

REQUEST FOR PROPOSAL

PROVISION OF EXTERNAL AUDIT SERVICES

NO. AWAK/RFP 1/11-2023

ASSOCIATION OF WOMEN ACCOUNTANTS OF KENYA
(AWAK)

EMAIL: awak@awak.co.ke

**NOVEMBER
2023**

SECTION I - LETTER OF INVITATION

November 1 2023

TENDER NUMBER: NO. AWAK/RFP 1/11-2023

Dear Sir/Madam,

RE: PROVISION OF EXTERNAL AUDIT SERVICES

The Association of Women Accountants of Kenya (AWAK) is a non-political and non-profit making professional association. It was registered in 1994 under the Societies Act and draws its membership from women accountants. It was established to promote and champion women empowerment while contributing to community and social development.

AWAK intends to procure the services of a qualified and experienced professional external auditor to offer external audit services for the financial years ending 31st December 2023.

The objectives of the services required will be for the auditor to confirm that:

- i) The books of accounts provide the basis for preparation and that they are established to reflect the financial statements.
- ii) AWAK maintains adequate internal controls and supporting documentation for its transactions.
- iii) Express a professional opinion on the financial statements of AWAK and if the statements present fairly the financial position at the end of each financial year.
- iv) The financial statements are prepared in accordance with accounting principles standards and all relevant laws and regulations

To be considered, a proposal in PDF format must be received by the Chairman, AWAK, **by 5PM on 30/11/2023**. Proposals should be emailed to: procurement@awak.co.ke with a copy to awak@awak.co.ke.

AWAK reserves the right where it may serve the organization's best interest to request additional information or clarification from proposers or to allow corrections of errors or omissions. It is anticipated the selection of a firm will be completed by 18/12/2023 with an engagement letter executed by 20/12/2023. **Late bids will be rejected**

SECTION II: - INFORMATION TO AUDIT FIRMS

2.1 Introduction

2.1.1 Please note that;

- (i) The costs of preparing the proposal and of negotiating the Contract, including any visit to AWAK are not reimbursable as a direct cost of the assignment
- (ii) AWAK is not bound to accept any of the proposals submitted.

2.1.2 AWAK's employees, committee members, board members and their relatives (spouse and children) are not eligible to participate.

2.2 Clarification and Amendment of RFP Documents

2.2.1 Audit firms may request a clarification of any RFP documents only up to Three (3) days before the proposal submission date. Any request for clarification must be sent in writing by electronic mail to AWAK's address at awak@awak.co.ke. AWAK will respond to such requests and will send in written copies of the response (including an explanation of the query but without identifying the source of enquiry) to all invited audit firms who intend to submit proposals

2.2.2 At any time before the submission of proposals, AWAK may for any reason, whether at his own initiative or in response to a clarification requested by a potential bidder, amend the RFP. Any amendment shall be issued in writing through addenda. AWAK may at his discretion extend the deadline for the submission of proposals.

2.3 Preparation of Technical Proposal

2.3.1 The Audit firm's proposal shall be written in English language.

2.3.2 In preparing the Technical Proposal, Audit firms 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 The Technical Proposal shall provide the following information:

- (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 AWAK
- (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) Curriculum Vitae (CVs) recently signed by the proposed professional staff and the authorized representative submitting the proposal. Key information should include number of years working for the firm/entity and degree of responsibility held in various assignments during the last ten (8) years.
- (vi) Estimates of the total staff input (professional and support 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 and staffing needs.

2.3.4 The Technical Proposal shall not include any financial information.

2.4 Preparation of Financial Proposal

2.4.1 In preparing the Financial Proposal, Audit firms are expected to consider all costs associated with the assignment including; (a) remuneration for staff (in the field and at headquarters), and;(b) reimbursable expenses

2.4.2 The Financial Proposal should clearly identify as a separate amount, the local taxes, duties, fees, levies and other charges.

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

2.4.4 The Proposal must remain **valid for 90 days** after the submission date. During this period, the Audit firm is expected to keep available, at his own cost, the professional staff proposed for the assignment. AWAK will make the best effort to complete negotiations within this period. If AWAK wishes to extend the validity period of the proposals, the Audit firms shall agree to the extension.

2.5 Submission, Receipt, and Opening of Proposals

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

2.5.2 The completed Technical and Financial Proposals must be received at the submission address on or before deadline. Any proposal received after the closing time for submission of proposals shall be rejected.

