



**COMMISSION FOR UNIVERSITY EDUCATION**

**RFP NO. CUE-SRBS/RFP/02/2019-2020:**

**PROVISION OF FUND MANAGEMENT SERVICES FOR COMMISSION FOR UNIVERSITY  
EDUCATION STAFF RETIREMENT BENEFIT SCHEME (CUE-SRBS) DEFINED  
CONTRIBUTION**

**REDHILL ROAD, OFF LIMURU ROAD,**

**P.O. BOX 54999 – 00200 NAIROBI**

**TEL: (020) – 7205000**

**FAX: (020) - 2021172**

**WEBSITE: [www.cue.or.ke](http://www.cue.or.ke)**

**CLOSING DATE:**

**16<sup>th</sup> July 2019 at 10.00 am**

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## SECTION I- LETTER OF INVITATION

2<sup>nd</sup> July 2019

Dear Sir/Madam,

- 1.1 The Commission for University Education Staff Pension Scheme invites proposals from qualified consultants for **provision of fund management services**.
- 1.2 The request for proposals (RFP) includes the following documents:
- |             |   |   |
|-------------|---|---|
| Section I   | - | Letter of invitation  |
| Section II  | - | Information to consultants<br>Appendix to Consultants information |
| Section III | - | Terms of Reference  |
| Section IV  | - | Technical proposals   |
| Section V   | - | Financial proposal  |
| Section VI  | - | Standard Contract Form  |
- 1.3 Interested eligible candidates may obtain further information from and inspect the tender documents at the **Commission's Offices, Commission for University Education, Red Hill Road off Limuru Road, Gigiri, Nairobi** during normal office working hours.
- 1.4 Prices quoted should be net inclusive of all taxes, must be in Kenya shillings and shall remain valid for **90 days** from the closing date of the tender.
- 1.5 Completed proposal documents are to be enclosed in plain sealed envelopes marked with proposal reference number and description and deposited in the Tender Box at the reception of the Commission's offices in Gigiri, Nairobi or be addressed to:

**Chairperson Board of Trustees,  
Commission for Higher Education  
Staff Retirement Benefit Scheme  
Defined Benefit  
Red Hill Road, off Limuru Road  
P. O. Box 54999 – 00200, NAIROBI**

**so as to be received on or before 16<sup>th</sup> July 2019 at 10.00am**

Proposals will be opened at **Commission's Boardroom** immediately thereafter in the presence of the candidates or their representatives who choose to attend.

**Prof. Jackson Too  
Commission for University Education  
Staff Retirement Benefit Scheme (CUE-SRBS)  
Defined Contribution**

## 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 in 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. ITC 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 price to be charged for the tender document shall not exceed Kshs.1000/=.
- 2.1.8** 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 Consultant's proposal shall be written in the **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 has 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 five (5) 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 IV)**.

**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 ITC specifies otherwise.

**2.4.3** Consultants shall express the price of their services in **Percentage of the value of the fund or a fixed fee etc** inclusive of any taxes payable in Kenya

**2.4.4** The 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, 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 paragraph 1.2**) shall be prepared in indelible ink. It shall contain no interlineations or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initialed by the persons or person authorized to sign the proposals.
- 2.5.2** For each proposal, the consultants shall prepare the number of copies indicated in Appendix ITC. 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 should be clearly marked, “**DO NOT OPEN, BEFORE 16<sup>TH</sup> JULY 2019 AT 10.00AM 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 bidder wishes to contact the Scheme on any matter related to his proposal, he should do so in writing at the submission address indicated above. Any canvassing shall result in the rejection of the bidder’s proposal.
- 2.6.2** The Trustees shall evaluate the Proposals and the results of the evaluation will be communicated to all the bidders at an appropriate time that will be decided by the Trustees.
- 2.6.3** During this stage, bidders’ responsiveness to the tender mandatory requirements will be determined based on a “YES/NO” basis (implying compliance or non-compliance respectively). Only bidders that comply with the mandatory requirements shall proceed to any evaluation.



