



REQUEST FOR PROPOSALS

FOR

**PROVISION OF CONSULTANCY SERVICES FOR DESIGN AND IMPLEMENTATION OF
ENTERPRISE RISK MANAGEMENT (ERM) POLICY FRAMEWORK**

TENDER NO. KCAU/RFP/ERM/2022

CLOSING DATE: 30TH MAY 2022

CLOSING TIME: 11.00AM

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PROVISION OF CONSULTANCY SERVICES FOR DESIGN AND IMPLEMENTATION OF ENTERPRISE RISK MANAGEMENT (ERM) POLICY FRAMEWORK.

SECTION 1- LETTER OF INVITATION.

TO:

Dear Sir/Madam,

KCA University (KCAU) herein invites Proposals for Training and Consultancy of **Enterprise Risk Management Services, Framework, Design and Implementation** at the KCAU main Campus.

More details of the services are provided in the ‘Terms of Reference’ herein.

The Request for Proposal (RFP) includes the following:

Section 1 - Letter of invitation.

Section 2 - Information to Consultants.

Section 3 - Terms of Reference.

Section 4 - Technical Proposal.

Section 5 – Financial Proposal.

Completed proposal documents are to be enclosed in plain sealed envelopes, marked with tender reference number and be deposited in the Tender Box in our office at the Main Campus at Ruaraka and addressed to:

The Vice Chancellor and CEO,
KCA University, Ruaraka Main Campus
P O Box 56808-00200,
Nairobi

So as to be received on or before **16th May 2022 at 11.00am**

Prices quoted should be inclusive of all taxes, must be in Kenya Shillings and shall remain valid for 90 days from the closing date of the tender.

Opening and closing of tenders will take place in the boardroom of KCA University in the presence of the tenderers who wish to attend.

SECTION 2 - INFORMATION TO CONSULTANTS.

2.1. Introduction.

- 2.1.1. KCA University will select a consulting firm among those invited to submit proposals or those who respond to the invitation for proposals in accordance with the method of selection detailed under this section and consistent with the regulations.
- 2.1.2. The consultants are invited to submit a technical proposal and a financial proposal for the services required for the assignment stated in the letter of invitation (Section I)
- 2.1.3. In the assignment where the procuring entity intends to apply standard conditions of engagement and scales of fees for professional services, which scale of fees will have been approved by a relevant authority, a technical proposal only may be invited and submitted by the consultants. In such a case the highest ranked consulting firm in the technical proposals shall be invited to negotiate a contract on the basis of the set scale of fees. The technical proposals will be the basis for contract negotiations and ultimately for a signed contract with the selected consultant.
- 2.1.4. The consultants must familiarize themselves with local conditions as regards the assignment and take them into account in preparing their proposals. To obtain adequate information on the assignment and on the local conditions, consultants are encouraged to liaise with the procuring entity regarding any information that they may require before submitting a proposal.
- 2.1.5. The client will provide the inputs and services specified in the special conditions of contract needed to assist the individual consultant to carry out the assignment.
- 2.1.6. The cost of preparing the proposal and negotiating the contract including any visit to the procuring entity are not reimbursable as a direct cost of the assignment. The procuring entity is not bound to accept any of the proposals submitted.
- 2.1.7. The procuring entity's employees, committee members, council members and their relatives (spouse and children) are not eligible to participate in the tender.

2.2. Clarification and Amendment to the Request for Proposal (RFP) Documents.

- 2.2.1. Consulting firms may request clarification of any of the RFP documents not later than Seven (7) days before the deadline for the submission of the proposals. Any request for clarification must be sent in writing by post, fax or email to the procuring entity's address indicated in the special conditions of contract. The procuring entity will respond by post, fax or email 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 individual consultants invited to submit proposals.
- 2.2.2. At any time before the deadline for submission of the proposals, the procuring entity may for any reason; either at its own initiative or in response to a clarification requested by an intended consultant amend the RFP. Any amendment shall be issued in writing, fax or email to all invited consultants and will be binding on them. The procuring entity may at its discretion extend the deadline for the submission of the proposals.
- 2.2.3. Clarification of tenders shall be requested by the tenderer to be received by the procuring entity not later than 7 days prior to the deadline for submission of tenders.
- 2.2.4. The procuring entity shall reply to all clarifications sought by the tenderer within 3 days of receiving the request to enable the tenderer to make timely submission of their tender.

