

MINISTRY OF EDUCATION
STATE DEPARTMENT OF VOCATIONAL AND TECHNICAL TRAINING
COAST INSTITUTE OF TECHNOLOGY
VOI CAMPUS



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ISO 9001:2015 Certified

Our Vision: To Be A Centre Of Excellence For Education & Training In Science and Technology

RFP Issuance Due Date: 5th July, 2021

Enquiries Closing Date: 12th July, 2021 (5:00pm, EAT)

Proposal Submission Due Date: 4th August, 2021 (5:00pm, EAT)

Anticipated Start Date: 14th September, 2021

SUBJECT: REQUEST FOR PROPOSALS (RFP) ON ENTERPRISE RISK MANAGEMENT (ERM)

Coast Institute of Technology is seeking proposals from qualified consulting firms interested in providing the services described in the attached Request for Proposal (RFP). Consultancy for ERM Capacity Building and Training at Coast Institute of Technology (CIT), which is situated in Coastal Region, Taita Taveta County, Voi town, along Mombasa Nairobi highway, Sofia Estate.

The purpose of this Request for Proposal (RFP) is to invite qualified consultancy firms to submit their proposal in order to undertake the capacity building and training at Coast Institute of Technology as illustrated in the paragraphs below.

CIT intends to issue a contract to the bidder who will demonstrate their capacity to deliver quality technical assistance and the one which will be most responsive to the requirements of the RFP.

The remainder of this (RFP) provides additional information that will allow bidders to understand the scope of the effort and develop a proposal in the format desired by CIT.

Issuance of this Request for Proposal (RFP) does not constitute an award commitment on the part of CIT. CIT reserves the right to reject any offer received in response to this request and it shall not be

liable for any costs incurred by a bidder in the preparation and submission of their proposal on this assignment.

The information presented in this RFP is furnished solely for the purpose of assisting the bidders in making their own evaluation of the Scope of Work (SOW) and does not purport to be all-inclusive or to contain all the information you may require. This RFP is not an offer by CIT to contract, but rather an attempt to establish a common framework for CIT to evaluate potential service providers.

A bidder should make their own investigations, projections, and conclusions to verify independently the information contained in this RFP, and to obtain any additional information that they may require, prior to submitting a proposal.

All questions, comments and requests for clarification must be sent in writing to Coast Institute of Technology (CIT), PO BOX 34-80300, Voi. Official Email address; *voicampuscit@yahoo.com* not later than the date and time indicated above. Questions, comments and requests will not be entertained after this date.

If substantive questions are received which affect the response to the solicitation, or if changes are made to the closing date and time as well as other aspects of the RFP, this solicitation will be amended. Any amendments to this solicitation will be issued and posted on the CIT website [www:cit.ac.ke](http://www.cit.ac.ke). Bidders are encouraged to check this website periodically.

Thank you for your interest and we look forward to your participation.

1. ABOUT CIT

The Coast Institute of Technology was established in 1981 by the government to provide business and technical skills for school leavers. The Institute is situated in Taita Taveta County, Voi. CIT is built on a 42 acres land and is registered by the TVETA as per the TVET Act 2013. The institute implements TVET-CDACC, KICD, KASNEB, ABE and City and Guilds curriculum in all its fields as developed and examined by TVET-CDACC, KNEC, KASNEB, ABE and City and Guilds respectively.

The mandate and functions of CIT is to provide technical, vocational and entrepreneurship training (TVET) to primary and secondary school graduates who could not transit to middle level institutes and universities amongst other mandate. Graduates from CIT have been able to provide the much-needed skilled labour that is required to propel the country to industrialization. It is staffed by the ministry of education through the state department of vocational and technical training, Directorate of TVET. Staff composition includes those trainers employed by the PSC and those engaged by the Board of governors. All the support staff are employed by the Board of Governors. CIT is governed by the Board of Governors appointed by the Ministry of Education. The board comprises of professionals and Kenyans of good reputation, selected across the country. The principal is the secretary to the board and the Chief accounting officer of the institute. CIT Board of governors is responsible for policy formulation, budget formulation and approval, oversight of all programs in the institute, employment of non-teaching staff and discipline of trainers and trainees amongst other responsibilities.

