons hired by the Consultant or by any Subconsultant as employees and assigned to the performance of the Services or any part thereof;
- (k) “SC” means the Special Conditions of Contract by which the GC may be amended or supplemented;

- (l) “Services” means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A; and
- (m) “Sub consultant” means any entity to which the Consultant subcontracts any part of the Services in accordance with the provisions of Clauses 3 and 4.

1.2 Law Governing the Contract

This Contract, its meaning and interpretation and the relationship between the Parties shall be governed by the Laws of Kenya.

1.3 Language

This Contract has been executed in English language which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

1.4 Notices

Any notice, request, or consent made pursuant to this Contract shall be in writing and shall be deemed to have been made when delivered in person to an authorized representative of the Party to whom the communication is addressed or when sent by registered mail, telex, telegram or facsimile to such Party at the address specified in the SC.

1.5 Location

The Services shall be performed at such locations as are specified in Appendix A and, where the location of a particular task is not so specified, at such locations, whether in the Republic of Kenya or elsewhere, as the Client may approve.

1.6 Authorized Representatives

Any action required or permitted to be taken and any document required or permitted to be executed under this Contract by the Client or the Consultant may be taken or executed by the officials specified in the SC.

1.7 Taxes and Duties

The Consultant, Sub consultant[s] and their personnel shall pay such taxes, duties, fees and other impositions as may be levied under the Laws of Kenya, the amount of which is deemed to have been included in the Contract Price.

2. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

2.1 Effectiveness of Contract

This Contract shall come into effect on the date the Contract is signed by both Parties or such other later date as may be stated in the SC.

2.2 Commencement of Services

The Consultant shall begin carrying out the Services thirty (30) days after the date the Contract becomes effective or at such other date as may be specified in the SC.

2.3 Expiration of

Unless terminated earlier pursuant to Clause 2.6, this

Contract Contract shall terminate at the end of such time period, after the Effective Date, as is specified in the SC.

2.4 Modification Modification of the terms and Conditions of this Contract, including any modification of the scope of the Services or the Contract Price, may only be made by written agreement between the Parties.

2.5 Force Majeure

2.5.1 Definition For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party’s performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

2.5.2 No Breach of Contract The failure of a Party to fulfill any of its obligations under the Contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event.

2.5.3 Extension Of Time Any period within which a Party shall, pursuant to this Contract complete any action or task shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

2.5.4 Payments During the period of his inability to perform the Services as a result of an event of Force Majeure, the Consultant shall be entitled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by him during such period for the purposes of the Services and in reactivating the Service after the end of such period.

2.6 Termination

2.6.1 By the Client The Client may terminate this Contract by not less than thirty (30) days’ written notice of termination to the Consultant, to be given after the occurrence of any of the events specified in this Clause;

- (a) if the Consultant does not remedy a failure in the performance of his obligations under the Contract within thirty (30) days after being notified or within any further period as the Client may have subsequently approved in writing;

- (b) if the Consultant becomes insolvent or bankrupt;
- (c) if, as a result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days; or
- (d) if the Consultant, in the judgement of the Client, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purpose of this clause;

“corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the selection process or in Contract execution.

“fraudulent practice” means a misrepresentation of facts in order to influence a selection process or the execution of Contract to the detriment of the Client, and includes collusive practice among consultants (prior to or after submission of proposals) designed to establish prices at artificial non-competitive levels and to deprive the Client of the benefits of free and open competition.

- (e) if the Client in his sole discretion decides to terminate this Contract.

2.6.2 By the Consultant The Consultant may terminate this Contract by not less than thirty (30) days’ written notice to the Client, such notice to be given after the occurrence of any of the following events;

- (a) if the Client fails to pay any monies due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause 7 within sixty (60) days after receiving written notice from the Consultant that such payment is overdue; or
- (b) if, as a result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.

2.6.3 Payment upon Termination Upon termination of this Contract pursuant to Clauses 2.6.1 or 2.6.2, the Client shall make the following payments to the Consultant:

- (a) remuneration pursuant to Clause 6 for Services satisfactorily performed prior to the effective date of termination;

- (b) except in the case of termination pursuant to paragraphs (a) and (b) of Clause 2.6.1, reimbursement of any reasonable costs incident to the prompt and orderly termination of the Contract, including the cost of the return travel of the Personnel and their eligible dependents.

