



## SECTION I: INVITATION FOR TENDERS

Date: 12/09/2019

Dear .....,

**TENDER NO. Væll/003/2019-2020**

### **SUPPLY, DEPLOYMENT, COMMISSIONING AND SUPPORT OF AN ERP SYSTEM**

Vehicle and Equipment Leasing Limited, here in VAELL, hereby invites your organisation along with others to offer a tender for provision of the above, to the specification outlined in the attached documents.

Please read the instructions on the tendering procedures carefully. Failure to comply may invalidate your tender which must be returned by the date and time given below.

Complete tender documents accompanied by a Tender Security of 1% of the tender sum in the form of a bank guarantee or guarantee from an insurance company approved by VAELL must be enclosed in a plain sealed envelope marked with the tender number and tender name and addressed to:

**Regional Managing Director,  
Vehicle and Equipment Leasing Limited,  
P.O. Box 2157 – 20117,  
Naivasha.**

The tender documents must be submitted in two copies one marked “ORIGINAL” and the other marked “COPY”. The tender documents should be deposited in the Tender box placed at the Reception at Quipbank, Buffalo Mall, Naivasha or be sent to Regional Managing Director, so as to reach him on or before the closing date and time on **Tuesday, 24<sup>th</sup> September 2019, at 11.00am.** Late tenders will not be considered.

The tenders will be opened immediately after the closing date and time on **Tuesday, 24<sup>th</sup> September 2019, at 11.00am.** in the Board Room, at Quipbank, Buffalo Mall, Naivasha. Bidders or bidder representatives are invited to witness the opening.

If having read the enclosed specification you decide not to submit a tender, I would be grateful if you could send your reasons (though you are under no obligation to do so) to [procurement@vaell.com](mailto:procurement@vaell.com) with the subject 'No Tender'.

Yours faithfully,

**Projects Officer**

## **SECTION II: INSTRUCTIONS TO TENDERERS**

### **2.1 Eligible Tenderers**

2.1.1 This Invitation for Tenders is open to all Tenderers eligible as described in the Appendix I. Successful Tenderers shall provide the services for the stipulated duration (hereinafter referred to as the “term”) specified in the tender documents. Commencement date shall be the date of execution of the contract or the date the contract is made, whichever comes first.

2.1.2 Tenderers shall provide the qualification information statement that the Tenderer (including all members of a joint venture and Sub tenderers) is not associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by VAELL to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the services under this Invitation for tenders.

2.1.3 Tenderers involved in corrupt or fraudulent practices shall not be eligible.

### **2.2 Cost of Tendering**

2.2.1 The Tenderer shall bear all costs associated with the preparation and submission of its tender, and VAELL shall not at any point be responsible or liable for such costs, regardless of the conduct and/or outcome of the tendering process.

2.2.2 VAELL shall allow the Tenderer to review the tender document free of charge before purchase.

### **2.3 Contents of Tender Document**

2.3.1 The tender documents comprise the documents listed below and addenda issued in accordance with clause 2.5 of these instructions to Tenderers.

- (i) Instructions to Tenderers
- (ii) General Conditions of Contract
- (iii) Special Conditions of Contract
- (iv) Schedule of Requirements
- (v) Details and Specifications of the ERP system
- (vi) Form of Tender
- (vii) Price Schedules
- (viii) Contract Form
- (ix) Confidential Business Questionnaire Form
- (x) Tender Security Form
- (xi) Performance Security Form

2.3.2 The Tenderer is expected to examine all instructions, forms, terms and specification in the tender documents. Failure to furnish all information required by the tender documents or to submit a tender not substantially responsive to the tender documents in every respect will be at the Tenderers risk and may result in rejection of the tender.

### **2.4 Clarification of Tender Documents**

2.4.1 A Tenderer making inquiry of the tender documents may notify by post, fax or by email at VAELL’s address indicated in the Invitation for tenders. VAELL will respond in writing to any request for clarification of the tender documents, which it receives, not later than seven (7) days prior to the deadline for the submission of the tenders. Written copies of VAELL’s response (including an explanation of the query but without identifying the source of inquiry) will be sent to all candidates who have received the tender documents.

2.4.2 VAELL shall reply to any clarifications sought by the Tenderer within three (3) days of receiving the request to enable the Tenderer to make timely submission of its tender.

## **2.5 Amendment of Tender Documents**

2.5.1 At any time prior to the deadline for submission of tenders, VAELL, for any reason, whether at its own discretion or in response to a clarification requested by a prospective Tenderer, may modify the tender documents by issuing an addendum.

2.5.2 All prospective Tenderers who have obtained the tender documents will be notified of the amendment by post, fax or email and such amendment will be binding on them.

2.5.3 In order to allow prospective Tenderers reasonable time in which to take the amendment into account in preparing their tenders, VAELL, at its discretion may extend the deadline for the submission of tenders.

## **2.6 Language of Tenders**

The tender prepared by the Tenderer, as well as all correspondence and documents relating to the tender exchanged by the Tenderer and VAELL, shall be written in English.

## **2.7 Documents Comprising the Tender**

The tender prepared by the Tenderers shall comprise the following components:

- (a) A Tender Form and a Price Schedule completed in accordance with paragraphs 2.8, 2.9 and 2.10 below.
- (b) Documentary evidence that the Tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted.
- (c) Tender security furnished in accordance with paragraph 2.12 (where applicable)
- (d) Declaration Form.

## **2.8 Tender Forms**

The Tenderer shall complete the tender form and the appropriate price schedule furnished in the tender documents, indicating the services to be provided.

## **2.9 Tender Prices**

The Tenderer shall indicate on the form of tender and the appropriate Price Schedule the unit prices and total tender price of the services it proposes to provide under the contract. Prices indicated on the Price Schedule shall be the cost of the services quoted including all customs duties and VAT and other taxes payable. Prices quoted by the Tenderer shall remain fixed during the Term of the contract unless otherwise agreed by the parties. A tender submitted with an adjustable price quotation will be treated as non-responsive and will be rejected, pursuant to paragraph 2.20.5

## **2.10 Tender Currencies**

Prices shall be quoted in Kenya Shillings.

## **2.11 Tenderers' eligibility and qualifications**

2.11.1 Pursuant to paragraph 2.1. of this document, the Tenderer shall furnish, as part of its tender, documents establishing the Tenderer eligibility to tender and its qualifications to perform the contract if its tender is accepted.

2.11.2 The documentary evidence of the Tenderer's qualifications to perform the contract if its tender is accepted shall establish to VAELL's satisfaction that the Tenderer has the financial and technical capability necessary to perform the contract.

## **2.12 Tender Security**

2.12.1 The Tenderer shall furnish, as part of its tender, a tender security for the amount and form specified in Appendix I.

2.12.2 The tender security is required to protect against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to paragraph 2.12.7.

2.12.3 The tender security shall be denominated in Kenya Shillings and shall be in the form of:

- (a) A bank guarantee.
- (b) Such insurance guarantee approved by VAELL.

2.12.4 Any tender not secured in accordance with paragraph 2.12.1. and 2.12.3 shall be rejected by VAELL as non-responsive, pursuant to paragraph 2.20.5

2.12.5 Unsuccessful Tenderer's tender security will be discharged or returned as promptly as possible but not later than ninety (90) days after the expiration of the period of tender validity.

2.12.6 The successful Tenderer's tender security will be discharged upon the Tenderer signing the contract, pursuant to paragraph 2.28, and furnishing the performance security, pursuant to paragraph 2.29.

2.12.7 The tender security may be forfeited:

- (a) if a Tenderer withdraws its tender during the period of tender validity.
- (b) in the case of a successful Tenderer, if the Tenderer fails to:
  - (i) Sign the contract in accordance with paragraph 2.28 or
  - (ii) Furnish performance security in accordance with paragraph 2.29.
- (c) If the Tenderer rejects correction of an arithmetic error in the tender.

## **2.13 Validity of tenders**

2.13.1 Tenders shall remain valid for one hundred and twenty (120) days after the date of tender opening prescribed by pursuant to paragraph 2.18. A tender valid for a shorter period shall be considered non-responsive and will be rejected.

2.13.2 In exceptional circumstances, VAELL may solicit the Tenderer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. The tender security provided under paragraph 2.12 shall also be suitably extended. A Tenderer may refuse the request without forfeiting its tender security. A Tenderer granting the request will not be required nor permitted to modify its tender.

## **2.14 Format and signing of the tender**

2.14.1 VAELL shall prepare one copy of the tender. The Tenderer shall submit the tender in two copies in two separate envelopes. Technical Proposals shall be separated from Financial Proposals. One copy will be clearly marked "ORIGINAL" and the other one will be clearly marked "COPY", as appropriate. In the event of any discrepancy between the original and copy the original shall prevail.

2.14.2 The original and the copy of the tender shall be typed or written in indelible ink and shall be

signed by the Tenderer or a person or persons duly authorized to bind the Tenderer to the contract. All pages of the tender, except for un-amended printed literature, shall be initialed by the person or persons signing the tender.

2.14.3 The tender shall have no interlineations, erasures, or overwriting except as necessary to correct errors made by the Tenderer, in which case such corrections shall be initialed by the person or persons signing the tender.

## **2.15 Sealing and marking of tenders**

2.15.1 The Tenderer shall seal the original and the copy of the tender in separate envelopes, duly marking the envelopes as “ORIGINAL” and “COPY”. The envelopes shall then be inserted and sealed in an outer envelope.

2.15.2 The inner and outer envelopes shall:

(a) Be addressed to the Regional Managing Director,  
Vehicle and Equipment Leasing Limited,  
P.O. Box 2157 – 20117,  
Naivasha.

(b) Bear the tender number and name.

2.15.3 The inner envelopes shall also indicate the name and address of the Tenderer to enable the tender to be returned unopened in case it is declared “late”.

2.15.4 If the outer envelope is not sealed and marked as required by paragraph 2.15.2, VAELL will assume no responsibility for the tender's misplacement or premature opening.

## **2.16 Deadline for submission of tenders**

2.16.1 Tenders must be deposited in the Tender box placed at the reception hall of VAELL, or be sent so as to be received at VAELL, on or before the closing date and time on **Tuesday, 24<sup>th</sup> September, 2019 at 11.00am**

2.16.2 VAELL may, at its discretion, extend this deadline for the submission of tenders by amending the tender documents in accordance with paragraph 2.5.3, in which case all rights and obligations of VAELL and candidates previously subject to the deadline will therefore be subject to the deadline as extended.

2.16.3 Bulky tenders which will not fit the tender box shall be received by VAELL as provided for in the appendix.

## **2.17 Modification and withdrawal of tenders**

2.17.1 The Tenderer may modify or withdraw its tender after the tender's submission, provided that written notice of the modification, including substitution or withdrawal of the tenders, is received by VAELL prior to the deadline prescribed for submission of tenders.

2.17.2 The Tenderer's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of paragraph 2.15. A withdrawal notice may also be sent by e-mail but followed by a signed confirmation copy, postmarked not later than the deadline for submission of tenders.

2.17.3 No tender may be modified after the deadline for submission of tenders.

2.17.4 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity specified by the Tenderer on the tender form. Withdrawal of a tender during this interval may result in the Tenderer's forfeiture of its tender security, pursuant to paragraph 2.12.7.

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

2.17.6 VAELL shall give prompt notice of the termination to the Tenderers and on request give its reasons for the termination within fourteen (14) days of receiving the request from any Tenderer.

## **2.18 Opening of Tenders**

2.18.1 The tenders will be opened immediately after the closing date and time on **Tuesday, 24<sup>th</sup> September 2019 at 11.00am** at the VAELL Naivasha Board Room in the presence of Tenderers' representatives present.

2.18.2 The Tenderers' representatives present shall sign a register evidencing their attendance.

2.18.3 The Tenderers' names, tender modifications or withdrawals, the presence or absence of requisite tender security and such other details as VAELL discretion may consider appropriate, will be announced at the opening of the tenders.

2.18.4 VAELL will prepare minutes of the tender opening, which will be submitted to Tenderers that signed the tender opening register and who will have made the request.

