

TENDER FOR THE PROVISION OF CORPORATE GOVERNANCE AUDIT.

TENDER NO. KPOSB/024/2018.

RELEASE DATE: 30TH OCTOBER, 2018.

CLOSING DATE: 13TH NOVEMBER, 2018 AT 10.00 AM

1.0 Introduction and Background Information

- 1.1 Compliance with statutory obligations is a performance indicator in the Performance Contract for the Financial Year 2016 between the Government of Kenya and the Bank. This entails Compliance with and enforcement of all relevant Legislations, Regulations and carrying out Legal Audit to establish the extent of compliance and enforcement.
- 1.2 Conformity with governance parameters as set out in the Constitution, other applicable laws and best practices is a requirement under the Mwongozo Code of Governance which provides guidance on corporate governance within State Corporations.
- 1.3 Corporate Governance Audit therefore entails review of governance structures, policies and practices to ensure they are in conformity with the highest standards of good governance.
- 1.4 The exercise will enable the Bank minimize risks as well as ensure it conducts its operations in accordance with all relevant laws and best regulatory practices anchored in principles of good governance, accountability and transparency.
- 1.5 Completed tender documents are to be enclosed in plain sealed envelopes, marked with the tender number and be deposited in the tender box provided at ground Floor, Postbank House and be addressed to:

The Managing Director,

Kenya Post Office Savings Bank,

P.O. Box 30311-00100,

Nairobi

So as to be received on or before 13th November, 2018 at 10.00 a.m.

Website: www.postbank.co.ke

2.0 The Terms of Reference (ToR) for the Consultant

2.1 Scope of Services

- 2.1.1 The Consultant will be required to provide the professional services necessary to undertake a comprehensive Corporate Governance Audit.
- 2.1.2 The Consultant will also work within the terms of reference and contract agreement to deliver quality output in accordance with the objectives of this assignment. These will include:

Corporate Governance Audit Scope of Service.

- i. Identify and analyze governance parameters which the Bank is required to operate under in line with the Constitution of Kenya 2010, attendant Statutes and best practices. These parameters shall include:
 - Leadership and Strategic Management;
 - Transparency and Disclosure;
 - Compliance with Laws and Regulations;
 - Communication with Stakeholders;
 - Board Independence and Governance;
 - Board Systems and Procedures; and
 - Corporate Social Responsibility and Investment.
- ii. Evaluate the Bank's existing governance structures, policies and procedures and assess the extent of their compliance with these governance parameters;
- iii. Review the existing Bank's Board Charter;
- iv. Prepare and present to the Bank's Management and Board an interim report of the audit findings and draft reviewed Board Charter.
- v. Prepare and submit to the Bank a final Corporate Governance Audit Report of the audit findings, recommendations and reviewed Board Charter.

a) 3.0. Mandatory Requirements

- i) Certified registration certificate
- ii) Certified Tax compliance certificate
- iii) Certified CPS-K Certificate for the Team Leader
- iv) Professional indemnity of Kshs 20.0 million.
- v) Certified Practicing Certificate
- vi) Clearance by Advocates Complain Tribunal
- vi) Certified Corporate Governance Auditor
- vii) Current Recommendation letters from at least 3 State Corporations (for the last three years for similar work successfully completed) addressed to Postbank

NB. Only the firms that provide all the mandatory requirements will proceed to technical analysis.

4.0. Technical Requirements

	CRITERIA	Maximum Weight
1.	RELEVANT EXPERIENCE OF THE CONSULTANCY AND TECHNICAL CAPABILITIES TO CARRY OUT THE ASSIGNMENT	
a.	Brief description of the following: Description of consultancy/ organization profile indicating that suitability to carry out this specific assignment – 1 mark Description of technical capabilities and resources to carry out this specific assignment – 1 mark Experience to carry out this specific assignment – 1 mark	3
b.	Number of actual Corporate Governance Audit undertaken in the last five years. List the names of the organizations where the relevant assignment(s) were carried out and provide contact persons.(3 marks for each up to a maximum of 5) Evidence of actual work carried out is required (<i>Attach LSO/ Contract</i>)	15
c.	Provide recommendation letters from 5 reputable institutions/clients in the clients letter head (3 marks each) for similar work done	15
2.	APPROACH AND METHODOLOGY	
a.	Understanding of and conformity to the Terms of Reference- (TOR) Corporate Governance- 3 marks	5
b.	Consultant's additional suggestions and proposals on the TORs - 2 mark	
c.	Appropriateness of the methodology and survey schedule, and the completeness of the description of the same in relation to the TORs, particularly with respect to the outlined objectives	5
3.	HUMAN RESOURCE CAPACITY	

<p>i.</p>	<p>Lead Consultant: The lead consultant shall be an Advocate of the High Court of Kenya with a current valid Practicing Certificate (5 marks) <u>Attach a copy of the certificate.</u></p>	<p>20</p>
<p>a.</p>	<p>Have at least 10 years post admission experience (0.5 marks for each year)</p>	
<p>b.</p>	<p>A Certified Public Secretary of Kenya in good standing and a (5 marks)</p>	
<p>c.</p>	<p>Completed assignments on Corporate Governance Audit. (1 mark per <u>assignment up to 5 (attach documentary evidence i.e. LSO, contract)</u>)</p>	
<p>ii.</p>	<p>Two other Key staff to undertake the survey:</p>	<p>20</p>
<p>a.</p>	<p>Should also be Advocates of the High Court of Kenya with current valid Practicing certificates (5 marks each) <u>Attach a copy of the certificate.</u></p>	

b.	Have at least 5 years post admission experience (1 mark for each year) (5 years considered for each staff)	
c	Completed assignments on Corporate Governance Audit. (1 mark per assignment up to 5 (attach documentary evidence i.e. LSO, contract)	
iii.	Other research/data entry staff:	8
a.	Should possess a relevant Diploma- 1 marks each up to 3 marks	
b.	Post qualification Experience (1 mark for each year up to 5 marks)	
4.	Firms Experience Relevant experience (1 mark for each year max 5). (Attach documentary evidence- LSO, contracts, project	5

	completion Certificate).	
5.	Financial Capability as measured by the: Liquidity ratio 2:1 ratio Max - 4 points 1: 1 ratio Max – 2 points Less – 0 point	4
	GRAND TOTAL	100

5.0. Financial Proposal.

NO.	REQUIREMENT	COST	VAT/TAXES	TOTAL COST VAT INCL.
1	Corporate Governance Audit			