3.0 OBLIGATIONS OF THE CONSULTANT

3.1 General

The Consultant shall perform the Services and carry out his obligations with all due diligence, efficiency and economy in accordance with generally accepted professional techniques and practices and shall observe sound management practices, and employ appropriate advanced technology and safe methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as faithful adviser to the Client and shall at all times support and safeguard the Client's legitimate interests in any dealing with Sub consultants or third parties.

3.2 Conflict of Interests

3.2.1 Consultant Not to Benefit from Commissions, Discounts, Etc.

- (i) The remuneration of the Consultant pursuant to Clause 6 shall constitute the Consultant's sole remuneration in connection with this Contract or the Services and the Consultant shall not accept for his own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of his obligations under the Contract and the Consultant shall use his best efforts to ensure that his personnel, any sub consultant[s] and agents of either of them similarly shall not receive any such additional remuneration.
- (ii) For a period of two years after the expiration of this Contract, the Consultant shall not engage and shall cause his personnel as well as his sub consultant[s] and his/their personnel not to engage in the activity of a purchaser (directly or indirectly) of the assets on which he advised the Client on this Contract nor shall he engage in the activity of an adviser (directly or indirectly) of potential purchasers of such assets.
- (iii) Where the Consultant as part of the Services has the responsibility of advising the Client on the procurement of goods, works or services, the Consultant will comply with any applicable procurement guidelines and shall at all times exercise such responsibility in the best interest of the Client. Any discounts or commissions

obtained by the Consultant in the exercise of such procurement shall be for the account of the Client.

3.2.2 Consultant and Affiliates Not to be Otherwise Interested in Project

The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and his affiliates, as well as any Subconsultant and any of his affiliates, 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.

3.2.3 Prohibition of Conflicting Activities

Neither the Consultant nor his subconsultant[s] nor their personnel shall engage, either directly or indirectly in any of the following activities:

- (a) during the term of this Contract, any business or professional activities in the Republic of Kenya which would conflict with the activities assigned to them under this Contract; or
- (b) after the termination of this Contract, such other activities as may be specified in the SC.

3.3 Confidentiality

The Consultant, his subconsultant[s] and the personnel of either of them shall not, either during the term of this Contract or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Project, the Services, this Contract or the Client's business or operations without the prior written consent of the Client.

3.4 Insurance to be Taken Out by the Consultant

The Consultant (a) shall take out and maintain and shall cause any subconsultant[s] to take out and maintain, at his (or the subconsultants', as the case may be) own cost but on terms and conditions approved by the Client, insurance against the risks and for the coverage, as shall be specified in the SC; and (b) at the Client's request, shall provide evidence to the Client showing that such insurance has been taken out and maintained and that the current premiums have been paid.

(xiii)

3.5 Consultant's Actions Requiring Client's Prior Approval

The Consultant shall obtain the Client's prior approval in writing before taking any of the following actions;

- (a) entering into a subcontract for the performance of any part of the Services,
- (b) appointing such members of the personnel not listed by name in Appendix C (“Key Personnel and Subconsultants”).

3.6 Reporting Obligations The Consultants shall submit to the Client the reports and documents specified in Appendix A in the form, in the numbers, and within the periods set forth in the said Appendix.

3.7 Documents prepared by the Consultant to Be the Property of the Client All plans, drawings, specifications, designs, reports and other documents and software submitted by the Consultant in accordance with Clause 3.6 shall become and remain the property of the Client and the Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents and software to the Client together with a detailed inventory thereof. The Consultant may retain a copy of such documents and software. Neither Party shall use these documents for purposes unrelated to this Contract without the prior approval of the other Party.

4 CONSULTANT’S PERSONNEL

4.1 Description of Personnel The titles, agreed job descriptions, minimum qualifications and estimated periods of engagement in the carrying out of the Services of the Consultant’s Key Personnel are described in Appendix C. The Key Personnel and Sub consultants listed by title as well as by name in Appendix C are hereby approved by the Client.

