1. INVITATION TO TENDER

TENDER NAME: Tax Health Check Consultancy
TENDER REF NO: SOSCVKENYA/NBO/001/2020

SOS children’s Villages Kenya is an affiliate of SOS CV-International whose mission is to build families for children in need, help them shape their own futures and share in the development of their communities. In Kenya, the organization runs five Children’s Villages in Nairobi, Mombasa, Eldoret, Meru, and Kisumu. SOS Children’s Villages Kenya also runs education and health institutions and works with local communities through Family Strengthening Programmes.

Tax consulting services are being sought from recognized consulting firms to carry out a tax health check and provide recommendations to management of SOS CV Kenya on taxation areas that require improvement as per the scope of work under section 4 below.

Tender Package Available from: 22nd September, 2020

Tender Package Pickup Location: (website link)

Deadline for Offer Submission: 2nd October, 2020; 1600 HRS

Submit Offers to: The Tender Box located at SOS CV KE National Office; Gate 7, Marcus Garvey Road, Off Argwings Kodhek, Hurlingham, P.O. Box 40653-00100, Nairobi, Kenya

Offers should be submitted in sealed envelopes clearly marked with the tender number and name

SOS CV KENYA reserves the right to accept or reject any late offers

Questions and Answers (Q&A)

If any, Submit Questions in writing to: Nationaloffice.procurement@soskenya.org

Last Day for Questions: 28th September, 2020; 1700 hrs.

Questions will be answered by: 29th September, 2020; 1700 Hrs.
Questions will be answered through: Nationaloffice.procurement@soskenya.org

Q&A Session (Subject to Prior Booking)

Date / Time: 29th September, 2020; 1100 hrs-1300 Hrs.

Points of Contact: Programme Administrator – SOS Children’s Village- Nairobi Location

Documentation Checklist

These documents are contained within this tender package:

✓ Invitation to Tender
✓ General Conditions for Tender
✓ Evaluations and Selection
✓ Scope of Work/Technical Specifications/BoQ

2. GENERAL CONDITIONS FOR TENDER

SOS CV KENYA invites offers for the goods, services and/or works described and summarized in these documents, and in accordance with procedures, conditions and contract terms presented herein. SOS CV KENYA reserves the right to vary the quantity of work/materials specified in the Tender Package without any changes in unit price or other terms and conditions and to accept or reject any, all, or part of submitted offers.

2.1 Unethical Behavior & Other Grounds for Exclusion:

SOS CV KENYA demands ethical conduct from our potential suppliers in the procurement process. The following practices are intolerable and bidders proven to be involved with such activities will have their bids rejected and any existing contracts terminated.

➢ Bribery and Kickbacks: This includes any request from any SOS CV KENYA employee, consultant or agent for anything of value from any company or individual in exchange for the employee, consultant or agents taking or not taking any action related to the award of a contract or the contract once awarded. It also applies to any offer from any company or individual to provide anything of value to any SOS CV KENYA employee, consultant or agent in exchange for that person taking or not taking any action related to the award of the contract or the contract.

➢ Collusion: This includes the active or tacit co-ordination of potential contractors' competitive behavior, with the likely result that prices rise, output is restricted and the profits of the colluding companies are higher than they would otherwise be (e.g. price fixing agreements).

➢ Coercive practice: This includes threats or harm of persons made in order to influence procurement processes.
Fraud: This includes the use or presentation of false, incorrect or deliberately incomplete statements and documents. It can also mean the misapplication of funds for purposes other than those for which they were originally intended.

Conflicts of interests in the awarding or management of contracts: If a company is owned by, whether directly or indirectly, in whole or in part, any SOS CV KENYA employee or any person who is related to an SOS CV KENYA employee, the company must ensure that it and the employee disclose the relationship as part of or prior to submitting the offer.

2.2. Social Consideration

SOS CV KENYA is a social development organization. We base our conduct on ethical standards and take into account the social effects of our conduct. SOS CV KENYA will at all-time act in a socially responsible manner when it comes to procuring goods or services. We make a contribution to local development of the communities where we work by procuring locally as much as possible. We promote fair trade, and proper, legal conduct in the market place.

We require that our supply chain does not use exploitative child labor (as defined in the ILO conventions nos. 138, 182) and forced labor (ILO conventions nos. 29, 105) and is in compliance with basic social rights and working conditions (ILO core labor standards).