## **2.19 Clarification of Tenders**

2.19.1 To assist in the examination, evaluation and comparison of tenders VAELL may, at its discretion, ask the Tenderer for a clarification of its tender. The request for clarification and the response shall be in writing, and no change in the prices or substance of the tender shall be sought, offered or permitted.

2.19.2 Any effort by the Tenderer to influence in the tender evaluation, tender comparison or contract award decisions may result in the rejection of the Tenderer's tender.

## **2.20 Preliminary examination and Responsiveness**

2.20.1 VAELL will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the tenders are generally in order.

2.20.2 The tender sum as submitted and read out during the tender opening of the Financial Proposal shall be absolute and final and shall not be the subject of correction, adjustment, or amendment in any way by any person or entity. If there is a discrepancy between words and figures, the amount in words will prevail.

2.20.3 VAELL may waive any minor informality or non-conformity or irregularity in a tender which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Tenderer.

2.20.4 Prior to the detailed evaluation, pursuant to paragraph 2.20, VAELL will determine the

substantial responsiveness of each tender to the tender documents. For purposes of these paragraphs, a substantially responsive tender is one which conforms to all the terms and conditions of the tender documents without material deviations. VAELL's determination of a tenderer's responsiveness will be based on the contents of the tender itself without recourse to extrinsic evidence.

2.20.5 If a tender is not substantially responsive, it will be rejected and may not subsequently be made responsive by the Tenderer by correction of the non-conformity.

### **2.21 Conversion to single currency**

Where other currencies are used, VAELL will convert those currencies to Kenya Shillings using the selling exchange rate on the date of tender closing provided by the Central Bank of Kenya.

### **2.22 Evaluation and Comparison of Tenders**

2.22.1 VAELL will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to paragraph 2.20.

2.22.2 VAELL's evaluation of a tender will take into account, in addition to the tender price, the following factors, in the manner and to the extent indicated in paragraph 2.22.3:

- (a) Implementation plan proposed in the tender.
- (b) Deviations in payment schedule from that specified in the Special Conditions of Contract.

2.22.3 Pursuant to paragraph 2.22.2, the following evaluation methods will be applied.

#### **(a) Implementation Plan**

VAELL requires that the services under the Invitation for Tenders shall be performed at the time specified in the Schedule of Requirements. Tenders' offering to perform longer than VAELL's required delivery time will be treated as non-responsive and rejected.

#### **(b) Deviation in payment schedule**

Tenderers shall state their tender price for the payment on the schedule outlined in the special conditions of contract. Tenders will be evaluated on the basis of this base price. Tenderers are, however, permitted to state an alternative payment schedule and indicate the reduction in tender price they wish to offer for such alternative payment schedule. VAELL may consider the alternative payment schedule offered by the selected Tenderer.

2.22.4 The Tender Evaluation Committee shall evaluate the tender within 30 days from the date of opening the tender.

### **2.23 Contacting**

2.23.1 Subject to paragraph 2.19, no Tenderer shall contact VAELL on any matter related to its tender, from the time of the tender opening to the time the contract is awarded.

2.23.2 Any effort by a Tenderer to influence the members of staff of VAELL in its decisions on tender evaluation, tender comparison, or contract award may result in the rejection of the Tenderer's tender.

### **2.24 Post-qualification**

2.24.1 VAELL will verify and determine to its satisfaction whether the Tenderer that is selected

as having submitted the lowest evaluated responsive tender is qualified to perform the contract satisfactorily.

2.24.2 The determination will take into account the Tenderer's financial and technical capabilities. It will be based upon an examination of the documentary evidence of the Tenderer's qualifications submitted by the Tenderer, pursuant to paragraph 2.11.2, as well as such other information as VAELL deems necessary and appropriate.

2.24.3 An affirmative determination will be a prerequisite for award of the contract to the Tenderer. A negative determination will result in rejection of the Tenderer's tender, in which event VAELL will proceed to the next lowest evaluated tender to make a similar determination of that Tenderer's capabilities to perform satisfactorily.

## **2.25 Award Criteria**

2.25.1 Subject to paragraph 2.29, VAELL will award the contract to the successful Tenderer whose tender has been determined to be substantially responsive and has been determined to be the lowest evaluated tender, provided further that the Tenderer is determined to be qualified to perform the contract satisfactorily.

2.25.2 To qualify for contract awards, the Tenderer shall have the following:.

- (a) Necessary qualifications, capability, experience, services, equipment and facilities to provide the services 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.

## **2.26 VAELL's Right to accept or Reject any or all Tenders**

2.26.1 VAELL reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders at any time prior to contract award, without thereby incurring any liability to the affected Tenderer(s).

2.26.2 If VAELL determines that none of the tenders is responsive, VAELL shall notify each Tenderer who submitted a tender.

2.26.3 VAELL shall give prompt notice of the rejection to the Tenderer(s) and on request give its reasons for rejection within fourteen (14) days of receiving the request from any Tenderer.

2.26.4 A Tenderer who gives false information in the tender document about his qualification or who refuses to enter into a contract after notification of contract award shall be considered for debarment from participating in future procurements.

## **2.27 Notification of Award**

2.27.1 Prior to the expiry of the period of tender validity, VAELL will notify the successful Tenderer in writing that its tender has been accepted.

2.27.2 The notification of award will signify the formation of the contract subject to the signing of the contract between the Tenderer and VAELL pursuant to clause 2.9. Simultaneously, the other Tenderers shall be notified that their tenders were not successful.

2.27.3 Upon the successful Tenderer's furnishing of the performance security pursuant to paragraph 2.29, VAELL will promptly notify each unsuccessful Tenderer and will discharge its tender security, pursuant to paragraph 2.12.



2.27.4 If you do not receive any official communication within 120 days after the tenders closing date and time of **Tuesday, 24th september 2019 at 11.00am** kindly consider your tender application unsuccessful.

### **2.28 Signing of Contract**

2.28.1 Within seven (7) days of receipt of the Contract Form, the successful Tenderer shall sign and date the contract and return it to VAELL.

2.28.2 The contract will be definitive upon its signature by the two parties.

### **2.29 Performance Security**

2.29.1 The successful Tenderer may be required to furnish the performance security in accordance with the Conditions of Contract, in a form acceptable to VAELL.

2.29.2 Failure by the successful Tenderer to comply with the requirement of paragraph 2.29.1 or paragraph 2.30.1, VAELL shall constitute sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event VAELL may make the award to the next lowest evaluated tender or call for new tenders.

### **2.30 Corrupt or Fraudulent Practices**

2.30.1 VAELL requires that Tenderers observe the highest standard of ethics during the procurement process and execution of contracts. A Tenderer shall sign a declaration that s/he has not and will not be involved in corrupt or fraudulent practices.

2.30.2 VAELL will reject a proposal for an award if it determines that the Tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question. Further, a Tenderer who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in future procurements.

#### **Please note that:**

**The Tender Documents, (Technical Proposal and Financial Proposal) submitted separately should be accompanied by a clear Table of Contents and the Documents must be clearly serialized/numbered/paged.**

## Appendix I

The following information regarding the particulars of the tender shall complement, supplement or amend the provisions of the instructions to tenderers. Wherever there is a conflict between the provision of the instructions to tenderers and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the instructions to tenderers.

| Instructions To Tenderers Reference | Particulars of Appendix to Instructions To Tender   |
|-------------------------------------|---|
| 2.1.1                               | The tender is open to qualified registered firms who have written (verifiable) authorization for Supply, Deployment, Commissioning and Support of an ERP System for VAELL   |
| 2.10                                | Tender prices shall be quoted in Kenya shillings  |
| 2.11                                | The technical specifications and conformity requirements are given in the subsequent sections of the tender document including sections IV,V and VI   |
| 2.12                                | Tender Security of 1% of the tender sum   |
| 2.13                                | The tenders shall remain valid for 120 days Tenderers who would not have received any communication within the 120 days after opening of tenders should consider their tenders unsuccessful.  |
| 2.14                                | This tender is based on a two-envelope bid system. The bidder must submit a bid with separate technical proposal and a financial proposal in separate sealed and marked envelopes.  |
| 2.18                                | Date, Time and place of bid opening:<br><b>Tuesday, 24th september 2019 at 11.00am</b> Board Room, Quipbank, Buffalo Mall, Naivasha   |
| 2.22                                | The bid evaluation will take into account technical factors. The weight for the technical evaluation is 75%. Bidders must conform to the specific Technical Requirements. Only bidders who would have scored above 75% shall be considered for further evaluation |
| 2.24                                | VAELL will conduct Due Diligence before award of tender   |

## **SECTION III: GENERAL CONDITIONS OF CONTRACT**

### **3.1 Definitions**

In this contract, the following terms shall be interpreted as indicated:.

1. “The contract” means the agreement entered into between VAELL and the Tenderer, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
2. “The contract price” means the price payable to the Tenderer under the contract for the full and proper performance of its contractual obligations.
3. “The services” means all of goods, works and services to be provided by the Tenderer including any documents, which the Tenderer is required to provide to VAELL under the Contract.
4. “The Tenderer” means the individual or firm supplying the services under this contract.
5. “The GCC” means the General Conditions of Contract contained in this section. “The SCC” means the Special Conditions of Contract.
6. “Day” means calendar day.
7. “Parties”

### **3.2 Application**

These general conditions shall apply in all contracts made by VAELL for the procurement of goods and services.

### **3.3 Standards**

The services provided under this contract shall conform to the standards mentioned in the specifications.

### **3.4 Use of contract documents and information**

3.4.1 The Tenderer shall not, without VAELL’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of VAELL in connection therewith, to any person other than a person employed by the Tenderer in the performance of the contract.

3.4.2 The Tenderer shall not, without VAELL’s prior written consent, make use of any document or information enumerated in paragraph 3.4.1 above.

3.4.3 Any document, other than the contract itself, enumerated in paragraph 3.4.1 shall remain the property of VAELL and shall be returned (all copies) to VAELL on completion of the Tenderer’s performance under the contract.

### **3.5 Patent rights**

The Tenderer shall indemnify VAELL against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by VAELL.

### **3.6 Performance security**

3.6.1 Within fourteen (14) days of receipt of the notification of contract award, the successful Tenderer shall furnish to VAELL the performance security of 2% of the contract value in the form of a bank guarantee or a bank draft issued by a reputable bank located in Kenya in the form provided in the tender document or any other form acceptable to VAELL.

3.6.2 The proceeds of the performance security shall be payable to VAELL as compensation for any loss resulting from the Tenderer’s failure to complete its obligations under the Contract.

3.6.3 The performance security shall be denominated in the currency of the contract and shall be in the form of:

- (a) A bank guarantee.
- (b) Such insurance guarantee approved by VAELL.

3.6.4 The performance security will be discharged by VAELL and returned to the candidate not later than thirty (30) days following the date of completion of the Tenderer's performance obligations under the contract, including any warranty obligations, under the contract.

### **3.7 Delivery of services and documents**

Delivery of the services shall be made by the Tenderer in accordance with the terms specified by VAELL in the schedule of requirements and the special conditions of contract.

### **3.8 Payment**

3.8.1 The method and conditions of payment to be made to the Tenderer under this Contract shall be specified in the special conditions of contract (SCC).

3.8.2 Payment shall be made promptly by VAELL, but in no case later than thirty (30) days after submission of a valid invoice or claim by the Tenderer.

### **3.9 Prices**

3.9.1 Prices charged by the Tenderer for services performed under the Contract shall not, with the exception of any price adjustments authorized in SCC vary from the prices quoted by the Tenderer in its tender or in request for tender validity extension as the case may be. No variation in or modification to the terms of the contract shall be made except by written consent signed by the parties.

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

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

3.9.4 Price variation requests shall be processed by within 30 days of receiving the request.

### **3.10 Assignment**

The Tenderer shall not assign, in whole or in part, its obligations to perform under this Contract, except with VAELL's prior written consent.