4.2 Removal and/or Replacement Of Personnel (a) Except as the Client may otherwise agree, no changes shall be made in the Key Personnel. If for any reason beyond the reasonable control of the Consultant, it becomes necessary to replace any of the Key Personnel, the Consultant shall provide as a replacement a person of equivalent or better qualifications.

- (b) If the Client finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) the Client has reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultant shall, at the Client’s written request specifying the grounds thereof, provide as a replacement a person with qualifications and experience acceptable to the Client.

- (c) The Consultant shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

5.0 OBLIGATIONS OF THE CLIENT

5.1 Assistance and Exemptions

The Client shall use his best efforts to ensure that he provides the Consultant such assistance and exemptions as may be necessary for due performance of this Contract.

5.2 Change in the Applicable Law

If after the date of this Contract, there is any change in the Laws of Kenya with respect to taxes and duties which increases or decreases the cost of the Services rendered by the Consultant, then the remuneration and reimbursable expenses otherwise payable to the Consultant under this Contract shall be increased or decreased accordingly by agreement between the Parties and corresponding adjustments shall be made to the amounts referred to in Clause 6.2 (a) or (b), as the case may be.

5.3 Services and Facilities

The Client shall make available to the Consultant the Services and Facilities listed under Appendix F.

6.0 PAYMENTS TO THE CONSULTANT

6.1 Lump-Sum Remuneration

The Consultant's total remuneration shall not exceed the Contract Price and shall be a fixed lump-sum including all staff costs, Subconsultants' costs, printing, communications, travel, accommodation and the like and all other costs incurred by the Consultant in carrying out the

Services described in Appendix A. Except as provided in Clause 5.2, the Contract Price may only be increased above the amounts stated in Clause 6.2 if the Parties have agreed to additional payments in accordance with Clause 2.4.

6.2 Contract Price

- (a) The price payable in foreign currency is set forth in the SC.
- (b) The price payable in local currency is set forth in the SC.

6.3 Payment for Additional Services

For the purposes of determining the remuneration due for additional services as may be agreed under Clause 2.4, a breakdown of the lump-sum price is provided in Appendices D and E.

6.4 Terms and Conditions of Payment

Payments will be made to the account of the Consultant and according to the payment schedule stated in the SC. Unless otherwise stated in the SC, the first payment shall be made against the provision by the Consultant of a bank guarantee for the same amount and shall be valid for the period stated in the SC. Any other payment shall be made after the conditions listed in the SC for such payment have been met and the Consultant has submitted an invoice to the Client specifying the amount due.

6.5 Interest on Delayed Payment

Payment shall be made within thirty (30) days of receipt of invoice and the relevant documents specified in Clause 6.4. 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 Central Bank of Kenya's average rate for base lending .

7.0 SETTLEMENT OF DISPUTES

7.1 Amicable Settlement

The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.

7.2 Dispute Settlement

Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may 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.

III. SPECIAL CONDITIONS OF CONTRACT

Number of GC Clause	Amendments of and Supplements to Clauses in the General Conditions of Contract
1.1(i)	The Member in Charge is _____ <i>[name of Member]</i>
1.4	<p>The addresses are:</p> <p>Client: Office of The Auditor-General P.O. Box 30084-00100, NAIROBI.</p> <p>Attention: The DAG- CS</p> <p>Telephone: No. +254-20 – 3342330</p> <p>Consultant: _____</p> <p>Attention: _____</p> <p>Telephone; _____</p> <p>Telex: _____</p> <p>Facsimile: _____</p>
1.6	<p>The Authorized Representatives are:</p> <p>For the Client: Agnes C. Mita</p> <p>For the Consultant: _____</p>
2.1	<p>The date on which this Contract shall come into effect Is: Upon signing of the contract</p>
2.2	<p>The date for the commencement of Services is: 14 days after contract effectiveness</p>
2.3	<p>The period shall be : As agreed by both parties .</p>
3.4	<p>The risks and coverage shall be:</p> <p>(i) Professional Liability _____</p> <p>(ii) Loss of or damage to equipment and property _____</p>
6.2(a)	<p>The amount in foreign currency or currencies is: Nil</p>