2.6 Proposal Evaluation General

2.6.1 From the time the bids are opened to the time the Contract is awarded, if any Audit firm wishes to contact AWAK on any matter related to his proposal, they should do so in writing at the address where the proposals were submitted. Any effort by the firm to influence AWAK in the proposal evaluation, proposal comparison or Contract award decisions may result in the rejection of the Audit firm's proposal.

2.6.2 Evaluation of Technical Proposal

2.6.3 The evaluation committee appointed by AWAK shall evaluate the proposals on the basis of their responsiveness to the Terms of Reference and applying the evaluation criteria as outlined in this RFP.

2.7 Evaluation of Financial Proposal

2.7.1 The evaluation committee will determine whether the financial proposals are complete (i.e. whether the Audit firm 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.

2.7.2 The tender evaluation committee shall evaluate the tender within 15 days of deadline of submission.

2.7.3 Contract price variations shall not be allowed for contracts not exceeding one year (12 months).

2.7.4 Where contract price variation is allowed the variation shall not exceed 10% of the original contract price

2.7.5 Price variation requests shall be processed by AWAK 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 AWAK”. 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 (work plan), staffing and any suggestions made by the firm to improve the Terms of Reference. AWAK and firm will then work out final Terms of Reference, staffing and bar charts indicating activities, staff periods in the 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 AWAK 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, AWAK expects to negotiate a contract on the basis of the experts named in the proposal. Before contract negotiations, AWAK will require assurances that the experts will be actually available. AWAK 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 AWAK and the selected firm will initial the agreed Contract. If negotiations fail, AWAK will invite the firm whose proposal received the second highest score to negotiate a contract.

2.8.6 AWAK 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, AWAK will promptly notify other Audit firms on the shortlist that they were unsuccessful.

2.9.2 The parties to the contract shall have it signed within 30 days from the date of notification of contract award.

2.9.3 AWAK may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.

2.9.4 AWAK 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.

2.9.5 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 Audit firms 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 AWAK requires that the Audit firms 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.

APPENDIX TO INFORMATION TO AUDIT FIRMS

- The name of AWAK is: **Association of Women Accountants of Kenya**
- Technical and Financial Proposals are requested: **Yes**
- The name, objectives, and description of the assignment are:

PROVISION OF EXTERNAL AUDIT SERVICES

The name(s), address (es) and telephone numbers of AWAK's official(s) are; **EMAIL: chairman@awak.co.ke**.

Website: www.awak.co.ke

- AWAK will provide the following inputs: **AWAK will avail staff member(s) to provide the needed support including logistical arrangements where such support is requested.**
- The estimated Duration for the assignment will be for **three years** as follows; the annual audit for the financial years ended 31st December 2023, 31st December 2024 and 31st December 2025
- Taxes: Inclusive of **VAT** and all **applicable taxes**
- Proposals must be submitted no later than the following date and time: November 30, 2023 **at 5:00 p.m.**
- The address to send information to AWAK is: **As Provided Above**
- The assignment is expected to commence in January, 2024

Ensure you **sequentially number** all the pages of your proposal before submitting.

Evaluation Criteria; AWAK will evaluate your proposal based on the following evaluation criteria: -

a) Mandatory

1. Valid Tax Compliance Certificate
2. Valid Business permit
3. Firm/Business Registration Certificate
4. The Firm's relevant professional body Registration Certificate
5. The audit firm should have at least 2 (two) partners. One of the Partners must have at least 10 years' auditing experience (provide copies of practicing certificates)
6. Firm should have not less than 15(fifteen) employees with relevant professional certifications
7. Audited financial statements for the last 3 years

b) Technical Evaluation

A.	Technical Score	Score
1.	<p>Specific firms experience The firm must demonstrate experience in undertaking significant and similar assignments in audit for at least 3 large public or private organizations in the last 5 years (reference sites). Provide corresponding evidence of the three engagements by attaching proof of copy of contract/LPO/LSO/reference letter for the work done</p>	20
2.	<p>Qualifications and competence of the key staff;</p> <ul style="list-style-type: none"> a. An Engagement Partner with over 10 (ten) years auditing experience. b. A Review Partner with over 10 (ten) years auditing experience. c. A Manager with over 8 (eight) years auditing experience. d. A Team Leader with at least 6 (six) years of experience in Auditing; and e. Experience in applying IAS and IFRS/IPSAS for all key staff. <p>Provide CVs for the said personnel in the order provided and ensure you indicate your team composition</p>	50
3.	<p>Methodology and Work plan for carrying out the services; Detail how the assignment will be undertaken within the given timeframe</p>	10
Maximum Technical Score		80
Pass mark Score		70 out of 80

c) Financial Evaluation=20

Total Score=Technical Score +Financial Score