The expansion and reforms witnessed in technical and vocational training has been necessitated by Kenya's objective of industrialization as contained in the Vision 2030 and the MDGs. For these to be realized, it is imperative to develop and effectively utilize the country's human, physical and financial resources. The Kenya vision 2030 blue print recognizes human resource development as key to rapid development. Highly trained and flexible human resource that has the relevant knowledge and skills requires sustained and continuous Training and training of content development and implemented in close consultation with industry.

CIT has two campuses. The town campus is situated in the central business district of Voi town. The main campus is situated in the rich tourism region of Tsavo and its proximity to the various hotels, camps and The Tsavo National Park that makes the CIT an ideal campus for the type of training that it offers. The main campus offers both residential and off campus training.

The institute has well equipped training restaurants, a tourist class hotel which is still under construction. This facility is intended to serve as both training as a training facility and as an incubation facility serving other clients in search of quality and affordable hospitality services. The institute has a well-established food production unit which produce food products to the local community and the college while at the same time offer the much-needed hands on experience to some of the hospitality trainees.

The unprecedented current situation caused by COVID-19 disrupted operations in most institutions across the globe with CIT being no exception. Mandatory lockdown measures were imposed by the Government to control the spread of the virus with CIT having to move swiftly toward online provision to ensure continuity of teaching and learning.

As part of the requirements, a CIT Risk Management Committee (RMC) was formed and is in the process of preparing the institute risk register. The committee is composed of 7 members with the chairperson being the Deputy Principal, Administration and Planning and the Registrar as the risk coordinator. Their roles and responsibilities are clearly outlined in the CIT Risk Management Policy.

2. BACKGROUND

An effective risk management system requires that significant potential events that could impact the achievement of the institution's goals and objectives are being recognized and continually assessed. Risk has traditionally been defined in terms of possibility of danger, loss, injury or other adverse consequences. Enterprise Risk Management (ERM) is an integrated and joined up approach to managing risk across an organisation and its extended networks. According to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) risk may be defined as “The possibility that an event will occur and adversely affect achievement of objectives.” Increased complexity of the operating environment has made it imperative for every organization, including CIT, to adopt a systematic approach to risk, which may help it to manage uncertainty, threats and maximize opportunities more effectively. The TVET Act, the relevant regulatory requirements and Mwongozo Guidelines also require of public entities to embrace risk management. CIT is ISO-certified, and sustenance of the certification requires an operational Risk Management

Framework. Risk permeates across all organizations; both public and for-profit. The role of a public entity, like CIT is, does not end at utilizing its resources but extends to its accounting to the taxpayer. CIT manages a significant amount of public resources and thus suffers exposure to risk. The need for risk management is reflected in CIT's commitment to ensure value-for-money, transparency and accountability of its operations. Contemporary paradigm shift dictates that internal auditing be risk-based and not control-based as is the case at CIT.

There are no two organizations that have a similar approach to risk management. The design and implementation of the risk management system will be influenced by the varying needs of an organization, its objectives, its products and services, the applicable laws and regulations, and the processes and specific practices employed.

Risk management involves managing to achieve an appropriate balance between realizing opportunities for gains while minimizing losses. It is an integral part of good management practice and an essential element of good corporate governance. It is an iterative process consisting of steps that, when undertaken in sequence, enable continuous improvement in decision-making and facilitate continuous improvement in performance.

In summary, risk management at CIT will involve establishing an appropriate infrastructure and culture and applying a logical and systematic method of establishing the context, identifying, analyzing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process in a way that will enable CIT to minimize losses and maximize gains.

To be most effective, risk management should become part of CIT's culture. It should be embedded into the organization's philosophy, practices and operational processes rather than be viewed or practiced as a separate activity. When this is achieved, everyone in the organization becomes involved in the management of risk.

Organizations that manage risk effectively and efficiently are more likely to achieve their objectives and do so at lower overall cost.

CIT is, therefore, seeking the services of an experienced consulting firm to conduct capacity building and carry out training on risk management.

3. OBJECTIVES

The overall objective of this assignment is to consolidate the gains made by CIT in the development and implementation of its ERM framework. This will be achieved through undertaking the following activities:

- a) Draw a generic ERM implementation plan for CIT including the supporting structures based on good practice, legal and regulatory requirements,
- b) Identifying gaps that need to be bridged in order to realize the ERM implementation plan,
- c) Draw an activity plan on bridging the identified gaps,
- d) Implement the activity plan, and
- e) Undertake capacity building and training of all the groups identified within the ERM structures.