6.2(b) The amount in local Currency is: **Whole amount**

6.4 Payments shall be made according to the following schedule:

Note: (a) This sample Clause should be specifically drafted for each Contract and the following installments are indicative only; (b) if the payment of foreign currency and of local currency does not follow the same schedule, add a separate schedule for payment in local currency; and (c) if applicable, detail further the nature of the report evidencing performance, as may be required, e.g., submission of study or specific phase of study, survey, drawings, draft bidding documents, etc., as listed in Appendix B, Reporting Requirements. In the example provided, the bank guarantee for the repayment is released when the payments have reached 50 percent of the lump-sum price, because it is assumed that at that point, the advance has been entirely set off against the performance of services.

- Twenty (20) percent of the Contract Price shall be paid on the commencement date against the submission of a bank guarantee for the same.
- Ten (10) percent of the lump-sum amount shall be paid upon submission of the inception report.
- Twenty-five (25) percent of the lump-sum amount shall be paid upon submission of the interim report.
- Twenty-five (25) percent of the lump-sum amount shall be paid upon submission of the draft final report.
- Twenty (20) percent of the lump-sum amount shall be paid upon approval of the final report.
- The bank guarantee shall be released when the total payments reach fifty (50) percent of the lump-sum amount.

IV. APPENDICES

APPENDIX A – DESCRIPTION OF THE SERVICES

Give detailed descriptions of the Services to be provided, dates for completion of various tasks, place of performance for different tasks, specific tasks to be approved by Client, etc.

APPENDIX B – REPORTING REQUIREMENTS

List format, frequency, and contents of reports; persons to receive them; dates of submission; etc. If no reports are to be submitted, state here “Not applicable.”

APPENDIX C– KEY PERSONNEL AND SUBCONSULTANTS

List under: C-1 Titles [and names, if already available], detailed job descriptions and minimum qualifications of Personnel and staff-months for each.

C-2 List of approved Sub consultants (if already available); same information with respect to their Personnel as in C-1.

APPENDIX D – BREAKDOWN OF CONTRACT PRICE IN FOREIGN CURRENCY

List here the elements of cost used to arrive at the breakdown of the lump-sum price – foreign currency portion:

- 1. Monthly rates for Personnel (Key Personnel and other Personnel).*
- 2. Reimbursable expenditures.*

This appendix will exclusively be used for determining remuneration for additional services.

APPENDIX E – BREAKDOWN OF CONTRACT PRICE IN LOCAL CURRENCY

List here the elements of cost used to arrive at the breakdown of the lump-sum price – local currency portion.

- 1. Monthly rates for Personnel (Key Personnel and other Personnel).*
- 2. Reimbursable expenditures.*

This appendix will exclusively be used for determining remuneration for additional services.

APPENDIX F – SERVICES AND FACILITIES PROVIDED BY THE CLIENT

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

CONFIDENTIAL BUSINESS QUESTIONNAIRE

You are requested to give the particular indicated in Part 1 and either Part 2(a), 2(b), or 2(c) which ever applies to your type of business.

You are advised that it is a serious offence to give false information on this Form.

Part _____ General:

Business Name

Location of business premises

Plot No. Street/Road

Postal Address Tel. No.Fax

Email

Nature of business

Registration Certificate No.

Maximum value of business which you can handle at any one time in Kshs.

Name of your bankers Branch

Part 2(a) – Sole Proprietor:

Your name in full Age

Nationality Country of origin

Citizenship details.....

Party 2(b) – Partnership

Give details of partners as follows

	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:-

	<u>Name</u>	<u>Nationality</u>	<u>Citizenship</u>	<u>Details</u>
	<u>Shares</u>			
1.			
2.			
3.			
4.			
5.			

Date..... Signature of Bidder

If a citizen, indicate under “Citizenship Details” whether by Birth, Naturalization or Registration

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*) of
.....dated the...day of20.....in the matter of Tender No.....of
.....20...

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 of
.....20.....

SIGNED
Board Secretary