### **3.11 Termination for default**

3.11.1 VAELL may, without prejudice to any other remedy for breach of contract, by written 30days notice of default sent to the Tenderer, terminate this contract in whole or in part:

- (a) If the Tenderer fails to deliver any or all of the services within the period(s) specified in the contract, or within any extension thereof granted by VAELL.
- (b) If the Tenderer fails to deliver the services of the specified quality.
- (c) If the Tenderer fails to perform any other obligation(s) under the contract.
- (d) If the Tenderer, in the judgement of VAELL, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

3.11.2 In the event VAELL terminates the contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, services similar to those un-delivered and the Tenderer shall pay VAELL for any excess costs for such similar services. However, the Tenderer shall continue performance of the contract to the extent not terminated.

### **3.13 Termination for Convenience**

3.13.1 VAELL by written notice sent to the Tenderer, may terminate the contract in whole or in part, at any time for its convenience. The notice of termination shall specify that the termination is for the procuring entities convenience, the extent to which performance of the Tenderer of the contract is terminated and the date on which such termination becomes effective.

3.13.2 For the remaining part of the contract after termination, VAELL may elect to cancel the services and pay to the Tenderer an agreed amount for partially completed services.

### **3.14 Resolution of Disputes**

3.14.1 VAELL and the Tenderer shall make every effort to resolve amicably by direct informal negotiations any disagreement or disputes arising between them under or in connection with the contract.

3.14.2 If after thirty (30) days from the commencement of such informal negotiations both parties have been unable to resolve amicably a contract dispute, either party may require that the dispute be referred for resolution to the formal mechanisms specified in the SCC.

### **3.15 Liquidated Damages**

If the Tenderer fails to deliver or provide any or all of the goods, works or services within the period(s) specified in the contract, VAELL shall, without prejudice to its other remedies under the contract, deduct from the contract prices liquidated damages sum equivalent to 1% of the delivered price of the delayed items up to a maximum deduction of 10% of the delayed goods/services. After this the termination of the contract may be considered.

### **3.16 Governing Language**

The contract shall be written in the English language. All correspondence and other documents pertaining to the contract, which are exchanged by the parties, shall be written in the same language.

### **3.17 Applicable Law**

The contract shall be interpreted in accordance with the laws of Kenya unless otherwise expressly specified in the SCC.

### **3.18 Notices**

3.18.1 Any notices given by one party to the other pursuant to this contract shall be sent to the other party by post or Email and confirmed in writing to the other party's address specified in the SCC.

3.18.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

## SECTION IV: SPECIAL CONDITIONS OF CONTRACT

Special Conditions of Contract as relates to the General Conditions of Contract

| <b>Reference of General Conditions of Contract</b> | <b>Special Condition Of Contract</b>  |
|--|---|
| 4.1 Performance security                           | 2% of tender sum  |
| 4.2 Delivery of Services                           | Delivery of the services shall be made by the Tenderer in accordance with the terms specified by VAELL in the schedule of requirements and the special conditions of contract.  |
| 4.3 Payment  | As per details under clause 3.8 Or any other mutually discussed and agreed criteria.  |
| 4.4 Price adjustment                               | No price adjustments allowed. However, the contract should be able to provide for provision of any approved goods, works or services and or reduction of the same   |
| 4.5 Liquidated damages                             | If the tenderer fails to deliver or provide any or all of the goods, works or services within the period(s) specified in the contract, VAELL shall, without prejudice to its other remedies under the contract, deduct from the contract prices liquidated damages sum equivalent to 1% of the delivered price of the delayed items up to a maximum deduction of 10% of the delayed goods, works and or services. After this the termination of the contract may be considered. |
| 4.6 Applicable law                                 | Laws of Kenya   |
| 4.7 Notices  | Vehicle & Equipment Leasing Ltd, P.O. Box 2157 – 20117, Buffalo Mall, Naivasha.   |

## **SECTION V: SCHEDULE OF REQUIREMENTS**

### **5.1 Business Processes**

The proposed processes for automation are described based on the departments at VAELL. The described processes are typical functionalities required in the ERP solution which are indicative and not exhaustive. The bidder shall undertake scoping to ensure that the proposed ERP solution covers all the requirements, quality standards applicable to each functional area, statutes, rules and regulations applicable to the functions and the international best practice in each discipline.

#### **5.1.1 Accounting & Finance**

The Accounting & Finance Department will require the system with the following functionalities:

- (a) General Ledger
- (b) Accounts Receivable
- (c) Accounts Payable
- (d) Payments and Reconciliation
- (e) Costing
- (f) Cash and Treasury Management
- (g) Bank transactions including reconciliation
- (h) Budgeting and variance analysis
- (i) Assets accounting
- (j) Taxation, duties and levies
- (k) Fund Management
- (l) Tracking of funds utilisation
- (m) Preparation of utilisation reports
- (n) Trial Balance
- (o) Insurance for materials and assets at various locations
- (p) Cost Centre Accounting
- (q) Imprest processing
- (r) Internal Order cost controlling
- (s) Project costing
- (t) Investment management
- (u) External Consultancy

#### **5.1.2 Human Resources and Administration**

The Human Resources and Administration Department will require a system with the following functionalities:

- (a) Organisation structure and establishment
- (b) Employee master database
- (c) Recruitment management
- (d) Training and development
- (e) Payroll administration
- (f) Benefits administration
- (g) Retirement/resignation/termination cases
- (h) Human resource planning
- (i) Disciplinary action rules and vigilance
- (j) Medical insurance and group life assurance
- (k) General insurance
- (l) Employee transfer, postings and promotion
- (m) Leave administration
- (n) Time management (attendance system)
- (o) Pension scheme administration NSSF

- (p) Performance management
- (q) Document management system
- (r) Career and succession planning tool
- (s) Property management and maintenance
- (t) Integration with the Fleet management
- (u) Employee self service
- (v) Surveys such as employee satisfaction, work environment among others.

### **5.1.3 Asset, Procurement, Supply Chain Management Unit**

This Unit will require the system with the following functionalities:

- (a) Procurement and asset disposal planning
- (b) Procurement budget monitoring
- (c) Registration of suppliers
- (d) Purchase/stores requisition management
- (e) Sourcing of goods, works and services
- (f) Evaluation process
- (g) Preparation of professional opinions
- (h) Award of contracts
- (i) Procurement and contract management
- (j) Contract administration, implementation and monitoring
- (k) Inventory management
- (l) Supplier performance management
- (m) Store issuing and stock taking
- (n) Management of transport services
- (o) Inspection and acceptance
- (p) Sale or disposal of assets
- (q) Asset management and distribution
  - (i) Asset maintenance
  - (ii) Asset tagging, tracking and allocation among others
  - (iii) Replacement, scrapping and decommissioning
  - (iv) Physical verification and reconciliation

### **5.1.4 Customer Service Requirement**

- (a) Customer Account Management
- (b) Customer Account Dashboard
- (c) Contact Management
- (d) Automated Marketing
- (e) Marketing Resource Management
- (f) Pricing and Tracking
- (g) Cost Summaries
- (h) Service Management
- (i) B2C Commerce
- (j) B2B Commerce
- (k) Order Management
- (l) Web Storefront Tool
- (m) Email Tools & Integration
- (n) Case Management
- (o) Customer Self-Service
- (p) Marketing Campaign
- (q) Rental Management
- (r) Sales Management



- (s) Mobile Access
- (t) Sales Force Automation

## SECTION VI: DETAILS AND SPECIFICATIONS OF THE ERP SYSTEM

### 6.1 Introduction

VAELL will procure the ERP solution which would best meet its requirements. The ERP project will be implemented in phases as shall be agreed with VAELL and will be premised on the following dimensions among others:

- (a) **Standardisation** – standardisation of processes, records, terminology, information exchange mechanisms
- (b) **Proven solutions** – the ERP solution should address the following:
  - (i) Scalability
  - (ii) The integration of processes
  - (iii) Best Practice – the ERP solution will benchmark with global best practice in relation to VAELL functions.
  - (iv) Multi-channel service Delivery to facilitate transactions through multiple devices and computer systems.
- (c) **Address evolving needs** – The operational characteristics of VAELL may evolve over a period of time, as the project moves from development stage to operations. Keeping in line with this change the IT systems requirements of VAELL may also change. The ERP solution is expected to act as a platform with which the multiple requirements could be addressed effectively.

### 6.2 Objectives of ERP

The main objective of investing in ERP based applications is to integrate all business processes and systems. The specific objectives include:

- (a) Achieve quality of service, efficiency, effectiveness and improve controls over asset management, sales & marketing, procurement process, HR, financial transactions, leasing and rental activities.
- (b) Establish uniform standards and global best practice in business processes related to VAELL.
- (c) Enhance the customer relationship management.
- (d) Enable real time and end-to-end visibility of information on multiple dimensions (projects, financials, inventory, assets, etc.)
- (e) Avail information seamlessly and on demand without manual intervention and duplication.
- (f) Facilitate management dashboards for monitoring and decision support systems.
- (g) Facilitate business process re-engineering in the various functions of the organisation to make them efficient, transparent, and compliant to regulatory requirements.

### 6.3 Expected outcome of the ERP project

VAELL expects the following outcomes on implementing the ERP system:

- (a) Improved service experience by all stakeholders.
- (b) Enhanced competitiveness.
- (c) Enhanced quality, efficiency and effectiveness.
- (d) Reduced cost of operations.
- (e) Better decision making.
- (f) Improved ability to deploy new information system functionalities.
- (g) Maximum return on investment.

#### **6.4 Specific tasks**

The consultant is expected to Configure, install, and customise the ERP as per requirements of VAELL. The ERP solution will be hosted on the cloud with cloud back up. The specific tasks for the Consultant will include but not limited to:

- (a) Develop an ERP project implementation plan.
- (b) Project scoping, end-user requirement gathering and business process re-engineering.
- (c) Implement the ERP solution incorporating all security features as described in this document adhering to the current trends and standards.
- (d) Integrate the ERP solution with digital signature, banks and selected systems as indicated in this document.
- (e) Provide implementation and project management services.
- (f) Extract, transform and migrate data.
- (g) Undertake User and technical training.
- (h) Pilot, test, commission and rollout.
- (i) Provide support after completing the implementation of the ERP Solution.

#### **6.5 The scope of supply, works and services**

The scope and characteristics of the ERP solution to be proposed by the bidders to meet the requirements of VAELL should cover the following aspects:

- a) Process coverage of the functional areas
- b) User base
- c) Solution capabilities and features
- d) Integrated workflows to ensure end to end processes of all the functions
- e) Full Integration of the solution with the existing systems as appropriate
- f) Future expansion and future scalability

The scope of the Consultancy will entail the following:

- a) ERP Solution development and implementation services
- b) Project Management services
- c) Training and documentation
- d) Technical services
- e) Support Services both technical and operational
- f) Establishment and implementation of feedback and monitoring system
- g) Skills augmentation

#### **6.6 The ERP Project Design and Implementation**

The bidder is required to deploy a comprehensive project methodology for delivery of the ERP Solution to ensure that the organisation is able to achieve the objectives of the project and able to harness the capabilities of the ERP solution and the best practices.