**2.6.4** For the preliminary evaluation, please attach certified copies of the following:

No		YES/NO
1.	Company registration certificate	
2.	Current tax compliance certificate	
3.	PIN registration certificate	
4.	VAT registration certificate	
5.	Valid current Certificate of Registration as a Custodian issued by Retirements Benefits Authority (RBA).	
6.	Valid current License as a custodian issued by the Capital markets Authority (CMA).	
7.	Audited financial statements for the last three years	
8.	Fully filled, stamped and signed business questionnaire	

**2.6.5** General Information about the Bidder

- i. Please provide the following information about your company:
  - a) Country of incorporation
  - b) International Affiliations-branches/dealing counterparties
  - c) Main company objectives and business areas
  
- ii. Please provide the following information for each of the members of your Board of Directors:
  - a) Name
  - b) Nationality
  - c) Date of Appointment
  - d) Academic and professional qualifications
  - e) Proportion held of company's shares
  
- iii. In addition also provide:
  - An organizational flow chart or an organogram of the firm. Clearly show the internal controls with regard to investment decision-making.
  - An indication of turnover of investment management personnel and specify the number of personnel who have left and joined over the last three years
  - The growth in your company's business over the last three years and how your company's internal structure has changed to accommodate that growth
  - The following information for the funds under management in the form of a table as at each of 31 December 2016, 2017 and 2018: Value in KShs of:
    - a) Government securities (treasury bills and bonds)

- b) Equity stock quoted on the NSE
- c) Unquoted Stock
- d) Fixed-income securities
- e) Corporate bonds
- f) Commercial Paper
- g) Direct property holdings
- h) Offshore equity investments
- i) Offshore fixed-income investments
- j) Cash
- k) Private equity
- l) Other (please specify)

**2.6.6** Each responsive proposal shall be technically evaluated and awarded marks as shown below:

	<b>Area</b>	<b>Points</b>
1	General Information on the Company	Mandatory
2	Capability (technical team & financial)	30
3	Relevant experience	30
4	Adequacy of the proposed Methodology in responding to the objectives of the assignment	40
	<b>Total Points</b>	<b>100</b>

Minimum overall score required to pass is 70%.

## 2.7 Public Opening and Evaluation of Financial Proposal

- 2.7.1** 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.
- 2.7.2** 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.
- 2.7.3** 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.
- 2.7.4** 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**.
- 2.7.5** The formulae for determining the Financial Score (Sf) shall, unless an alternative formulae is indicated in the Appendix "ITC", be as follows:-  
 $Sf = 100 \times FM/F$  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.
- 2.7.6** The Tender Evaluation Committee shall evaluate the tender **within 30 days from the date of opening the tender**.
- 2.7.7** Contract price variations shall not be allowed for contracts not exceeding one year (**12 months**).

- 2.7.8 Where contract price variation is allowed, the variation shall not exceed 15% of the original contract price.
- 2.7.9 Price variation requests shall be processed by the Procuring Entity within **30 days** of receiving the request.

## 2.8 Negotiations

- 2.8.1 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.
- 2.8.2 Negotiations will include a discussion of the **Technical Proposal**, the proposed methodology (**and 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.
- 2.8.3 Unless there are exceptional reasons, the financial negotiations will not involve the remuneration rates for staff (**no breakdown of fees**).
- 2.8.4 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.
- 2.8.5 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.
- 2.8.6 The procuring entity shall appoint a team for the purpose of the negotiations.

## 2.9 Award of Contract

- 2.9.1 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**. The bidder (s) with the highest Overall score

(technical & financial) will be the winner of the evaluation process and will **be awarded a three-year contract renewable based on satisfactory performance.**

- 2.9.2** The selected firm is expected to commence the assignment on the date and at the location specified in Appendix ITC.
- 2.9.3** 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.
- 2.9.4** The Procuring Entity may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
- 2.9.5** 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.
- 2.9.6** 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.

## **2.10 Confidentiality**

- 2.10.1** 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.

## **2.11 Corrupt or Fraudulent Practices**

- 2.11.1** 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.
- 2.11.2** 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.

- 2.11.3** 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 (ITC)**

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

#### **Clause Reference**

**2.1.1** The name of the Client is: \_ **Commission for University Education Staff Pension Scheme**

The method of selection is **Least Cost Selection (LCS), which selects the lowest priced proposal, which meets the entity's technical requirements.** Under this method the Technical and Financial proposals are submitted simultaneously in separate sealed envelopes (two-envelope system).

Evaluation of proposals is carried out in two stages- Technical and Financial.

The Financial proposals remain sealed until “minimum” qualifying mark of the technical proposal is established (70 % in this case).

Technical proposals will be opened first and evaluated. Those securing less than the minimum are rejected, and the financial envelopes of the rest are opened in the presence of those who choose to attend. The Consultancy services shall be awarded to the least costed applicant (One with the least interest charged) who shall then be invited for negotiations.