2.3. Preparation of Proposals.

- 2.3.1. The consultant's proposal shall be written in English language.
- 2.3.2. In preparing the Technical Proposal, the consultants are expected to examine the documents consisting the 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, the consultant must give particular attention to the following:
 - a) 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
 - b) For all the staff who will be involved in the exercise of the proposals, the consultant must indicate their responsibility in the assignment and also the staff time as necessary.
 - c) The curriculum vitae (CV) of the staff proposed must be submitted with the proposal.
- 2.3.4. The Technical Proposal shall provide the following information;
 - a) The individual consultant's CV and a brief of any recent experience of assignment of a similar nature. For each assignment the brief should indicate the profiles of staff involved,
 - b) Contract amount and the individual consultant's involvement.
 - c) Any comments or suggestions on the "Terms of Reference" and a list of service and facilities requested to be provided by the procuring entity.
 - d) A description of the methodology and work plan for performing the proposed assignment.
 - e) Any additional information requested in the special conditions of contract.
- 2.3.5. The Technical Proposal shall be separate from the financial proposal and shall not include any financial information.

2.4. Financial Proposal.

- 2.4.1. In preparing the Financial Proposal, the consultants are expected to take into account the time required in completing the assignment as outlined in the RFP documents. The financial proposal will therefore be quoted in fees per day or month. The financial proposal may also include other costs as necessary, which will be considered as reimbursable.
- 2.4.2. The Financial Proposal should include the payable taxes.
- 2.4.3. The fees shall be expressed in Kenya Shillings.
- 2.4.4. The Financial Proposal must remain valid for 90 days after the submission date. During this period the consultant is expected to keep available at his own cost any staff proposed for the assignment. The procuring entity will make best effort to complete negotiations within this period. If the procuring entity wishes to extend the validity period of the proposals, the consultants who do not agree, have the right not to extend the validity of their proposals.
- 2.4.5. The Financial Proposal must comply with the law governing the profession of the consultant.

2.5. Submission, Receipt and Opening of Proposals.

- 2.5.1. The Technical Proposal and the Financial Proposal shall be prepared in indelible ink. It shall contain no interlineations or overwriting, except as necessary to correct errors made by the consultants. Any such corrections must be initialled by the consultant.
- 2.5.2. For each proposal the consultants shall prepare the proposals in the number of copies indicated in the special conditions of contract. 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 duly marked “FINANCIAL PROPOSAL”. Both envelopes shall be placed in an outer envelope and sealed. This outer envelope shall bear the procuring entities address and other information indicated in the appendix to the instructions to consultants and clearly marked “DO NOT OPEN” before **16th May 2022 at 11.00am**
- 2.5.4. The completed Technical and Financial proposals must be delivered at the submission address on or before the time and date of the submission of the proposals indicated in the appendix to the instructions to consultants. Any proposals received later than the closing date for submission of proposals shall be rejected and returned to the consultant unopened. For this purpose, the inner envelope containing the technical and financial proposals will bear the address of the consultant submitting the proposals.
- 2.5.5. After the deadline for submission of proposals the outer envelope and the technical proposals shall be opened immediately by the opening Committee. The financial proposals shall be marked with the consultant’s number allocated at the time of opening the outer envelope and the technical proposals but shall remain sealed and in the custody of a responsible officer of the procuring entity up to the time set for opening them after technical evaluation.

2.6. Evaluation of the Proposal (General).

- 2.6.1. From the time the proposals are opened to the time of the contract award, if any consultant wishes to contact the procuring entity on any matter relating to the proposal, he/ she should do so in writing at the address indicated in the appendix to the instructions to consultants. Any effort by a consultant to influence the procuring entity’s staff in the evaluation of companion proposals or awards of contract may result in the rejection of the proposal.
- 2.6.2. The Proposal Evaluation Committee shall have no access to the Financial Proposal, which in any case will remain sealed, until the technical evaluation is concluded or finalized.

2.7. Evaluation of Technical Proposals.

The Evaluation Committee appointed by the procuring entity to evaluate the proposals shall carry out the evaluation of technical proposals following the criteria set out in the Terms of Reference based on the following points/ criteria;

A. Preliminary Evaluation Criteria (Mandatory).

The tenderer must:

1. Submit the required number of copies of both the technical and financial proposals.
2. Submit a copy of certificate of registration/ incorporation.
3. Submit a copy of valid tax compliance certificate
4. Submit a valid copy of business permit /license from relevant authorities to conduct business.
5. Serialize all pages for each bid submitted.
6. Certified audited accounts for the last two years (2019 and 2020)

NB: Only bidders who pass the preliminary stage will proceed to the technical evaluation.