The project methodology should aim at streamlining implementations and deliver fast results to all the stakeholders of the project. At the core of the project methodology is:

- (a) Implementation Approach and methodology
- (b) The ERP solution implementation activities
- (c) Post implementation support
- (c) Technical support
- (d) Project management

## **6.6.1 The implementation approach and methodology**

### **6.6.1.1 Implementation approach**

- (a) Process improvement will be done to enable adopt some of the best practices embedded in the ERP Solution. The areas that can bring maximum benefits will be identified by the bidder in close coordination with process owners. System Implementer will also bring in knowledge of the best practices adopted by other industries during the implementation. Since process improvement is a part of overall implementation plan, bidder should recommend possible places of process improvement, detailed in the plan.
- (b) The bidder is required to capture all the processes in practice for all the activities of VAELL at the time of business blue printing and implementation of the ERP. Wherever possible VAELL would like to adopt the best practices and standard processes available with the ERP solution, including Reports and Forms to the extent possible.
- (c) The list below, of objects developed or changes to standard objects shall be considered as “Configuration” and not as “Customisation or development”. The Bidder shall not expect or propose any additional charges for developing these objects. It is expected that such efforts are part of the normal effort for implementation of the ERP solution:
  - i. Use of ERP solution provided Customer/User Exits to achieve specific process requirements/expectations.
  - ii. Configuration of Field selection and Screen Layouts.
  - iii. Definition and assignment of User Defined status for various objects.
  - iv. Definition of Authorisation Controls and Assignment.
  - v. Configuration of standard Workflows.
  - vi. Seamless integration across all ERP solution modules and engines or any other third party solutions proposed to meet the requirements of VAELL.
  - vii. Reports and Variants based on different solution modules/engines along with specific reports.
  - viii. Change to ERP standard reports/information systems to define and enable User Specific Variants.
  - ix. Change to ERP standard forms to incorporate standard texts and VAELL logo and formatted to address VAELL formats.
  - x. Conversion Programs developed for migrating Master Data and Open Data for “usage ready” from existing applications.
- (d) Plan for customisation/development – The Bidder should plan for the following developments as part of the normal effort for implementing the ERP Solution:
  - (i) Digital signature integration.
  - (ii) Integration for different types of online payments.
  - (iii) Banking and Mpesa transaction integration.
  - (iv) Input to the ERP system from all identified sources and produce outputs/reports as identified by VAELL.
  - (v) Integration of any other system as identified by VAELL
- (e) Documentation – The Bidder shall ensure preparation of complete documentation of the following:
  - (i) All configuration settings, customised applications, other activities, steps by step stages involved in the implementation of the system. The Bidder shall prepare the business process document, end-user manual and training document.

- (ii) Source code for the customised solution developed for VAELL with inline documentation. Detailed final system documentation for reference of VAELL. Bidder shall prepare the final user manual incorporating all details of all menus and functionality provided by the system.
- (f) Use of the native Project management tool. The bidder will use the native project management tool to record all project activities including but not limited to:
  - (i) The business design documents with version control review comments.
  - (ii) Minutes of the meetings.
  - (iii) System documentation.
  - (iv) Issue lists, resolutions.
  - (v) Training materials.

### **6.6.1.2 The implementation methodology**

- (a) The methodology to be deployed by the bidder to implement the ERP solution will have different work elements and activities. All these activities and work elements should coherently focus on achieving the following key results:
  - i. Quality of the solution deployed.
  - ii. Customer satisfaction while deploying and during usage.
  - iii. Successful implementation in terms of completeness and timely accomplishment of the outcome.
- (b) Critical activities of Implementation. The following are expected to be part of the implementation methodology to be adopted by the bidder:
  - i. Workshops with different stakeholders for capturing business requirements, creating awareness of best practices, communicating the changes, building consensus on process design, for signing-off the deliverables among others. The workshops need to be organised at different intervals and in different places(VAELL Offices) throughout the duration of the projects as demanded by the context.
  - ii. Stakeholder consultation other than workshops, with those stakeholders who will be identified by VAELL, for the purpose of critical inputs, review, suggestions, process description among others.
  - iii. Review sessions with different stakeholders for signing off the deliverables, walking through the deliverables for facilitating quick understanding.
  - iv. Documentation of proceeding – recording the developments, discussions, deliverables, using standard methodology and native tools.
  - v. Work standards/practices for documentation, configuration, and testing and data migration among others.
  - vi. Training the different stakeholders.

## **6.6.2 The ERP solution implementation activities and project deliverables**

### **6.6.2.1 Implementation activities**

The methodology shall be well-defined and structured in approach. It should adhere to the globally accepted best practices of ERP implementation and should cover the following broad phases or work elements.

- (i) Project Preparation.
- (ii) System Study/Business Process Design.
- (iii) Realisation/configuration/customisation/development.
- (iv) Integration, Testing and Acceptance.
- (v) Validation.

- (vi) Data extraction, transformation and migration.
- (vii) User and Technical training.
- (viii) Cut over strategy.
- (ix) Usage ready.
- (x) User adoption and support.
- (xi) System stabilisation support.
- (xii) Post implementation support.

(a) **Project Preparation:** The project preparation will focus on creating the project charter, interfacing mechanisms, the training, the day to day action plan till the completion of the next immediate stage, familiarization of the bidder team with VAELL operations and the VAELL team with the action plan of bidder among others.

(b) **Business design and blue print:** The bidder is expected to formulate the business design or blueprint, which will act as the key document for all the subsequent activities. The business design or blueprint will cover all the processes of the organisational units listed in the TENDER DOCUMENT, and will entail detailing the processes/solution capabilities listed in the TENDER DOCUMENT. This will be carried out through activities like system study, workshop with the users to identify the processes, to agree on the process characteristics and to formulate the process designs, detailing the operations/processes of VAELL, detailing the AS-IS and TO-BE processes, analysis of AS-IS and TO-BE business processes, gaps in relation to best practices as per ERP system, among others. The business blue print as approved by VAELL only shall be implemented.

(c) **The ERP solution provider shall also approve the business blueprint.** The bidder is expected to deploy standard templates for this purpose. Some of the critical outputs of the business design phase will be:

- (i) The master list of processes
- (ii) The users to the system, the activities, access rights.
- (iii) The reporting requirements, the report formats.
- (iv) The identification of interfaces needs for integration and the scheme for integration.
- (v) The data input requirements and formats.
- (vi) The outputs/formats required.
- (vii) The training and change management requirements.
- (viii) The best practices and the needs for process changes.
- (ix) The needs for customisation to address statutory or organisation specific requirements.
- (xi) The bidder will also ensure the following during the implementation:
  - Documenting the functional specifications for enhancement, development, interface and reporting requirements (such as, Layout sets, daily status reports, reconciliation reports among others), based on inputs.
  - Prioritisation of the development efforts and estimates for reporting/enhancement requirements.
  - Develop detailed technical design documents for all such development requirements including any data operation and security issues.

(d) **Realisation/configuration/customisation/development:** Based on the functionalities designed, bidder shall be responsible for:

**Realisation:** The system configuration and customisation will be undertaken based on the approved business design or blue prints. The key requirement will be identification of the processes to be configured and the processes to be customised. After completion of configuration/customisation of the ERP solution, the bidder shall carry out a trial run with

VAELL data, and demonstrate the processes to the VAELL user team. If the need arises and the result is not up to the expectation of VAELL management/user team, further reconfiguration will be done by the bidder in order to close any gaps left in meeting the desired objective. The bidder will also identify/configure the users of the system, the activities being carried out by them and the necessary authorisation/limit to access among others. Some of the other key activities will be:

- Integration of the detailed design across modules.
- Testing of configuration of Modules.
- Identification of the fields that need to be captured for the master files and mapping of the information.

**Configuration:** In order to minimise upgrade costs, VAELL would like to use standard features of the ERP Solution. The implementer is expected to make the necessary “Configuration” entries in the ERP Solution to achieve the business needs. The configuration includes small routines using User-exits and developing screen variants as needed by the business by setting fields attributes to hide, display and make them mandatory fields.

**Customisation:** VAELL intends to implement standard ERP Solution functionality as far as practically possible and to adopt the business processes of the standard ERP Solution and the leading practices available in the offered solution. However, the bidder is required to undertake customisation that may be needed in line with the changed, improved or specific business process requirements prepared during Business blue printing phase of the implementation.

**Development:** In case the bidder intends to develop any application as part of the application to suit the requirements of VAELL, such a development has to be restricted to minimum and has to be necessarily on the same platform as that proposed for the ERP solution. All such applications shall be the property of VAELL.

In cases where bidder recommends that the Customisation is needed through software development, VAELL reserves the option to get Expert help to resolve the functionality gap. In case it is proved that the functionality gap can be taken care through “Configuration” without resorting to “Development/Customisation”, then Configuration only would be the option. The cost of expert help in case of erroneous recommendations by the bidder shall be deducted from the progressive payment to the bidder.

**(e) Integration, testing and Acceptance:** The bidder shall provide standard functionality test suites for testing the modules. The bidder shall prepare the test plan and shall get it approved by VAELL. Test Data for different scenario (Test Cases) will be prepared in consultation with the users concerned for testing the modules. The pre-commissioning tests shall be carried out to assess the following but not limited to:

- (i) Conformance to the functional requirements
- (ii) Performance of the system with reference to response time and accuracy
- (iii) User friendliness
- (iv) Simultaneously, the documentation will also be reviewed by the user to ensure its accuracy and clarity

The Bidder is required to prepare procedures detailing the steps for conducting System Tests, which are accepted by VAELL. The Bidder shall after development and customisation/configuration of the ERP Solution, conduct tests to demonstrate that the system meets all the requirements (functional and technical) specifications as brought out in this TENDER DOCUMENT and would be in accordance with the procedures detailed in approved To-Be process document.

On the basis of these tests, a report would be submitted by the Bidder for review and approval by VAELL. The test results and response times should be demonstrated by the System Implementer during the testing phases (System, integration and Stress and Load testing) at each VAELL location in an environment/infrastructure as mutually agreed upon by VAELL and the bidder. This will entail:

- Developing a Test Plan to support Function Testing and System/Integration Testing and ensuring that the testing of the software is comprehensive and auditable and preparing test cases for User Acceptance Testing (UAT).
- Testing of the entire new system, as part of system integration testing. Testing of the data conversion and migration to the new system, as part of system integration testing. Integration testing shall be carried out to ensure cross function modules are integrated and transaction data is flowing across the ERP modules and integrated systems accurately.
- Developing acceptance test procedures to ensure conformance to the required process operations response time, the integrity of the software after installation, and to eliminate any operational bugs. This will include:
  - (i) Fine tuning of the software, ensuring all required related component software are installed and any debugging required.
  - (ii) At the satisfactory conclusion of these Acceptance Tests to the satisfaction of VAELL, the commissioning/implementation of the software shall be considered to be complete.

**(f) Validation:** The bidder is required to get the processes, and the configurations validated by a legal expert for compliance to international standards, ACTs, laws or guidelines.

**(g) Data extraction, transformation and migration:** Migration of data in the new system is the responsibility of the bidder. VAELL along with the bidder will jointly decide on what data will be migrated and VAELL will take the responsibility of collecting and making the data available. A detailed plan for data migration is expected from the system implementer during the initial stages of the project, which will include data to be migrated, templates for upload of data and data collection/digitisation/migration timelines. All data migration activities including digitisation are the responsibility of the system implementer.

Some of the key activities of data migration will be:

- i. Identification and development of the data upload/download programs.
- ii. Providing data migration tools and templates to VAELL.
- iii. Populate and migrate all the legacy/ raw/new data element to the ERP system.
- iv. Training and facilitating the core team.
- v. Assistance in Checking data quality and Integrity.
- vi. Integration testing of the configured system using the populated master and transaction data.
- vii. Assist VAELL team in Master Data management. The following data should be migrated:
  - All open transactions and all transactions from the start of financial year.
  - Standing or master data such as vendors/suppliers, customers, all employees, material, work breakdown structures, equipment, work specification, cost data, among others.
  - Transactional data for all live projects. The live project data to be populated based on the agreed to-be process requirement.
  - It will be the responsibility of the bidder to ensure that data migration is complete in all aspects, within time so that the requirements of the implementation are fulfilled.
  - Most of the data migration will be from the existing systems both manual and automated.

**(h) End-User and technical Training .** The purpose of user training is to ensure that all users are adequately prepared and able to perform their job functions at “usage ready”. Training content will



depend on the function performed by the users; therefore, several user profiles will be established. The vendor will be expected to organise for certification of some key users to be identified in the course of project implementation.

Training will be designed for:

- End users
- System administrators and technical users
- Senior Management on performance and audit trail
- Members of the Board

**(i) Cut over Strategy:** The bidder has to evolve and detail a comprehensive cut over strategy including initial data take on, sequence of data take on, set up of support helpdesk, helpdesk procedure to minimise business impact of cut over activities.