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

The name, objectives and description of the assignment are as per the **Terms of Reference**

**2.1.3** The name(s), contacts of the Client's officials;

**Ms. Lilian Ojwang'**  
**Commission for University Education**

2.1.7 The document shall download for free from the Commission Website and the Government Tenders Portal, [www.tenders.go.ke](http://www.tenders.go.ke) . Those who collect the document from the Commission Office shall make a payment of KES.1, 000 to the Cash office.

2.5.2 Consultants must submit **an original** and **one (1)** copy of each proposal.

The proposal submission address is: \_

**Chairperson Board of Trustees,  
Commission for University Education Staff Pension Scheme  
Red Hill Road, off Limuru Road  
P. O. Box 54999 – 00200.  
NAIROBI.**

Information on the outer envelope should also include: - **REF NO** and **the Consultancy to be undertaken**.

**2.5.4:** Proposals must be submitted not later than the following date and time:  
**16<sup>th</sup> July 2019 at 10.00am**

**2.4.3 Taxes:** Consultants shall express the price of their services in **Percentage of the value of the fund or a fixed fee etc** inclusive of any taxes payable in Kenya

**2.4.4** The proposal validity period shall be **90 days** from the date of opening of the tender.

**2.5.2** Consultants must submit an **ORIGINAL** and **ONE (1)** copy of each proposal. A **SOFT COPY** of the proposal in a readily readable format and media must also be included.

**1.5** The proposal submission address is:

**Chairperson Board of Trustees,  
Commission for University Education Staff Pension Scheme  
Red Hill Road, off Limuru Road  
P. O. Box 54999 – 00200, NAIROBI**

Information on the outer envelope should also include:

**RFP NO:**

**RFP TITLE:**

**2.5.2** The **Original** and copy of the **Technical Proposal** shall be placed in a sealed envelope clearly marked “**TECHNICAL PROPOSAL**”, and the **Original** and copy of the **Financial Proposal** in a sealed envelope duly marked “**FINANCIAL PROPOSAL**”. Both envelopes shall be placed in an outer envelope and sealed.

**2.6.6** The minimum technical score required to pass is: **70%**

## 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.
- 3.4 The Technical Proposal shall contain the following:-
  - i. Submission letter
  - ii. Particulars of the consultant firm or consultant including Curriculum vitae (CV) of **the proposed team**
  - iii. Description of the methodology and work plan for performing the assignment
  - iv. Any proposed staff to assist in the assignment
  - v. Attached statutory documents
  - vi. Duly **Completed and signed** Confidential Business Questionnaire



## SECTION III – TECHNICAL PROPOSAL

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**1. TECHNICAL PROPOSAL SUBMISSION FORM**

\_\_\_\_\_ [Date]

**To: Chairperson Board of Trustees,  
Commission for University Education Staff Pension Scheme  
Red Hill Road, off Limuru Road  
P. O. Box 54999 – 00200, NAIROBI**

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for provision of administrative services for **Fund management 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.

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 and Stamp:]

## 2. FIRM'S REFERENCES

### Relevant Services Carried Out in the Last Five (5) 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:		Client's contact person for the Assignment (give name, telephone and email address):
Address:		No of Staff-Months; Duration of Assignment:
Start Date (Month/Year)	Completion Date (Month/Year)	Approx. Value of Services (Kshs.)
Name of Associated Consultants. If any:		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 of Signatory \_\_\_\_\_

Title \_\_\_\_\_

Signature: \_\_\_\_\_

**3. COMMENTS AND SUGGESTIONS OF CONSULTANTS ON THE TERMS OF REFERENCE ON DATA, SERVICES AND FACILITIES TO BE PROVIDED BY THE CLIENT (See Section V)**

Responses/Comments should be given in the same order as contained under Section V (**Terms of Reference**), using the same sub-headings and numbering:

**1 Background Information**

**2 Proposed Methodology**

**3 Data Services, Personnel and Facilities to be Provided by the Client**

**4 Terms of Payment**

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

---

## 5. TEAM COMPOSITION AND TASK ASSIGNMENTS

### 1. Technical/Managerial Staff

S/No.	Name	Position	Task
1.			
2.			
3.			
4.			
5.			

### 2. Support Staff

S/No.	Name	Position	Task
1.			
2.			
3.			
4.			
5.			