We require that potential contractors comply with Social Accountability Standard SA8000. This standard is based on international workplace norms in the ILO conventions and the UN's Universal Declaration of Human Rights and the Convention on the Rights of the Child. In ensuring that our suppliers adhere to these standards we make an active contribution to an equitable social development and the enforcement of basic Human Rights.

2.3 Tender Basis:

- All offers shall be made in accordance with these instructions, and all documents requested should be furnished, including any required (but not limited to) supplier-specific information, technical specifications, drawings, bill of quantities, and/or delivery schedule. If any requested document is not furnished, a reason should be given for its omission.
- No respondent should add, omit or change any item, term or condition herein.
- If suppliers have any additional requests and conditions, these shall be stipulated in an exception sheet.
- Each offeror may make one response only.
- Each offer shall be valid for the period of [180 days] from its date of submission.
- All offers should indicate whether they include taxes, compulsory payments, levies and/or duties, including VAT, if applicable.
- Suppliers should ensure that financial offers are devoid of calculation errors. If errors are identified during the evaluation process, the unit price will prevail. If there is ambiguity on the unit price, the Selection Committee may decide to disqualify the offer.
- Any requests for clarifications regarding the project that are not addressed in written documents must be presented to SOS CV KENYA in writing. The answer to any question raised in writing by any offeror will be issued to that offeror. In some cases SOS CV KENYA may choose to issue clarifications to all offerors. It is a condition of this tender that no clarification shall be deemed to supersede, contradict, add to or detract from the conditions.
hereof, unless made in writing as an Addendum to Tender and signed by SOS CV KENYA or its designated representative.

- This Tender does not obligate SOS CV KENYA to execute a contract nor does it commit SOS CV KENYA to pay any costs incurred in the preparation and submission of bids. Furthermore, SOS CV KENYA reserves the right to reject any and all offers, if such action is considered to be in the best interest of SOS CV KENYA.

2.4 Supplier Eligibility

Suppliers may not apply, and will be rejected as ineligible, if:

- They are bankrupt, being wound up, having their affairs administered by the courts, having entered into an arrangement with creditors, having suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- They have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata;
- They have been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
- They have not fulfilled obligations relating to the payment of taxes and other statutory contributions in accordance with the legal provisions of the country in which they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;
- They have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization or any other illegal activity;
- Found to be in serious breach of contract in previous contracts with SOS or its partners.

Additional specific eligibility criteria, if applicable, are stated in this tender package under evaluation summary.

2.5 Response Documents

Offerors must submit an offer in their own format and ensure it contains all the required documents and information specified in this tender document:

Offerors must submit their own independent offer including at least (but not limited to):

- All documents required in the “Eligibility evaluation” section of this Tender Package
- All documents required in the “Technical evaluation” section of this Tender Package
- A price offer
- Any other documents to support due diligence and to strengthen bidder’s offer.

The original bid should be initialed and the price offer pages of the bid must be signed by the authorized person(s) representing the bidder and stamped.

Any interlineations, erasures, or overwriting shall be valid only if they are initialed by the person(s) signing the bid.

2.6 Acceptance of Successful Response
Documentation submitted by offerors will be verified by SOS CV KENYA. The winning offeror will be required to sign a contract for the stated, agreed upon amount.

3. EVALUATION AND SELECTION

3.1 Specific Eligibility Criteria
Eligibility criteria must be met and the corresponding supporting documents must be submitted with offers. Offerors who do not submit these documents may be disqualified from any further technical or financial evaluation.

i. Company Registration/Incorporation certificate
ii. Valid Tax compliance certificate issued by Kenya Revenue Authority.
iii. Relevant certification from relevant government/industry regulatory body(s); i.e ICPAK

3.2 Technical Evaluation
An SOS CV KENYA Tender Committee will conduct a tender evaluation. SOS CV KENYA reserves the right to accept or reject any or all bids, and to accept the offer(s) deemed to be in the best interest of SOS CV KENYA. SOS CV KENYA will not be responsible for or pay for any expenses or losses which may be incurred by any Offeror in the preparation of their tender.

The technical evaluation will grade technical criteria on a pass/fail basis. Supplier’s bids must meet the minimum technical standard established here in order to receive a passing mark. Any offerors who receive a failing mark on any criteria will be automatically disqualified from the tender process.