**(j) Usage ready:** “Usage Ready” means commissioning and integration of all the components of the ERP solution as per this document, configured, customised and used successfully by all the intended users of VAELL for successfully executing all the intended transactions as in this TENDER DOCUMENT and as per the SLAs and/or mutually agreeable levels. The “Usage Ready” shall come into effect only on approval by VAELL. The bidder is required to undertake the following to review readiness for “Usage Ready” of the ERP system:

- (i) Facilitate in setting up central help desk for any queries.
- (ii) Review the health, usage and performance of the system till it stabilises.
- (iii) Ensuring resolution/documentation of all issues raised during implementation.
- (iv) Final configuration/ integration, volume and stress testing.
- (v) Switch over to production environment.
- (vi) Declaration of “usage ready” – the system will be declared “Usage Ready” when the following tasks/activities are accomplished satisfactorily:
  - Acceptance testing
  - Data migration
  - Training
  - User creation / role identification
  - Security and Help desk

**(k) User Adoption Support:** The Bidder shall provide User adoption support between the period of “usage ready” and declaration of “complete deployment”, by deputing technical and functional consultants at the client site. During this period the bidder will address the following:

- (i) Hand holding the users to carry out their activities using the ERP system.
- (ii) Facilitating the users to use the ERP system on a daily basis.
- (iii) Training the individual users for specific processes/activities.

## **(l) Feedback and Audit**

### **User feedback and internal review:**

- The bidder is expected to build adequate mechanisms to get the feedback from different users of the ERP Solution during different stages of the project. These users/stakeholders for giving feedback will be identified by VAELL.
- The bidder is expected to deploy in this project the expertise of experience of similar projects carried out by it earlier. Although it is not expected that these experts will be full time on site for the project, it is expected that all the key deliverables will go through a review with these experts. Similarly, the successful bidder is expected to deploy all the quality assurance mechanisms as per international quality standards for this project.

- The bidder should clearly indicate up front what are the deliverables which will go through internal review, what type of expertise will be deployed for these reviews and what are the deliverables which will follow the quality assurance plans.
- If any of the deliverables are not acceptable to VAELL or its appointed experts, it will have the right to seek deployment of experts from bidder to review the deliverables.

### **Third party audit**

- VAELL may appoint third party experts to review any or all of business design, configuration and the final system for the adequacy of security built into the system, keeping in mind the sensitivity of the operations of VAELL.
- The bidder is expected to provide full cooperation to the agency appointed by VAELL for this purpose, to carry out its job professionally.

**(m) Declaration of “Complete deployment”:** The ERP system is accepted as “Complete deployment” only after successfully using the system for three months error free. The Project Managers from VAELL and Solution Implementer (SI) will jointly initiate the notice for declaring “Complete Deployment” after satisfactory completion of the following:

- (i) All the activities as listed in this TENDER DOCUMENT
- (ii) After scrutinising all the inspection reports, audit findings, Contract agreements among others.
- (iii) Satisfactory completion of end to end processing of all functional modules.
- (iv) The “Complete Deployment” notice is submitted to the Steering Committee of VAELL for action.
- (v) Within fifteen (15) days of receiving the notice, the Steering Committee will decide on the actions to be taken on “Complete Deployment”.
- (vi) The “Complete Deployment” event comes into effect only when the Steering Committee approves the notice for “Complete Deployment”.
- (vii) In the event that Steering Committee does not approve or suggest further action, the notices are reinitiated only after the recommended actions have been satisfactorily completed.

### **(n) System stabilisation support**

After launching of the ERP solution or making it “complete deployment”, the bidder will provide three months of system stabilisation services. During this phase, the bidder will take up the following:

- Tasks related to bug fixing (if any) in customisation made in the system
- Maintaining back-ups of the implemented system
- Coordinating with ERP Solution OEM for any base ERP solution related issues.
- Minor developments, improvements in the output and input formats
- Hand holding the users
- Formulation of Post “Complete deployment” Support Strategy
- Carrying out the review of issues and activities carried out during user adoption and system stabilisation period.
- Monitoring and fine tuning system response.

### **6.6.2.2 Project Deliverables**

It is expected that the project will move from one phase to the next only when the deliverables of that phase are accepted. Some of the key deliverables which will signal the successful completion of each of the phases shall be as indicated in table below. The Bidder is encouraged to propose any

additional deliverable/s for the sake of comprehensiveness, based on their experience of delivering similar projects, which can enhance the quality of work.

Table : Project Deliverables

| Major activity/Mile stone     | Deliverable  |
|-------------------------------|--|
| Project Preparation           | <ul style="list-style-type: none"> <li>• Agreed and Finalised Project Plan</li> <li>• Inception Report</li> <li>• Core team training completion report</li> <li>• Team profile finalisation and Mobilisation Sign Off</li> </ul>   |
| Business Design               | <ul style="list-style-type: none"> <li>• Master list of processes</li> <li>• “As-is” process mapping and analysis</li> <li>• “To-be” Process and Gap Analysis Report</li> <li>• Customisation Requirement Report</li> <li>• Master Data Structures</li> <li>• Change Management Requirement Report and Strategy</li> <li>• Business Design Blueprint sign off</li> </ul> |
| Configuration & customization | <ul style="list-style-type: none"> <li>• Configuration Document</li> <li>• Integration and Interface specification</li> <li>• Authorisation, Security and Access Control Specification</li> </ul>  |
| Training                      | <ul style="list-style-type: none"> <li>• Training Requirement Report</li> <li>• Training Schedule and Completion Report</li> </ul>   |
| Integration Testing           | <ul style="list-style-type: none"> <li>• Integration testing of ERP</li> <li>• System, User and other Manuals</li> </ul>   |
| Data Migration                | <ul style="list-style-type: none"> <li>• Functional Specifications for Upload</li> <li>• Data Migration Methodology and Completion Report</li> </ul>   |
| “usage ready” and support     | <ul style="list-style-type: none"> <li>• User acceptance protocol</li> <li>• “Usage ready” Sign Off</li> </ul>   |

### 6.6.2.3 Deliverables acceptance criteria

- (a) The acceptance criteria for each phase is the submission and acceptance of all deliverables specified for that phase. The formal acceptance by VAELL of the phase deliverables constitutes completion of the phase and approval to launch the next phase and invoice for payment if there is a payment attached to that milestone.
- (b) Acceptance criteria for each deliverable will be established in accordance with the process described in the following paragraphs prior to the beginning of each phase.
- (c) Bidder should provide templates of proposed deliverables. At the onset of each phase, bidder will meet with VAELL Project Manager to review the applicable templates, tailored to accommodate the needs of the project, and agree on the scope, format, and content of each of the major deliverables for that phase. The agreements made during this meeting will be captured in a Deliverable Review Document (DRD) for each deliverable.
- (d) VAELL team will give approval to move from one project milestone to the other only after the deliverables of a particular project milestone are accepted by the concerned authority. Hence, the protocol for submission, review, revision and acceptance will be established at the beginning of the project. The Bidder is required to propose the details of this protocol as a part of the proposal.

#### **6.6.2.4 Project Standards**

The bidder must provide Project Standards for various activities/documentation.

Following is a minimum list where standards have to be set by the Bidder:

- (i) Test cases and Test scenarios
- (ii) Business Process Design
- (iii) Functional design specifications
- (iv) Technical design specifications
- (v) Change control
- (vii) Reporting defects

#### **6.6.2.5 Project Success Criteria**

- (i) The finished ERP solution meets planned scope and specifications as follows:
- (ii) No issues pending at the end of the warranty period.
- (iii) No backlog or offline processing of "online" transactions during the last month of deployment.
- (iv) The project is completed on time and all Users adopt the software according to plan

#### **6.6.2.6 Change Requests**

Since this is a fixed price project with clearly identified scope of solution and services, the bidder is expected to complete the project without raising any requests for change and seeking the payments for them. If there is a genuine change to the scope of work, VAELL will raise or accept change requests and pay for them based on the efforts estimated for them and the cost of manpower indicated by the Successful Bidder in the financial proposal. The genuineness of the change will be established based on the process, deliverables, solution capability and the validation of it by VAELL or its advisors.

#### **6.6.3 Post implementation support**

The implementation services for the ERP solution are treated as completed, and the support and maintenance services or the post implementation services starts, when the following are completed:

- (a) Completion of the of user adoption services after the "usage ready" of the ERP system
- (b) Completion and declaration of "complete deployment" by the steering committee
- (c) Completion of the three months of system stabilisation support after "complete deployment" of the system

The Bidder shall further undertake post implementation support that will include: Maintaining data regarding entitlement for ERP solution upgrades, enhancements, refreshes, replacements and maintenance.

#### **6.6.4 Technical Support**

- (a) The technical support for the ERP solution is meant to ensure OEM support – ensuring ERP Solution OEM services for system performance, performance tuning, upgrades among others.
- (b) Prepare requisite system landscape and procedures for smoothly implementing the ERP. This shall also take into consideration the phased pilots and rollouts.
- (c) The bidder shall assist VAELL team to perform all authorisation related activities (activity group, authorisations, profiles among others until the ERP system stabilises.
- (d) Prepare a detailed System administration manual, Data administration manual, operational manual, User manual which shall be used by employees to run ERP enabled production environment. This shall also include how the various parameters shall be monitored/ tuned in a live system.

- (e) Prepare requisite system configuration for disaster recovery management and Fail Over system plan.
- (f) Round the clock support for trouble shooting in functional and technical area.

#### **6.6.4.1 Warranty**

- (a) The bidder shall provide warranty period of one (1) year.
- (b) The support services under the warranty period will start after fully testing the system and it is free from errors and user acceptance reports are signed.
- (c) The bidder is expected to provide the recurring costs that need to be catered for by VAELL for one (1) year beyond the warranty period. Thereafter, VAELL will have the options to extend the post warranty support period.

#### **6.6.5 Project management**

**The work Plan:** Other than the management of resources/deployment of experts and management of timeline as explained in the next sections, the project management will focus on the work plan containing a detailed set of phases, work packages, activities, and tasks preferably from the standard ERP solution implementation Roadmap.

**Scope Management:** Scope of the project will be managed through a formal scope change management process. Project management is essential to ensure that changes to the scope of the program do not adversely affect the program objectives. Change management documentation of project scope and approval procedures provide a visible decision-making process for the project and provide a clear audit trail of scope changes and the corresponding cost benefit appraisal and has to be proposed by the bidder in the Project Management Methodology.

**Project structure:** Bidder is required to propose a Project structure based on their own experience of successfully implementing similar solution.

**Project Steering Committee:** The steering committee would form the apex body on various issues relating to finalisation of functional policies and procedures, requirements definition and other policy issues. The steering committee will carry out the following activities:

- (i) Mobilise the resources necessary for Project Execution.
- (ii) Standardisation of processes and procedures across VAELL.
- (iii) Provide advice to the Regional Managing Director and the Board for approval of deviations in scope, project time lines and budgets as appropriate.
- (iv) Meets weekly to review project progress and resolve issues, if any.

**Project Manager:** The Project Manager assumes overall responsibility for the assignment and ensures that all resources required are made available and the engagement is carried out according to agreed plans. The function will be the primary channel of communication for all VAELL requirements to the implementation team.

**Development Programmers:** The primary role of Development Programmers shall be to meet the requirements as specified by the tender documents. They shall ensure that the developmental activities are in conformity with the quality guidelines and customer specifications as mentioned in the requests. They shall also ensure thorough testing and validation of the changes proposed and supports the functional team.

**The minimum proficiency of the experts/resources:** It is expected that the key resources to be deployed by the bidder would have the following minimum proficiency in the role they are proposed for the project.

Project Manager: Degree in IT or relevant field, professional/practitioner level Certification in project management, minimum 3 years of experience, in managing at least two turnkey ERP projects as project manager.

Functional consultants: the bidder will be expected to provide skilled consultants in the various functional areas as described in this Document.

Technical consultants: Graduates in Bachelor of Science in Computer Science, ICT, Engineering or related disciplines, Minimum 3 years of experience in the technical areas related to the proposed ERP solution, in terms installation, commissioning, architecting and technical developments and provide two projects.