**6. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF**

Proposed Position:

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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 (by proposed staff member:**

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

\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of staff member]*

\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of authorized representative of the firm]*

Full name of staff member:

\_\_\_\_\_

Full name of authorized representative:

\_\_\_\_\_



## 7. Technical Proposal Evaluation Criteria

Area	Points	Cut off
<p><b>1. Capability</b></p>	30	20
<p><b>Professional Qualifications:</b></p> <p>1) The Fund Manager (firm) shall be: Minimum experience of 10 years in fund management.....5 marks</p> <p>2) The Fund Manager shall provide evidence of Professional Indemnity Insurance Cover with a reputable insurance company. .....4 marks</p> <p>(State whether there are any major exclusions)</p> <p>3) The Fund Manager shall submit curriculum vitae of at least one portfolio manager and three other key personnel proposed as part of the Fund Management team.....1 mark for each CV (4mks)</p> <ul style="list-style-type: none"> <li>-Analysts</li> <li>-Researchers</li> <li>-Client Service/Marketing/Any other professionals, including Overseas professionals (if applicable)</li> </ul>		
<p><b>Academic qualification (Economics, Finance, Actuarial Science or any other related areas)</b></p> <p>Portfolio Manager (1):</p> <ul style="list-style-type: none"> <li>Masters &amp; CFA..... 4 Marks</li> <li>Degree &amp; CFA.....3 marks</li> <li>Degree..... 2 marks</li> </ul>		
<p>Investment Analysts/ Researchers/Client Service (3):</p> <ul style="list-style-type: none"> <li>Degree &amp; CFA.....2 marks each</li> <li>Degree..... 1 mark each</li> </ul> <p><b>Financial Capability</b></p> <ul style="list-style-type: none"> <li>Liquidity. Current ratio of 2:1 7mks</li> <li>Current ratio of 1.5:1 5 mks</li> </ul>		

2. Experience	30	20
<p>The consultant must demonstrate experience in carrying out Fund Management services for pension schemes with a fund value of Kshs. five (5) billion or more (Attach Written and certified References from at least three (3) existing clients complete with telephone &amp; email addresses.) .....3 Marks (for each)</p>		
<p><b>Relevant technical experience</b></p> <p>Portfolio Manager (1):</p> <p>Over 10 years’ experience.....6 marks</p> <p>5-10 years’ experience.....5marks</p> <p>3-5years’ experience. .... 4 marks</p> <p><b>Analysts/Researchers/Other</b></p> <p>Investment Personnel (3):</p> <p>Over 5 years’ experience.....5 marks each</p> <p>3-5 years’ experience.....4 marks each</p> <p>1-3 years’ experience. .... 3 marks each</p> <p>(provide copies of CVs and Certificates for all proposed staff in this assignment)</p> <p>Performance (3Yr Annualized Return for the period ending 31<sup>st</sup> December 2018)</p> <p>Over 10%..... 10 marks</p> <p>6-10%..... 5 marks</p> <p>3-5%. .... 2 marks</p> <p>The return should be split into:</p> <ul style="list-style-type: none"> <li>• Total assets for your balanced/multi-asset funds excluding property;</li> <li>• The equity stocks component of your multi-asset funds;</li> <li>• The Government securities component of your multi-asset funds;</li> <li>• The other fixed income (including corporate bonds) component of your multi-asset funds; and</li> <li>• The offshore securities (equities and fixed income) component of your multi-asset funds.</li> </ul> <p>Please note that this information MUST be provided in the form of time-weighted rates of return.</p>		

<b>3. Methodology</b>	40	30
Adequacy of the proposed Methodology in responding to the Terms of Reference of the Assignment. The Fund Manager should capture in the proposal the following;		
Satisfactory “model” for asset allocation to which funds must adhere (provide sample)....5mks		
Demonstrate whether if there is a separate economics and/or quantitative research team there is “value addition”. ....5mks		
Whether there is preparation of periodic alerts or newsletters on your investments to the clients. (provide evidence).....5mks		
The Internal control systems in relation to fund management including asset allocation, stock selection, etc and how you ensure that potential non-compliance is addressed ex ante.....4mks		
Evidence of a client specific benchmark which the Fund Manager has matched and /or beat over the last 3 year period.....4mks		
A copy of a sample client agreement.....2mks		
Whether there is a specific software to maintain and update your portfolio information which can provide to the client - Monthly reconciliation of cash and book values, - Quarterly valuation/portfolio review and - Quarterly reconciliation of figures with those of the custodian on book and market value basis .....In an electronic format (Attach sample reports).....10mks		
The Turnaround time for providing reports after month and quarter end....5mks		
<b>Total Points</b>	100	70