4. SCOPE OF WORK

The scope of work will include;

- Develop risk policies and procedures according to institution's policies and regulations.
- Evaluate institution's internal controls system and processes to identify risks levels.
- Assist in risk analysis and ERM activities of the institution's systems and develop risk management strategies.
- Training of CIT risk management committee in best practices for risk management and reduction programs.
- Assess potential risks and develop mitigation plans for the institution and provide expert solutions in risk related questions and concerns in CIT.
- Review and recommend improvements to risk modelling techniques, develop risk metrics and assist CIT risk management committee generate risk reports to management for review.

5. QUALIFICATIONS AND EXPERIENCE

The consulting firm shall be registered with a professional body and must have a specialized unit dedicated to the development and implementation of ERM policy frameworks and undertaking training

at all levels within an institution. The firm shall demonstrate evidence for conducting similar activities in similar institutions successfully. The firm must have adequate staff with appropriate professional qualifications and suitable experience in delivering consultancies and training in the implementation of ERM frameworks.

This assignment will be conducted by a firm with the team leader having the following minimum qualifications:

- 5.1 Master's degree in Management, Administration, Business, Finance, or any other related field from a recognized University.
- 5.2 Membership of a professional association such as the Certified Public Accountant, Association of Chartered Certified Accountants (ACCA), or Chartered Accountancy (CA) or a similar international professional Association in Accounting and Auditing.
- 5.3 At least five (5) years' experiences in the development and design and implementations of an Enterprise Risk Management system.
- 5.4 Practical experience in the implementation of Enterprise Risk Management frameworks with similar institutions. Strong knowledge and experience in designing internal controls.
- 5.5 Demonstrate excellent track record of conducting risk assessments and the development of strategic and operational frameworks regarding risk management in regional institutions.
- 5.6 Excellent interpersonal and analytical skills.
- 5.7 Strong knowledge and experience in delivering consultancies and training for clients.
- 5.8 Previous work with a public entity will be an added advantage.

6. DELIVERABLES

The Consultant shall be required to deliver the following promptly:

- 6.1 Inception report that among others covers the implementation plan.
- 6.2 A statement of the key risks facing the institution.
- 6.3 A fully analysed risk register for the institution.
- 6.4 A set of actions for the risk committee team to own going forward, including mitigation and

contingency plans as appropriate.

6.5 A set of metrics to manage risks across the institution.

6.6 Recommendations regarding internal controls framework and process.

6.7 Full quantitative risk analysis method for the institution.

7. DURATION

The assignment on risk management training is expected to be completed within a maximum period of 90 working days.

8. LOCATION

The primary location for executing the assignment is CIT Voi. In view of covid 19 protocols, virtual meetings can be employed.

9. INSTITUTIONAL ARRANGEMENT

The Consultant will be supervised by the CIT head of Internal Audit in liaison with the Deputy Principal, Planning and Administration. The principal or his designate will be overall in charge of the consultancy assignment.

10. SUBMISSION OF PROPOSALS

Interested applicants should send a Technical Proposal (TP) and a Financial Proposal (FP) separately including *Curriculum vitae(s)* of consultant(s) as detailed in this RFP. Further details on the Technical Proposal and a Financial Proposal are included in Part A and Part B below respectively.

a) The technical proposal shall include:

- i) The consultant's understanding of the Terms of Reference.
 - ii) Summary of the suitability of the Consultant to deliver the assignment.
 - iii) A detailed methodology of how the assignment will be conducted.
 - iv) A clear and elaborate work plan.
 - v) CVs of team leader and other team members including the expected deliverables for each.
- b) The financial proposal shall include:
- i) An itemized line-by-line budget proposal for consultancy fees as well as reimbursable expenses.
 - ii) Proposed terms and schedule of payments.