### **Management of the Project Team Changes**

- (1) Since the continuity of the key members of the project team is essential for the success of the project, VAELL shall expect the bidder to follow diligent process for ensuring continuity of the key implementation team. VAELL would like to identify those persons whose profiles will be part of the bidding document as the basis for the evaluation of the competence of bidder to carry out the implementation of the Project at VAELL as the "Key personnel". It is the responsibility of the bidder to deploy these resources either on a full time or part time basis for the activities they have been proposed to be deployed during the entire duration of the Project as per the response to the TENDER DOCUMENT submitted by bidder. The team will be on board only after VAELL accepts the profiles proposed by the bidder.
- (2) In the event that VAELL identifies any personnel of the bidder as "Key Personnel", then the bidder shall not remove or replace such personnel without the prior written consent of VAELL, unless such removal is the result of an unavoidable circumstance including but not limited to resignation, termination, medical leave, among others.
- (3) Under any circumstances when the Key Personnel are to be replaced or removed, the bidder shall put forward the profiles of personnel being proposed as replacements. These profiles should be either equivalent or better than the ones being replaced. However, whether these profiles are better or equivalent to the ones being replaced will be decided by VAELL or its authorised representative. VAELL or its authorised representative will have the right to accept or reject these substitute profiles.
- (4) In the event that any Key Personnel is to be replaced, the substitution of such personnel shall be accomplished pursuant to a mutually agreed upon schedule but not later than seven (7) working days from the date of exit of such personnel. If replacements are not done as per mutual agreement, VAELL will have the option to penalise the bidder for bad delivery and material breach.
- (5) At the project preparation stage, the bidder will share the profiles of the key members with VAELL and these key profiles should meet the specifications highlighted in the TENDER DOCUMENT as well as the proposal submitted by the bidder. The replacement will be on board only after VAELL accepts the replacement.

## **SECTION VII: TENDER EVALUATION**

### **7.1 Technical Proposal**

#### **7.1.1 General guidelines for the Technical Proposal**

(a) The bidder must fully understand the scope of the ERP solution and services for implementation as outlined in the TENDER DOCUMENT. The bidders are expected to examine, understand and comply with all the instructions, formats, terms and conditions, solution and services requirements and other information in the TENDER DOCUMENT before submitting the bids. Failure to furnish all the information required by the TENDER DOCUMENT or submission of a proposal not substantially responsive to the TENDER DOCUMENT in every respect will be at the bidder's risk and may result in rejection of the proposal.

(b) The bidder is required to provide in the Technical Proposal details of how the proposed ERP solution is to provide the implementation services to address all the requirements of VAELL as listed in this TENDER DOCUMENT.

(c) The bidder is expected to understand the complexity of the requirements for an ERP solution and implementation of the proposed ERP solution at VAELL, the complete solution and services footprint, the processes and functions of VAELL while preparing the Technical Proposal.

(d) The bidder is expected to bid for the project with a complete understanding that, all services and deliverables listed in this TENDER DOCUMENT need to be fulfilled while executing the project.

(e) While the bidder has the freedom in making any assumptions about the processes and functions of VAELL while interpreting the details given in this TENDER DOCUMENT, such assumptions cannot be the basis for any bargaining or different interpretation of the solution capabilities of the proposed ERP solution or the processes of VAELL, during the execution of the project.

(f) The bidder is expected to bid for the project with a complete understanding that, all the processes and functions given in the TENDER DOCUMENT need to be implemented using the solution components of ERP, and deliver the services, solutions given in the TENDER DOCUMENT, at a fixed price, without any provisions for bargaining or for a different interpretation of the specifications in the TENDER DOCUMENT and a change in scope, while executing the project.

(g) VAELL retains the right of the final say in interpreting the requirements of the ERP solution capabilities, the processes and operations of VAELL, and the scope of the Project in terms of the services and deliverables expects from the bidder, as listed in this TENDER DOCUMENT.

(h) Since a process can be described in different ways, the bidder should clearly understand that any possible variations to the processes during the Business Design phase from the way they are specified in the TENDER DOCUMENT should not be considered as deviations or extensions to the original process specifications.

(i) The technical proposals must be complete in all respect and should cover the entire scope of ERP solution and the project as stipulated in the tender document.

#### **7.1.2 Patent/Intellectual Property Rights/Copyrights**

(i) If the bidder intends to use any third party tools or methodology or any proprietary tools, during the Project, for the purpose of the project, the bidder is required to confirm that there are no infringements of any Patent or intellectual and industrial property rights or copy rights as per the applicable laws of relevant jurisdictions.

(ii) The Original Equipment Manufacturer (OEM) of the proposed ERP solution should declare that they are the rightful owners (copyright, patent rights or Intellectual property right, as the case may be) of the solution and have the rights/authority to license the solution to VAELL.

(iii) Any software that will be customised for the purpose of solution will remain the property of VAELL and source code should be surrendered to VAELL for ownership.

### **7.1.3 Conditions for technical proposal**

(i) The bidder is expected to respond using the specified formats for the response, wherever applicable. Failure to use the specified formats may result in disqualification of the proposal. The technical proposal or the technical bid should address the following points:

- (a) Implementation Approach and methodology.
- (b) The ERP solution implementation activities.
- (c) Post implementation support.
- (d) Technical support.
- (e) Software and license management.
- (f) Project management.

(ii) The Technical Proposals must be direct, concise, and complete. Any information not directly relevant to this TENDER DOCUMENT should not be included in the proposal. VAELL will evaluate bidder's proposal based upon its clarity and the directness of its response to the requirements of the project as outlined in this TENDER DOCUMENT. To assist in the preparation of proposal, VAELL is making available an electronic version of this TENDER DOCUMENT.

(iii) VAELL is also open to any suggestions that the bidder may want to render with respect to the ERP solution capabilities to be deployed, implementation of the proposed ERP solution at VAELL, its coverage, and the best practices to be adopted in the light of their expertise or experience from similar assignments.

(iv) The bidder shall number all the pages of the Technical proposal .

(v) The technical proposal must not contain any price information.

### **7.1.4 Contents of the Technical proposal for ERP solution**

**(a) The Technical proposal for ERP Solution** should contain details of the solution components proposed along with how each of the solution components would meet the requirements of VAELL. The technical proposal should address the following:

- (1) Functional coverage of the solution proposed.
- (2) The complete landscape of the solution with modules, integration points among others.
- (3) How the different processes of VAELL are integrated with the solution.
- (4) The ERP solution with a list of all the modules, tools independently priced items along with metrics for pricing and total quantity proposed.
- (5) The rationale for the different solution components and the licensing metrics.
- (6) The details of third party solutions if any, their description and purpose, licensing metrics and sizing considerations.
- (7) The bidders while proposing the ERP solution, as per the format provided for the Technical proposal, are also required to provide definitive commitment on how each section of the processes described in the TENDER DOCUMENT are addressed by which module.



**(b) The solution best fit:** The bidders are required to use the following guideline for indicating the capability of the ERP solution proposed, against each of the features listed in the technical specification. Response to each of the line items in the functional requirement specifications need to be as per the guideline listed in the table 7.1.4. below:

**Table 7.1.4 : Guidelines on the capability of the ERP solution**

| Compliance    | Guidelines   | Response |
|---------------|--|----------|
| Standard      | The specific requirement or process is a standard feature with the ERP solution      | S        |
| Work Around   | The requirement can be realised by modifying the process but without any development | W        |
| Customisation | The requirement can be realised by writing a set of software codes                   | C        |
| Third Party   | The specific requirement is realised through a third party tools                     | T        |
| Not Possible  | The requirement is not possible or not part of the proposed ERP solution             | N        |

- (i) If and only if the ERP solution proposed by the bidder is capable of supporting the specific functionality or the feature is a standard feature in the ERP solution, the bidder is required to mark “Standard” against the functionality/specification.
- (ii) If the specific functionality or feature could be realised by the ERP solution proposed by the bidder by modifying the process, i.e. the basic purpose of the process or feature could be achieved by modifying a standard feature, but without any customisation or development, the bidder is required to mark “work around” against the functionality/specification.
- (iii) If the ERP solution proposed by the bidder can be customised or modified to support the specific functionality or the feature the bidder is required to mark customisation against the functionality/specification.
- (iv) If the ERP solution proposed by the bidder is not capable of supporting the specific functionality or the feature is not available in the ERP solution, the bidder is required to mark not available, not supported against the functionality/specification.
- (v) The bidder is required to use the functional requirement specification in Annex 1 with the TENDER DOCUMENT for providing the response on the solution fitment.

**(c) The licensing conditions:** The bidders are requested to furnish the details of the licensing terms, the definitions and the licensing metrics for all the elements/modules proposed. The bidders are requested to provide a copy of the draft licensing agreement to highlight details of the licensing terms.

**(d) References:** The bidders are requested to provide the certificates of completion to systems deployed within the past 10 years which are currently active.

**(e) A platform for future expansion:** The bidders are required to provide details on how the proposed ERP solution meets the following future requirements of VAELL, with references:

- i. The need for an integrated platform with e-tinga(links farmers and markets) and courier system as part of the proposed ERP solution.

### **7.1.5 Outline of the technical proposal**

- (a) The technical proposal should address how the ERP solution will be implemented to meet the requirements of VAELL in line with the specifications in this TENDER DOCUMENT.
- (b) The technical proposal should provide references of the customers in the public/private sectors where ERP solution of a comparable magnitude has been implemented by the bidder as a direct contractor and provide certificate of completion which will validate.
- (c) The bidder is required to furnish the following details in the Technical Proposal on the application support services in terms of:
  - The list of services to be delivered during the maintenance period.
  - The mechanisms to source and monitor the services.
  - The escalation mechanisms and the structure for resolution of issues.
  - The team structure and resource loading to deliver the services among others.
  - The resource loading for on-site and remote services.
  - The mechanisms and tools to monitor the SLAs.
  - The mechanism for corrective actions.
  - Minor developments as continuous improvements to facilitate VAELL to get maximum benefits out of the system.

## **7.2 Preparation of the Financial proposal**

### **7.2.1 General Guidelines for the Financial proposal**

- (a) The financial proposal will be signed by the authorised signatory of the bidder.
- (b) Both the proposals for the ERP solution and the implementation services are expected to be costed for the complete requirements of VAELL as per this TENDER DOCUMENT.
- (c) No clauses for price fluctuations due to fluctuation of the currency against any of foreign currency will be accepted during the period of the contract.
- (d) Must fill the Form of Tender in the Format provided in the Tender Document.
- (e) Must fill the Price Schedule in the Format provided in the Tender Document.

### **7.2.2 General Conditions for financial proposal**

- (a) For the purpose of costing, the bidders are requested to take the Headquarters of VAELL at Naivasha as the project site.
- (b) The bidder is required to bear the cost of movement/stay of its people from its office to the Project sites during the project
- (c) The bidder is required to bear the cost of infrastructure, laptops/desktops required by the project team of the bidders, during the implementation.
- (d) The bidder is required to ensure that the costing covers all the costs such as cost of local travel, food and stay of the project team of the bidder.
- (e) Expenses for all executives of the bidder to attend the review meetings or meeting of the steering committee should be borne by the bidder.
- (f) All the communication costs between the project team at the project site and the company offices will be borne by the bidder.
- (g) The bidder is expected to price fully in the financial proposal for all the services being provided by it to VAELL. Any assumptions about possible future recovery of the under-priced items shall be at the risk of the bidder.
- (h) The bidder should provide all prices, quantities as per the prescribed formats. The bidder should not leave any field blank. In case the field is not applicable, bidder must indicate "0" (zero) in all such fields.
- (i) It is mandatory to provide breakdown of all taxes, duties and levies wherever applicable and/or payable.