B. Technical Evaluation Criteria.

Criteria	Marks
The lead consultant must have at least 10 years of experience in Enterprise Risk.	15
Lead consultant' must possess recognised qualifications and competence in risk management.	20
Must be registered members with relevant professional bodies e.g. ICPAK, IIA.	3
The consultant must have working and demonstrable knowledge of ISO 31000 risk management standards including implementation experience.	10
Firm profile must demonstrate experience in the implementation of an enterprise risk management framework inclusive of a change management and training programme.	10
Provide a list of clients (3) within the last 5 years and reference letters from these clients and attach certified copies of reference letters where these services have been offered.	15
Physical facilities: Provide details of physical address and contacts.	2
A proposed approach and methodology for carrying out the assignment with key deliverables being: i. Risk policy ii. Training plan iii. Carrying out Risk analysis and development of risk registers for the departments and the University. iv. Report.	25
Total	100

A

Note:

- i. Bidders must meet all the mandatory requirements to qualify for general and technical requirements.
- ii. To qualify for financial evaluation, the bidder must score a minimum of 70 points (70%).
- iii. Any information provided by the bidder may be verified by the University as part of due diligence and if information is found to be false, the company may be disqualified.

2.8. Responsive /Nonresponsive Proposals.

Any proposal which will be examined and found not to comply with all the requirements for submission will be declared nonresponsive. All the proposals found to have complied with all the requirements for submission shall be declared responsive by the Evaluation Committee.

2.9. Rejected Proposals.

Each responsive proposal will be given a Technical Score (ST). Any technical proposal which fails to achieve the total minimum score indicated in the appendix to the information to tenderers shall be rejected at this stage and will not proceed to the next stage of evaluation. The respective financial proposal will be returned to the individual consultant unopened.

2.10. Opening and Evaluation of Financial Proposals.

- 2.10.1. After completion of the evaluation of Technical Proposals, the procuring entity shall notify the individual consultants whose proposals did not meet the minimum technical score or were declared non responsive to the RFP and terms of reference. The notification will indicate that their financial proposals shall not be opened and will be returned to them unopened after the completion of the selection process and contract award. At the same time, the procuring entity shall simultaneously notify the consultants who have secured the minimum technical score that they have passed the technical qualifications and inform them the date and time set by the procuring entity for opening their financial proposal. They will also be invited to attend the opening ceremony if they wish to do so.
- 2.10.2. The financial proposals shall be opened by the procuring entity in the presence of the individual consultants who choose to attend the opening. The name of the individual consultant, the technical score and the proposed fees shall be read out aloud and recorded. The evaluation committee shall prepare minutes of the opening of the financial proposals.
- 2.10.3. The formulae for determining the financial score (SF) unless an alternative formula is indicated in the appendix to the information to tenderers shall be as follows:
Sf = 100 x fm/f where;
Sf is the financial score;
fm is the lowest fees quoted and
f is the fees of the proposal under consideration.
The lowest fees quoted will be allocated the maximum score of 100.
- 2.10.4. The individual consultant's proposals will be ranked according to their combined technical score (ST) and financial score (SF) using the weights indicated in the appendix to the instructions to consultants. Unless otherwise stated in the appendix to the instructions to consultants, the formula for the combined scores shall be as follows;
$$S = ST \times T\% + SF \times P\%$$

Where,
S, is the total combined scores of technical and financial scores;
ST is the technical score;
SF is the financial score;
T is the weight given to the technical proposal and
P is the weight given to the financial proposal.
Note P + T will be equal to 100%
The individual consultant achieving the highest combined technical and financial score will be invited for negotiations.

2.11. Negotiations.

- 2.11.1. Negotiations will be held at the same address indicated in the appendix to the information to consultants. The purpose of the negotiations is for the procuring entity and the individual consultant to reach agreements on all points regarding the assignment and sign a contract.

2.11.2. The negotiations will include a discussion on the technical proposals, the proposed methodology and work plan, staff and any suggestions made by the individual consultant to improve the Terms of Reference. The agreed Work Plan and Terms of Reference will be incorporated in the description of the service or assignment and form part of the contract.

2.11.3. The negotiations will be concluded with a review of the draft contract. If negotiations fail, the procuring entity will invite the individual consultant whose proposal achieved the second highest score to negotiate a contract.

2.12. Award of Contract.

2.12.1. The contract will be awarded before commencement of negotiations. After negotiations are completed the procuring entity will promptly notify the other individual consultants that they were unsuccessful and return the financial proposals of the individual consultants who did not pass the technical evaluation.

2.12.2. The selected individual consultant is expected to commence the assignment on the date indicated in the appendix to the information to consultants or any other date agreed with the procuring entity.

2.13. Confidentiality.

Information relating to evaluation of proposals and recommendations of contract award shall not be disclosed to the individual consultants who submitted the proposal or to other persons not officially concerned with the process, until the winning individual consultant has been notified that he/she has been awarded the contract.

SECTION 3 -TERMS OF REFERENCE FOR ERM FRAMEWORK.

KCA University (KCAU) is a dynamic private business university of choice in Kenya committed to quality service and ethical practices. Like any other growing institution, KCAU management has increased the concern and focus on risk management. However, there is a challenge in determining how much uncertainty to accept as management strives towards achieving the organisational objectives and delivering value to the stakeholders.