## **SECTION IV: - FINANCIAL PROPOSAL**

### **Notes on preparation of Financial Proposal**

- 4.1 The **Financial Proposal** prepared by the consultant should list all the applicable costs.
- 4.2 The Financial Proposal shall be in Kenya Shillings and shall take into account the tax liability and cost of insurances specified in the request for proposal. The **Financial Proposal** should be prepared using the **Standard Forms** provided in this part.
- 4.3 The Financial Proposal should be prepared following the Standard Forms provided in this part (Section IV)

### **BIDDERS MUST SUBMIT THE FINANCIAL PROPOSAL SUBMISSION FORM**

## SECTION IV - FINANCIAL PROPOSAL STANDARD FORMS

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## 1. FINANCIAL PROPOSAL SUBMISSION FORM

**To: Chairperson Board of Trustees,  
Commission for University Education Staff Pension Scheme  
Red Hill Road, off Limuru Road  
P. O. Box 54999 – 00200, NAIROBI**

Ladies/Gentlemen:

1. We, the undersigned, offer to provide the consulting services for **provision of fund management services for CUE staff pension scheme** in accordance with your request proposal dated (\_\_\_\_\_) [Date]. Our attached Financial Proposal is for the total annual sum of (\_\_\_\_\_) [Percentage/ Amount in words and figures] inclusive of the taxes on the basis of the initial assets to be allocated to us and on the assumption(s) that [state the assumptions, if any].

Indicate what the basis of your fee will be (e.g a certain stated percentage of the fund value, or a fixed fee etc).

### **Please also let us know?**

- a) Does your firm charge a minimum annual fee, and if yes, how much?
  - b) Whether you can charge performance based fees.
  - c) Under what circumstances your fees negotiable?
  - d) What is your billing frequency?
2. We undertake, if our proposal is accepted, to provide Scheme Fund Management Services in accordance with the conditions of this tender.
  3. We agree to abide by this tender for a period of 90 days from the date fixed for tender opening, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

4. This tender, together with your written acceptance thereof and your notification of award, shall constitute a basis signing of the contract by both parties.
5. We understand that the Board of Trustees is not bound to accept the lowest or any proposal they receive.

Yours sincerely,

\_\_\_\_\_ *[Authorized Signature]:*

\_\_\_\_\_ *[Name and Title of Signatory]:*

\_\_\_\_\_ *[Name of Firm]*

\_\_\_\_\_ *[Address]*

## **SECTION V: - TERMS OF REFERENCE**

### **TERMS OF REFERENCE FOR FUND MANAGEMENT SERVICES FOR COMMISSION FOR UNIVERSITY EDUCATION STAFF RETIREMENT BENEFIT SCHEME (CUE-SRBS) DEFINED CONTRIBUTION**

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#### **1. BACKGROUND INFORMATION**

The Commission for University Education is established under the Universities Act, 2012 as a body corporate with the core statutory mandated to regulate, promote and advise on university education.

- 1.1 **CH-** Staff Retirement Benefits Scheme is a Defined Contribution Scheme established under irrevocable trust. The total Scheme membership stood at 67 as at 30<sup>th</sup> June 2019.
- 1.2 The Trustees of the Scheme are reviewing their investment managers and seek proposals from managers for an active multi-asset fund of approximately **Kshs 101 MILLION**. The investment manager(s) will be responsible for the investment of current Scheme assets and future contributions. The monthly contributions under the Scheme currently amount to approximately Kshs.1.95 million for employee and employer.

#### **2. Objectives of the Assignment**

- 2.1 The main objective of this assignment is to ensure that the assets of the Scheme are prudently and professionally managed to realize maximum returns. The assets of the Scheme are expected to be invested in compliance with the provisions of the Retirement Benefits Act 1997 (herein after referred to as the “Retirement Benefits Act”), Retirement Benefits Regulations (herein after referred to as the “Regulations”), their subsequent amendments and the Scheme’s Investment Policy Statement.