- (j) If, during the Contract Period, there is any change in the applicable Laws in Kenya with respect to taxes and duties quoted in the financial proposal which increases or decreases the cost incurred by the Bidder in performing the Services, then such payments, otherwise payable to the Bidder under this Contract shall be increased or decreased accordingly. Such increase or decrease in the contract shall be valid on the invoice submitted on or after the date of such changes brought into force only.
- (k) VAELL reserves the right to ask the bidder to submit proof of payment against any of the taxes, duties, levies indicated. Prices quoted in the bid must be firm and final and shall not be subject to any change.
- (l) The Financial bid should clearly indicate the price to be charged without any qualifications whatsoever and should include all taxes, duties, fees, levies, works contract tax and other charges as may be applicable in relation to the activities proposed to be carried out. It is mandatory that such charges wherever applicable/payable should be indicated separately as Breakdown of Cost Components.
- (m) Prices in any form or by any reason should not be revealed before opening the Financial Bid otherwise the offer shall be liable for rejection. If price change is envisaged due to any clarification, revised Bid in a separate sealed cover shall be submitted with prior written permission of VAELL.

### **7.2.3 Contents of the Financial Proposal for ERP solution**

- (a) The financial proposal for the proposed ERP solution will cover all the elements or solution components proposed in for the ERP solution.
- (b) The financial proposal will cover all the technical requirements, the functional specifications and the user base of VAELL.
- (c) All the separately and independently priced/licensed elements or modules of the ERP solution are priced separately.
- (d) The charges for the annual technical services also should be clearly indicated in the financial proposal.
- (e) As indicated earlier, VAELL will have the right to procure the proposed ERP solution directly from the OEM. The financial proposal should clearly indicate the applicable taxes, if the ERP solution is bought directly from the OEM. It is also requested to indicate the applicable taxes if the ERP solution is bought through the bidder.
- (f) The payment terms for the ERP solution and the annual technical services should be part of the financial proposal.

### **7.2.4 Contents of the Financial Proposal for implementation services**

- (a) This is a fixed price project without any scope for varying the price during the contract period. The cost of any delay in execution of the project will be borne by the bidder.
- (b) The quoted price must be detailed and must cover all the requirements of VAELL and the terms and conditions laid out by VAELL. The quoted price must be summarised as specified in this TENDER DOCUMENT.
- (c) The bidder is required to provide the price under three separate headings, as given in the format for financial proposal.
  - i. Price for Implementation including configuration and development, data migration among others as per the TENDER DOCUMENT, till “usage ready” and completion of user adoption services after “complete deployment” and one (1) year warranty.
  - ii. Price for one year support after the warranty period.
  - iii. Price for second, third, fourth and fifth year of support.

**Table 7.2.4: Payment terms for implementation services**

| No. | Major activity/<br>Mile stone    | Deliverable  | % payment<br>of the total<br>project cost |
|-----|----------------------------------|--|---|
| 1   | Project<br>Preparation<br>phase  | Agreed and finalised project plan                        |   |
|     |                                  | Inception report   |   |
|     |                                  | Team profile finalisation and mobilisation sign off      |   |
| 2   | Business Design                  | Master list of processes                                 |   |
|     |                                  | “As-is” process mapping & analysis                       |   |
|     |                                  | “To-be” process & gap analysis report                    |   |
|     |                                  | Customisation requirement report                         |   |
|     |                                  | Master data structures                                   |   |
|     |                                  | Change management requirement report & strategy          |   |
| 3   | Configuration &<br>customization | Configuration document                                   |   |
|     |                                  | Integration and interface specification                  |   |
|     |                                  | Authorisation, security and access control specification |   |
|     |                                  | Demonstration report                                     |   |
| 4   | Training                         | Training requirement report                              |   |
|     |                                  | Training curriculum                                      |   |
|     |                                  | Training schedule & completion report                    |   |
| 5   | Integration<br>Testing           | User acceptance protocol                                 |   |
|     |                                  | Integration testing of ERP                               |   |
|     |                                  | System, user and other manuals                           |   |
| 6   | Data Migration                   | Functional specifications for upload                     |   |
|     |                                  | Data migration methodology & completion report           |   |
| 7   | “usage ready”<br>and support     | “Usage ready” Sign Off                                   |   |
|     |                                  | Performance Evaluation report                            |   |
|     |                                  | Transition plan  |   |

## 7.3 Evaluation of Proposals

### 7.3.1 Bid Opening

- (a) The bids will be opened on the specified date, time and address in the presence of bidders’ representatives who have been authorised to attend the Bid opening sessions.
- (b) In the event of the specified date of bid opening being declared a holiday for VAELL the Bids shall be opened at the same time and location on the next working day.
- (c) VAELL will open the bids, even if the authorised representatives of the bidders abstain from these bid opening sessions.
- (d) Opening of Financial proposal – The Financial bids of only those bidders who have scored more than the threshold points as prescribed in the Technical Evaluation process will be opened.
- (e) The Financial bids of those who have scored less than the threshold points as prescribed will not be opened.

### **7.3.2 Clarifications during bid evaluation**

- (a) Evaluations of bids will be only on the basis of information provided by the bidders in the proposals, or any additional information provided by the bidders before the closure of the bids.
- (b) Evaluation of the bids will be done in the following sequence:
  - (i) Scrutiny of Bid Security and adherence to general guidelines.
  - (ii) Evaluation for eligibility.
  - (iii) Evaluation of technical proposal for ERP solution.
  - (iv) Evaluation of demonstration of the solution.
  - (v) Evaluation of financial proposal.
  - (vi) Due diligence.

### **7.3.3 Scrutiny and assessment of eligibility**

The following activities will be carried out as the first step in the bid evaluation process:

- (a) Scrutiny of the bid security.
- (b) Assessment of the eligibility against the conditions listed in the TENDER DOCUMENT and compliance of the responses.

### **7.3.4 Presentation of the Proposal**

- (a) VAELL will invite bidders who have scored 60% and above at the technical evaluation stage to make a mandatory technical presentation of the proposed solution at a date, time and venue determined by VAELL. The purpose of such presentations would be to allow the bidders to present their methodology, unique capabilities if any, the project structure, the quality of the project team among others. The presentation will account for 20% of the total technical score.
- (b) The presentation of the Technical Proposal should be made by the proposed project manager of the bidder, with some of the key team members to support the project manager as part of the presentation team, instead of the sales representative or the senior executive of the organisation.
- (c) The presentation of the technical proposal would also include the demonstration of the proposed ERP solution to highlight the technical requirements of VAELL and to validate the specific technical specifications.
- (d) The bidders are expected to bear the cost of travel or any other associated cost incurred for the purpose of making these presentations.

### **7.3.5 Evaluation of tenders**

- (a) Proposals will be evaluated by a Committee of Experts (the “Committee”) appointed by VAELL or such other authority designated by VAELL as the case is also referred to herein as the Committee of Experts (or “Committee”).
- (b) VAELL has the right to appoint any individual/organisation as an expert member of this committee as long as the particular person does not have any conflict of interest in the bidding/evaluation process.
- (c) VAELL has the right to share the contents of the proposals or bids with the experts or consultants appointed for the purpose of evaluation of the bids, as the case may be.
- (d) Evaluations of bids will be only on the basis of information provided by the bidders in the proposals, or any additional information provided by the bidders against specific requests for clarifications sent by VAELL during the evaluation process.
- (e) The technical proposal will be evaluated based on the materials provided in the proposal by the bidders as against the general understanding of what they should be like to meet the requirements of the project.

- (f) VAELL reserves the right to cross verify the documents/ credentials of the bidder and related bodies before awarding the contract to the successful bidder.
- (g) The prospective Bidder must comply with preliminary qualifications mentioned in this TENDER DOCUMENT. In case the Bidder does not fulfill any of the criteria, their bids will be rejected and shall not be considered for further evaluation.
- (h) The Bidder(s) will be evaluated on LCBS (Least Cost Based Selection) System. The Lowest bidder out of those who would have attained the Technical Score of 80% and above shall be considered for award.
- (i) The received tenders will be evaluated in six (6) stages as detailed below:

**STAGE 1: COMPLIANCE WITH MANDATORY PRELIMINARY REQUIREMENTS**

At this stage, tenderers’ submissions will either be responsive or non. responsive. The non-responsive submissions will be eliminated from the entire evaluation process and will not be considered further. Tenders will therefore proceed to the technical evaluation stage only if they qualify in compliance at this stage.

**Table 7.3.5.1: Compliance with mandatory preliminary requirements**

| No. | Requirement  | Responsive (R) or Not Responsive (NR) |
|-----|--|---------------------------------------|
| 1   | Must Submit a copy of Certificate of Registration/Incorporation  |                                       |
| 2   | Must Submit a copy of Valid/ Current Tax Compliance certificate  |                                       |
| 3   | Must submit the last three years Audited financial Statements  |                                       |
| 4   | Must submit a dully filled up Confidential Business Questionnaire in the format provided   |                                       |
| 5   | Submit a bid bond/security from a reputable bank or an insurance company approved by VAELL   |                                       |
| 6   | Power of attorney/ Authorisation Letter, Giving the name of person who should be signing the Bid, authorising him to submit/execute this agreement as a binding document   |                                       |
| 7   | The Bidder must have successfully completed/undertaken a minimum of 3 similar projects in the past 10 years. The firm is required to provide completion certificates/Signed Contract Documents/LPOs/ LSOs/ Reference letters |                                       |
| 8   | CR12 form issued by the Registrar of Companies   |                                       |
| 9   | Pagination/serialization/numbering of the tender document submitted (All pages)  |                                       |

**STAGE 2: COMPLIANCE WITH MANDATORY TECHNICAL SPECIFICATIONS**

Requirements will be evaluated on a yes/no basis as indicated on table 7.3.5.2 below. If a bidder fails in any of them, the bidder will not proceed to Stage 3.

**Table 7.3.5.2: Criteria for evaluation of mandatory technical specifications**

| No. | Mandatory Requirements   | Response (YES/NO) |
|-----|--|-------------------|
| 1   | Draft SLA attached in bid document   |                   |
| 2   | Proposed solution is based on open source  |                   |
| 3   | The proposed solution covers all functional areas  |                   |
| 4   | Valid Manufacturer authorisation letters from the proposed OEM's/manufacturer confirming authorisation of the bidder to submit a bid(Exemptions will be made where the OEM manufacturer is the one bidding, though evidence will be expected ) |                   |
| 5   | System supports multi database environment   |                   |
| 6   | Ability to scale in the future   |                   |
| 7   | Has an Inbuilt development/customisation tool  |                   |
| 8   | Easily customizable  |                   |
| 9   | Has an inbuilt workflow  |                   |
| 10  | Web enabled  |                   |
| 11  | Has a inbuilt backup and recovery  |                   |
| 12  | User logs and audit Trails   |                   |
| 13  | Real time and near real time transaction processing updates  |                   |
| 14  | Ability to define access privileges and rights as per business workflows   |                   |
| 15  | Centralised data management for all modules/subsystems   |                   |
| 16  | Secure access for system administrators  |                   |
| 17  | Ability to integrate with existing email service   |                   |
| 18  | Consistency in layout, color, fonts and other design features among all modules/ subsystems  |                   |
| 19  | Online help system/manual  |                   |
| 20  | Single sign-on for all modules - a user signs once and has access to modules where she/he has rights   |                   |
| 21  | Transactions made in one module should be transparent to other modules   |                   |
| 22  | Customisable reports (standard document formats including excel, pdf)  |                   |
| 23  | Capture data once, access in all points  |                   |
| 24  | Every subsystem/module should have an analytic dashboard   |                   |
| 25  | Consultant to Extract, transform (where necessary) and load all existing finance and asset management data from legacy automated systems, soft copy, printed files and other materials   |                   |
| 26  | Bidder to provide initial one-year system support after commissioning. Further yearly renewal of this support may be required depending on the system uptake by end users and the ability of the internal ICT staff to handle the system       |                   |
| 27  | 24/7 support for system to be offered by the bidder during the contract period   |                   |

|    |  |  |
|----|--|--|
| 28 | Consultant to provide data dictionary and database design documentation to facilitate preparation of ad-hoc reports  |  |
| 29 | Ability to create scheduled backups of system data. System should allow different backups including daily, weekly among others. as well as remote backups, online backups and multiple backups |  |
| 30 | Ability to schedule data export and imports  |  |
| 31 | Multilevel approval of data capture and edits with the system  |  |
| 32 | System documentation   |  |
| 33 | Ability to support different levels of drill down in report design and generation  |  |
| 34 | System logs should clearly indicate the kind of log(warning , error, Access violations)  |  |
| 35 | Ability to support batch processing  |  |
| 36 | Multiplatform solution   |  |
| 37 | Common approach to business process modeling and implementation  |  |
| 38 | Notification, task assignments, document management, task scheduling   |  |

### STAGE 3: TECHNICAL SCORING (THE DETAILED ASPECTS OF THE ERP SOLUTION)

During this stage, the proposals shall be subjected to a thorough evaluation to check if they meet the technical requirements as captured in the bid documents. Bidders are advised to ensure that they clearly explain in their bid document how they meet the technical requirements. Bidders will also be required to conduct a demonstration of the proposed system.