To resolve the challenge, the University is considering reinventing its risk management tools and practices to ensure that the business risks are effectively identified, assessed and managed within acceptable levels by development of a framework that provides a basis for management to effectively deal with uncertainties and associated risks.

An Institutional Risk Management Policy Framework (IRMPF) will enable the University to focus in a comprehensive and holistic basis on all the Risks which could impact on achievement of strategic objectives as well as service delivery targets.

3.1 KCA University expects that the framework will include, inter alia the following for a sound risk management system.

- a) Reliable institutional risk identification and mitigation process and systems.
- b) Adequate risk monitoring and management on areas of safety and security.
- c) Cost effective management and mitigation of risk for the University.
- d) Effective Council and Senior Management oversight.
- e) Adequate fiduciary operations, policies, procedures and limits.
- f) Adequate compliance risk management information systems.
- g) Adequate incident and loss management information systems.
- h) Adequate risk monitoring and management information systems.
- i) Adequate internal controls; and
- j) Effective operational, fiduciary, and complaint management.

3.2 Purpose of the Assignment.

KCA University seeks the services of a consultant to support the development and implementation of an ERM framework for the University. The work will be carried out at the KCA University Ruaraka Campus.

The consultant will be expected to:

- a) Facilitate implementation of Enterprise Risk Management in all the departments of the University based on a risk management methodology consistent with the risk management process outlined in ISO 31000 International Standard.
- b) Develop suitable corporate risk management tools, techniques, practices and processes that would define and manage the full range of risks across the University and provide guidance on their application.
- c) Prepare and submit relevant risk management policies.
- d) Undertake capacity building (Training) on Enterprise Risk Management through training and knowledge for Council, Committees of the Council, Senior Management and Risk Champions (Staff).
- e) Support the monitoring of implementation of the Enterprise Risk Management.

3.3 Scope of Services.

The consultant(s) will be required to familiarize themselves with the University's strategic plan including the vision, mission, core mandate, goals, objectives and departmental work plans and to undertake the following;

- a) Develop the University's risk management policy and framework in line with the ISO 31000 International Standard and regulatory guidelines and benchmark these to best practice.
- b) Facilitate development of various sub-policies necessary for successful implementation of ERM and evaluate existing ones to ensure they meet best practice.
- c) Undertake gap analysis between the existing Risk management practice in KCA University risk management policy and framework and best practice.
- d) Propose an appropriate risk management strategy and methodology that integrates risk management into the existing decision making and reporting arrangements based on ISO 31000 International Standard.
- e) Facilitate risk appetite setting workshops at Board and Senior Management levels and development of a Risk Appetite Statement for KCA University.
- f) Develop a framework for monitoring compliance (both internal and external) with internal controls and processes, regulatory and statutory requirements applicable to KCA University.
- g) Develop a framework for incident management recording and analysis linking to the entire Enterprise Risk Management framework.
- h) Facilitate Risk and Control Self-Assessment (RCSA) workshops and identification of Key Risk Indicators (KRIs) for the various KCA University departments and campuses.
- i) Develop an ERM implementation plan and facilitate its roll out.
- j) Support the Internal Audit in implementation and improvement of Risk-Based Internal Audit as the third line of defence.
- k) Conduct awareness training for the process owners and risk champions.
- l) Develop and conduct a focused training for the board of directors and management.
- m) Propose an appropriate organization structure for risk management throughout KCA University.

3.4 Expected Output.

The expected output for provision of Enterprise Risk Management services are as follows;

- a) Risk management policy and framework.

- b) Report on gap analysis and recommendations management practice.
- c) Risk appetite statement(s).
- d) Frameworks for Compliance risk management, Incident Management, Risk Analytics and Reporting.
- e) Enterprise-wide risk register and risk registers for departments and campuses.
- f) Risk management procedures manual/guidelines.
- g) Report on capacity development on ERM.
- h) Proposed organization structure for risk management throughout KCA University.

SECTION 4 - TECHNICAL PROPOSAL (TP)

Notes on the Preparation of Technical Proposal.

The Technical Proposal shall be prepared and submitted by the consultants.

It shall contain the following: -

- a) Submission letter.
- b) Particulars of the consultant including Curriculum vitae (CV).
- c) Comments and suggestions of the consultant on the terms of reference, personnel, facility and other requirements to be provided by the University.
- d) Description of the methodology and work plan for performing the assignment.
- e) Any proposed staff to assist in the assignment.
- f) Consultancy services activities times' schedule.

SECTION 5- FINANCIAL PROPOSAL (FP)

Notes on the Preparation of Financial Proposal.

The financial proposal shall be prepared and submitted by the consultants.

It shall contain the following: -

- a) Submission letter indicating total fees.
- b) Summary of costs.
- c) Breakdown of fees per activity.
- d) Breakdown of reimbursable costs/expenses per activity.
- e) Miscellaneous expenses.