11. DEADLINE FOR SUBMISSION OF PROPOSALS

The Technical Proposal and a Financial Proposal will be sent under separate emails with the subject marked ‘Proposal for Consultancy for Enterprise Risk Management Capacity Building and Training at CIT- Technical’ and ‘Proposal for Consultancy for Enterprise Risk Management Capacity Building and Training at CIT- Financial’ respectively to ‘Proposal for Consultancy for Enterprise Risk Management Capacity Building and Training to *voicampuscit@yahoo.com*. The deadline for submission of the proposals 4th August, 2021 by 5.00 pm East African Time (EAT).

PART A: TECHNICAL PROPOSAL

The technical proposal shall be straightforward and concise, outlining in sequence, how the bidder intends to carry out the technical requirements under each main activity. No contractual price information is to be included in the bidder’s implementation work plan in order that it will be evaluated strictly on its technical merit.

The technical proposal shall be limited to fifteen (15) pages in total. **Proposals in excess of 15 pages will not be read or evaluated.**

Detailed information should be presented only when required by specific RFP instructions. Items such as graphs, charts and tables may be used as appropriate but will be considered part of the page limitation. Key personnel resumes, bio-data sheets, references and dividers are not included in the page limitation. No material may be incorporated in the proposal by reference, attachment, appendix, etc. to circumvent the page limitation.

1. Institutional Information (not included in page limit) for the Consultant:

- a) Institution's legal name
- b) Contact name and position or title
- c) Institution's E-mail address, physical address and telephone number
- d) Copy of legal registration for business.

2. Introduction and Background: In a narrative – not to exceed one (1) page – the Bidder to provide Introduction and Background information that could serve to help the reader to best understand the assignment.

3. Technical Approach and Methodology: In a narrative – not to exceed four (4) pages – the Bidder will demonstrate its understanding, ability and overall approach to performing the requirements described in the Scope of Work, Activities & Tasks and Deliverables including the work plan.

4. Capability Statement: A narrative – not to exceed two (2) pages – that explains the Firm's capability to perform the scope of work, activities & tasks and deliverables. The bidder will demonstrate it has the necessary institutional systems and procedures (e.g., personnel policies, travel policies, project management, equipment, supplies and personnel) in-place to successfully comply with the contract requirements and to accomplish the expected results. The bidder will demonstrate it has the in-house resources e.g., personnel, to provide the required services. A description of relevant personnel training and qualifications, including CVs for key individuals,

where applicable. CVs are not included in the 2-page length limit.

- 5. Past Performance:** Not to exceed three (3) pages, the Bidder will submit a list of current and past similar work and assignments completed in the past five years that were similar in size, scope and complexity – preferably in areas listed in the SOW – with particular attention paid to those performed in the Public Sector.

- 6. References:** References from a minimum of two (2) clients, which doesn't exit a total of 3 pages, worked with in the past three years on activities similar to this scope of work. Include the contact information: company or institution, name, phone number and email.

- 7. Personnel/Staffing:** Not to exceed two (2) pages, the bidder will identify, in summary format of 2-3 sentences, the names, anticipated positions of the key team members and essential personnel proposed to perform the requirements of this scope of work, activities and tasks and deliverables. The narrative will include the percentage of staff time of principals and managers on this activity. CVs (not to exceed three (3) pages each) that clearly describe education, experience and professional credentials and biodata forms will be completed and attached for the proposed personnel. These pages do not count toward the page limitation for this section.

PART B: COST PROPOSAL

The bidder will propose costs it believes are **realistic** and **reasonable** for the work in accordance with the bidder's technical approach. The bidder shall provide a complete budget based on cost elements described below.

The detailed cost proposal will include the following:

- a) Proposed staff, rates and number of days needed to accomplish allocated tasks,
- b) Transportation and logistics costs, and
- c) Itemized related materials and supplies.

Provide in the Budget Narrative section, a concise description and justification for each line-item cost. Be sure to include data and/or methodologies to support cost estimates.

The Budget Narrative shall be presented in such a way as to be easily referenced from the budget and should provide sufficient information so that CIT may review the proposed budget for reasonableness.

All projected costs must be in accordance with the institution's standard practices and policies.

Offers including budget information determined to be unreasonable, incomplete and/or unnecessary for the completion of the proposed project or based on a methodology that is not adequately supported may be deemed unacceptable.