#### **3. SPECIFIC REQUIREMENTS**

**The key areas to be addressed by the selected fund manager(s) include:**



- (i) Provision of overall investment advice on the suitability and risk return characteristics of asset classes available to the Scheme;
- (ii) Provide the Client on a monthly basis, with inter alia:
  - A portfolio statement reflecting the book and market value of each Financial Asset;
  - A statement of the capital transactions;
  - A statement of the revenue receipts; and
  - A call deposit account statement; reflecting the status of the Scheme's portfolio as at the last day of the previous month.
- (iii) Make available a specialist investment analyst at all reasonable times for enquiries and advice as well as for discussions with the Scheme.
- (iv) Make records pertaining to the financial assets available for inspection by the Scheme's auditors or their duly authorized representatives, whenever required for audit and control purposes.
- (v) Realize such financial assets as the Scheme may request in writing from time to time.
- (vi) In liaison with the Scheme Custodian monitor the collection of all income and other benefits arising from the financial assets, which are paid into the Scheme account or invested, on the Scheme's behalf.
- (vii) Act in the best interest of the Scheme at all times. The Fund Manager(s) shall indemnify the Scheme for any loss or damage that the Scheme may suffer as a direct or indirect result of dishonesty or gross negligence on the part of the Fund Manager(s) or any person engaged in carrying out Fund Management duties in terms hereof.

**SECTION VI: STANDARD FORMS**

**BUSINESS QUESTIONNAIRE**

**I. BUSINESS DETAILS**

**A. Statutory Requirements and Contacts**

1. Business Name: \_\_\_\_\_
2. Type of Business: \_\_\_\_\_
3. Certificate of Registration/Incorporation No. \_\_\_\_\_
4. VAT Registration No. \_\_\_\_\_
5. Tax Compliance Certificate No. \_\_\_\_\_
6. Current Business/Practice License No: \_\_\_\_\_
7. Physical Address: \_\_\_\_\_
8. Postal Address: \_\_\_\_\_
9. Telephone: Landline: \_\_\_\_\_ Mobile \_\_\_\_\_
10. Fax: \_\_\_\_\_
11. E-mail: \_\_\_\_\_ Website: \_\_\_\_\_

**B. Sole Proprietor: Name**-----

*Nationality*) \_\_\_\_\_

**C. Partnership**

Names and Details of Partners:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**D. Limited Companies**

Names and Details of Directors:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

**Share Capital:** Authorized - Kshs. \_\_\_\_\_

Issued and Paid: Kshs. \_\_\_\_\_

**E. Financial Capability**

1. Name of Banker \_\_\_\_\_  
Address \_\_\_\_\_ Telephone: \_\_\_\_\_
2. Financial Information
  - i. Total Assets \_\_\_\_\_
  - ii. Current Assets \_\_\_\_\_
  - iii. Total liabilities \_\_\_\_\_
  - iv. Current liabilities \_\_\_\_\_
3. Attach Audited Accounts for the last 2 years
4. Terms of Payment (maximum credit period) \_\_\_\_\_

**F. Contact Person (s)**

	<b>NAME</b>	<b>DESIGNATION</b>
1.	_____	_____
2.	_____	_____
3.	_____	_____

**G. Other Important pre-requisites**

- i) State if the company is a subject of bankruptcy proceedings, in receivership, administrative receivership, or any other form of liquidation as defined by the applicable law

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- ii) Do you have any contingent liabilities arising from tax, court decree or other sources?

YES/NO \_\_\_\_\_

If YES, give reason(s) and sources for the contingent liabilities

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

iii) Proof of attainment of ISO/Kenya Bureau of Standards certification/equivalent certificate will be an added advantage. *(Attach copy of proof).*

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iv) Proof of professionalism and accreditation to professional bodies for the last three years. *(Attach copies of proof).*

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v) Must confirm that:

- The tenderer has not been is not debarred from offering services to public procuring entities \_\_\_\_\_
- its servants or agents have not offered and shall not offer inducements to the procuring entities \_\_\_\_\_

vi) Attach Company Profile and indicate qualification of key personnel *(Attach copies of their certificates).*

vii) Enumerate any past litigation and arbitration incidences encountered by the firms in the last three years

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**I. DECLARATION:-**

I/We have completed this form(s) accurately at the time of reply and it is agreed that all responses can be substantiated, if requested to do so. Any inaccuracy in the information filled herein will be used as grounds for removal from or termination of the qualification process.

**NAME** \_\_\_\_\_ **DESIGNATION** \_\_\_\_\_

**SIGNATURE** \_\_\_\_\_

**DATE AND STAMP** \_\_\_\_\_