Only offerors who pass all technical criteria will move on to the next round of evaluation

<table>
<thead>
<tr>
<th>Technical Criteria</th>
<th>Pass/Fail</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial capacity</strong>: Submit most recent audited financial statements for at least last 3 years; Please submit a one pager summarized financial analysis of the audited statements indicating your turn over and cash flows in the last 3 years.</td>
<td></td>
</tr>
<tr>
<td><strong>Proposed Project Team/Personnel</strong>: Minimum technical personnel required: Lead consultant with at least Masters degree in Business or related field and CPA-K qualification and be a member of Institute of Certified Public Accountants of Kenya with good standing. All proposed consultancy team must have CPA-K Qualification and a business related degree. Attach their respective CVs and certificates and other testimonials.</td>
<td></td>
</tr>
<tr>
<td><strong>Experience</strong>: Provide at least 3 reference letters with contact details of referees (phone and email) for similar consultancies done within the last 3 years, preferably from INGOs; Attach a list of any other similar works done within last 3 years (Name of client, contact details, consultancy scope, consultancy value); Attach other relevant documents to proof your relevant experience e.g service completion certificates, consultancy contracts, LPOs, award letters etc</td>
<td></td>
</tr>
</tbody>
</table>
**Delivery schedule / work plan:** Submit a comprehensive work plan with breakdown of actions to achieve the objectives of the assignment, specifying budgeted hours, timelines and sequence of activities.

**Financial offer:** Submit an all-inclusive fixed price fee inclusive of professional fee and all support costs required and VAT.

---

### 3.3 Financial Evaluation and Price/Cost Analysis

All suppliers who passed all technical criteria will move on to the financial evaluation where the lowest price offer(s) will be accepted as the winning offeror(s) assuming the price is deemed **fair and reasonable** and subject to the additional due diligence.

### 3.4 Additional Due Diligence

Upon completion of both the technical and financial evaluations SOS CV KENYA may choose to engage in additional due diligence processes with a particular offeror or offeror(s). The purpose of these processes is to ensure that SOS CV KENYA engages with reputable, ethical, responsible Suppliers with solid financials and the ability to fulfill the contract. Additional due diligence may take the form of the following processes (though it is not limited to):

- Reference Checks
- Supplier’s facility visits
- Further analysis of audited financial statements
- Determination of relations and affiliations between offerors
- Other appropriate documented method giving SOS CV KENYA increased confidence in the supplier’s ability to perform.
4.0 SCOPE OF WORK (FOR SERVICE) / TECHNICAL SPECIFICATIONS (FOR GOODS) / BILL OF QUANTITIES (FOR WORKS)

The main aim of the assignment is to ensure that SOS CV Kenya remains tax compliant at all times and that any risks are flagged out and addressed in good time. The consultant will focus on the below areas;

a. TAX HEALTH CHECK
   - Carry out a tax health check.
   - Identify exposures and report to management.
   - Advise on tax planning opportunities.
   - Advise management on settling identified exposures with the authority

b. CORPORATE TAX
   - Review the company’s Trial Balance to determine its taxable income or loss for the period in line with the income tax legislation
   - Review correct posting of income in the accounting system to reduce tax exposure.
   - Ensure there are no existing tax penalties and interest and if there are any advice management on appropriate action.

c. VALUE ADDED TAX
   - Review organization’s operations and establish whether the organization should maintain VAT obligation
   - Review organization’s transactions and establish whether there is any VAT owing and advise management on how to settle the amounts.

d. PAY AS YOU EARN (PAYE)
   - Review the payroll operations and confirm whether employees’ tax is computed in accordance with the income tax law.
   - Review the benefits provided by the company to its executives and employees and establish whether they are treated in accordance with tax law requirements.
   - Establish completeness and accuracy of the amounts submitted to KRA for the period under review.

e. WITHOLDING TAX
• Review monthly returns for Withholding tax
• Verify the correctness of withholding tax calculation

f. OTHER AREAS

• Any other tax duties assigned by SOS CV Kenya in consultation with the tax consultant

REPORTING

The consultant will be required to provide a report to the management on findings regarding the organization’s tax health status bringing out any areas of exposure.

The report will specifically include:

a. Observations and recommendations on SOS CV Kenya’s tax compliance status;
b. Report on the degree of compliance to each of the applicable tax obligation areas;
c. Communicate matters that have come to his/her attention during the review which might have a significant impact to the organization and also quantify the extent of exposure;
d. Bring to the attention of Management any other matter that the consultant considers important to the organization.

LOCATION

The exercise will be conducted from SOS CV Children’s office in Nairobi

TECHNICAL REQUIREMENTS

Refer the Evaluation and selection under section 3 above.

PERIOD TO COVER

The consultancy will cover the period from June 2016 to August 2020.