Guidelines:

1. Cost proposals from the bidder shall be presented in Kenya Shillings (Kshs).
2. Offer must be inclusive of any applicable taxes such as VAT or other.
3. If the bidder proposes a fringe benefit rate on fees, it must be supported by an established written policy. Please provide a detailed explanation in the budget narrative.
4. Travel and transportation – provide the number of trips, origin and destination of trips, estimated fares and other costs such as taxi fees.
5. Per diem – bidder will budget per diem associated with travel and transportation in accordance with their established written policy that shall not exceed the rates normally paid by the

institution to its staff while on official duty. Information on the rates used must be provided in the provided narrative.

6. Other direct costs – Itemize and provide complete details of other direct costs including unit prices that may be incurred.

Evaluation Criteria

CIT will select the bidder whose proposal represents the best overall value to CIT in terms of the selection criteria specified below. Any bidder who does not follow the instructions in this RFP may be disqualified from consideration.

Bidders must first meet the mandatory requirements before their technical and financial proposals will be reviewed. Those bids not meeting the mandatory requirements will be automatically rejected.

The mandatory requirements are:

	Mandatory Requirements	Meets Requirement
1.	Legally registered in Kenya – The bidder shall provide a copy of its registration document with the technical proposal.	YES/NO

The evaluation of Proposals will use the quality and cost-based selection method as detailed below:

- Successful bidder will have received the highest score out of a pre-determined set of weighted technical and financial criteria (technical criteria weight of 70% and financial criteria weight of 30%)
- Only candidates obtaining a minimum of 70% out of the total technical points of 70 would

be considered for the Financial Evaluation.

Technical Evaluation

	Technical Proposal Criteria		Highest Score	Actual Score
1.	<p>Qualifications and Competence of Team Leader:</p> <ul style="list-style-type: none"> • CPA, ACCA or CA membership or a similar international professional qualification in Accounting and Auditing • Certification on Risk Management 	20 10	30	
2.	<p>Relevant Experience in Risk Analysis and ERM Assignments:</p> <ul style="list-style-type: none"> • At least 10 years of experience in Risk Management and Audit Assignments • At least 3 Risk Analysis assignments conducted in the last 5 years (at least two in the Public Sector and of a similar size and complexity) • Valid contact details for previous clients provided 	5 10 5	20	

3.	Methodology and Approach: <ul style="list-style-type: none"> • Understanding of the RFP and a demonstration of how the consultant and team will address the tasks • Demonstrated clarity of the methodology and a practical work plan 	10	20	
		10		
	Total Score	70	70	
	Percentage Score			

A bidder must score a minimum of 70% of the points to proceed to Financial Evaluation. Bidders may seek further clarification/confirmation, if necessary, to confirm authenticity/compliance of any condition of the RFP. Bidders who do not satisfy any of the above requirements shall be considered non-responsive and their bids will not be evaluated further.

Financial Evaluation

The bids that qualify at the technical evaluation stage will be subjected to financial evaluation. Tender amount quoted **MUST** be inclusive of all anticipated costs.

The formula that shall be applied will be as follows:

- $FS = 30 \times (LP/BP)$ where FS is the financial score; LP is the lowest priced financial proposal and BP is the price of the proposal under consideration.

Total Score

Proposals will be ranked according to their combined technical (T) and financial (FS) scores. The combined technical and financial score, S, is calculated as follows:

- $S = T + FS$

The firm achieving the highest combined technical and financial score will be invited for negotiations. The following conditions shall also apply:

- Bids with arithmetic errors shall be disqualified at the financial evaluation stage.
- The tender sum as submitted during the tender opening shall be absolute and final and shall not be the subject of correction, adjustment, or amendment in any way.
- The total sum to be quoted must be inclusive of applicable taxes.
- CIT may, prior to award of tender, carry out due diligence to determine to its satisfaction whether the successful bidder qualifies to perform the terms of contract under this RFP.
- Cost Reasonableness, Allowability and Realism will be assessed as follows;
 - ✓ Are proposed costs realistic for the work to be performed under the award?
 - ✓ Do the costs reflect a clear understanding of the work requirements?
 - ✓ Are the costs consistent with the various elements of the bidder's technical proposal?
- A bidder with the highest marks will be considered for award of the tender.
- A bidder's Proposal must remain valid for 120 days after the submission date.

PREPARED BY: INTERNAL AUDITOR

FOR PRINCIPAL