**TABLE 7.3.5.3: TECHNICAL EVALUATION CRITERIA**

| AREA   | DESCRIPTION  | SCORE |
|--|--|-------|
| <b>1. DETAILED TECHNICAL SPECIFICATIONS (TOTAL SCORE=30%)</b>                        |  |       |
| DETAILED TECHNICAL SPECIFICATIONS FOR THE ERP SOLUTION                               | The solution will be evaluated on meeting the detailed technical aspects as per technical specification mentioned in Annex I respectively:<br><b>(Total Responded “Yes” x 30)/(Total number of detailed specifications)</b><br>Only a “Yes” or “No” will be considered valid response on requirements  | 30    |
| <b>2. CAPABILITY OF THE FIRM, PAST PERFORMANCE AND METHODOLOGY (TOTAL SCORE=30%)</b> |  |       |
| CAPABILITY OF THE FIRM PAST PERFORMANCE  | 1. Previous handling of 3 similar projects - 6 marks<br>2. Two transport/logistics institutions where you have successfully implemented the ERP system - 4 marks<br>(Provide contact details and company/organisation completion certificate/Contracts/LPOs/LSOs/reference letter)                     | 10    |
| METHODOLOGY  | 1. Adequacy of the proposed methodology and work plan in responding to the Terms of Reference - 4 marks<br>2. Clear and concise project implementation/execution plans with logical sequence of tasks and milestones - 4 marks<br>3. Project organisation chart with clear roles, responsibilities and | 20    |



|   |   |     |
|---|---|-----|
|   | reporting lines- 4 marks<br>4. Complete training plan for technical, super users and end users - 2 marks<br>5. Data migration plan- 3 mark<br>6. Vendor support mechanism/plan after go-live (within and after the six months support period)- 3 mark<br>Note: The Bidder must clearly demonstrate how each deliverable will be attained in line with the Terms of Reference (ToRs) |     |
| <b>3. TECHNICAL STAFF COMPETENCES (TOTAL SCORE=22%)</b><br>Attach the CVs accompanied by copies of Academic and specialization certificates for key personnel proposed for administration and execution of the contract. The CV should be detailed to include the specific role played in the project and area of specialisation. |   |     |
| <b>4. DEMONSTRATION OF THE PROPOSED SOLUTION (20 MARKS)</b><br>Note: Demonstration will only be for firms which have scored 60 marks and above of the Technical scores in items 1 to 3 above  |   |     |
| Demonstration of the system   | Technical aspects-any existing system that has the functionalities described in the technical specification section of this document  | 20  |
| <b>Total</b>  |   | 100 |

#### STAGE 4: THE FINANCIAL EVALUATION

Only financial bids of Bidders who have technically qualified shall be opened for further evaluation. Bidders are required to clearly show how they have arrived at the final figure of the project cost. Therefore, Bidders are expected to provide definitions, metrics, unit and total cost of each item in the financial bid.

| Item                                   | Metrics used | Unit cost | Total cost (Inclusive of all applicable costs and taxes) (KES) |
|--|--------------|-----------|--|
| Project preparation                    |              |           |  |
| Business design                        |              |           |  |
| Setup, configuration and customisation |              |           |  |
| Licensing                              |              |           |  |
| System testing                         |              |           |  |
| Data migration                         |              |           |  |
| Training                               |              |           |  |
| Documentation                          |              |           |  |
| System commissioning                   |              |           |  |
| User support                           |              |           |  |

## **STAGE 5: RANKING OF THE BIDDERS**

The evaluation of the responsive bids will take into account the Bidder's capacity to deliver service in addition to financial responsiveness. Thereafter the bidders who have scored 75% and above at the Technical evaluation stage will be ranked based on the total amounts quoted in their financial proposals.

The bid with the Lowest Financial Proposal amount will be considered to be the most responsive and will be eligible for a site visit.

## **STAGE 6: DUE DILIGENCE**

Due diligence may be conducted on the bidder who will have emerged the winner. In case the report is not positive the next most responsive bidders may be considered for due diligence in order of ranking as appropriate.

### **7.3.6 Calculation of the value of the financial proposal**

- (1) The summation of the values provided in the Format for financial response will be the value of the financial proposal of the particular bidder.
- (2) Each element in this Format is expected to be the summation of each of the tables provided for breakdown of the respective price elements.
- (3) The values provided in the break down forms will be used for contracting purpose and for addressing any changes to the scope of work during the period of contract.

### **7.3.7 Correction of errors**

- (1) Bidders are advised to exercise adequate care in quoting the prices. No excuse for corrections in the quoted price will be entertained after the proposals are opened. All corrections, if any, should be performed before submission, failing which the figures for such items may not be considered.
- (2) Arithmetic errors in proposals will be corrected as follows: In case of discrepancy between the amounts mentioned in figures and in words, the amount in words shall govern. The amount stated in the proposal form, adjusted in accordance with the above procedure, shall be considered as binding, unless it causes the overall proposal price to rise, in which case the overall proposal price shall govern

## **7.4 Negotiation with the ERP solution OEM and signing the contract**

- (i) VAELL will select the ERP solution proposed by the successful bidder for ERP implementation services.
- (ii) VAELL will have the rights to negotiate with the ERP solution OEM and sign a contract directly with the ERP solution OEM, for the supply of ERP solution.
- (iii) If the commercial negotiation with the ERP solution OEM fails, or the ERP solution OEM refuses to sign the contract to supply the ERP solution directly, VAELL will have the right to nullify the complete bid process, without getting into contract with the successful bidder for ERP implementation services.

## **7.5 Notification of Award and signing the contract**

- (i) VAELL reserves the right to negotiate with the bidder whose proposal for ERP implementation services has been ranked as successful bidder by the committee on the basis of price quoted in the financial proposal and also the other commercial terms and conditions furnished in the Technical proposal.
- (ii) Award of contract for the project: After the completion of the bid evaluation process and determination of the successful bidder, and completion of the negotiations if any, as listed in the TENDER DOCUMENT, a Letter of Award (the "LOA") shall be issued, in duplicate, by VAELL to the successful bidder and the successful bidder shall, within 7 (seven) days of the receipt of the LOA, sign and return the duplicate copy of the LOA in acknowledgement thereof. In the event the duplicate copy of the LOA duly signed by the successful bidder is not received

by the stipulated date, VAELL may, unless it consents to extension of time for submission thereof, cancel the LOA and the next highest ranking bidder may be considered.

- (iii) The notification of award or the issue of LOA will not constitute the formation of the contract.
- (iv) The successful bidder who has been issued with a LOA is expected to furnish a Performance Guarantee (PG) for an amount which is 10% of the contract value. This Performance Guarantee has to be from any of the local banks is authorised to do business with VAELL or Insurance companies approved by VAELL.
- (v) The contract between the successful bidder and VAELL will come into force only upon the bidder furnishing the Performance Guarantee as per conditions laid out in this TENDER DOCUMENT and VAELL signing the contract with the successful bidder.
- (vi) If the successful bidder fails to furnish the Performance Guarantee, within the specified period and subject to specified conditions, VAELL has the right to withdraw the notification of award/ LOA.
- (vii) If the successful bidder tries to alter the Financial proposal or the Technical Proposals, with something which were not part of the proposals and which are in variance with the basic spirit and letters of the proposals, while signing the contract, VAELL has the right to withdraw the notification of award and the bidder will forgo the bid security furnished during the bidding process.
- (viii) If the successful bidder fails to get into a contract with VAELL as per the Financial proposal and the Technical Proposal submitted against this TENDER DOCUMENT, and all the commitments made during the evaluation process, VAELL has the right to withdraw the notification of award and the bidder will forgo the bid security furnished during the bidding process.
- (ix) Failure of the successful bidder to agree with the Terms and Conditions of the TENDER DOCUMENT, the terms as put forward by VAELL and/or the failure to present the Performance Guarantee within the stipulated period and/or non-fulfilment of the condition of executing a contract by the successful bidder shall constitute sufficient grounds for the annulment of the award, and forfeiture of bid security.
- (x) Expenses for the Contract. The incidental expenses of execution of agreement/contract shall be borne by the successful bidder.
- (xi) Commencement of Assignment: The BIDDER shall commence the project within fifteen days of the date of the Agreement, or such other date as may be mutually agreed. If the BIDDER fails to commence the assignment as specified herein, VAELL may invite the next responsive bidders ranked in order of priority as appropriate for negotiations. In such an event, the LOA or the Agreement, as the case may be, may be cancelled/ terminated.

## **7.6 Performance Guarantee**

- (i) The successful bidder shall at their own expenses deposit with VAELL, along with agreement, an unconditional and irrevocable Performance Guarantee (PB) to VAELL payable on demand, for the due performance and fulfilment of the contract by the bidder.
- (ii) This Performance Guarantee will be for an amount equivalent to 10% of value of the contract. All incidental charges whatsoever such as premium, commission among others, with respect to the performance guarantee shall be borne by the bidder.
- (iii) The Performance Guarantee shall be valid till 3 months after the completion of the support and maintenance period.
- (iv) Subject to the terms and conditions in the Performance Guarantee, at the end of support and maintenance period, the Performance Guarantee will lapse. The Performance Guarantee may be discharged/ returned by VAELL upon being satisfied that there has been due performance of the obligations of the bidder under the contract. However, no interest shall be payable on the performance guarantee.

- (v) In the event of the bidder being unable to service the contract for whatever reason, VAELL would invoke the PG. Notwithstanding and without prejudice to any rights whatsoever of VAELL under the contract in the matter, the proceeds of the PG shall be payable to VAELL as compensation for any loss resulting from the bidder's failure to perform/comply with its obligations under the contract. VAELL shall notify the bidder in writing of the exercise of its right to receive such compensation within 14 days, indicating the contractual obligation(s) for which the bidder is in default.
- (vi) VAELL shall also be entitled to make recoveries from the bidder's bills, Performance Guarantee, or from any other amount due to him, the equivalent value of any payment made to him due to inadvertence, error, collusion, misconstruction or misstatement.

ANNEX I

**TECHNICAL SPECIFICATIONS/FEATURES OF ERP SYSTEM**

VAELL seeks a solution to address several requirements defined by the following broad categories.

| <b>Requirement</b>             | <b>Requirement description</b>   | <b>Compliance To Requirements (Y or N)</b> | <b>Bidders response to capability (S,W,C,T, N)</b> |
|--------------------------------|--|--|--|
| Technical Mandatory Compliance |  |  |  |
| 1                              | The ERP system shall be open source and not proprietary software.  |  |  |
| 2                              | The proposed solution must be accessible to users remotely and securely through the internet   |  |  |
| 3                              | The bidder shall develop a dummy environment to allow users to test the system before full implementation. The test environment shall be similar to the live environment |  |  |
| 4                              | The proposed solution shall be capable of importing data from files formatted in common formats such as XML, MS Word, PDF, Excel, CSV                                    |  |  |
| 5                              | The proposed ERP solution shall have an interface with the ability to integrate with other systems   |  |  |
|                                | Microsoft Office Applications,   |  |  |
|                                | PDF Viewers  |  |  |
|                                | Electronic Banking Interface   |  |  |
| 6                              | The bidder will be expected to offer free post implementation support for minimum of 1 Year after commissioning.   |  |  |
| 7                              | The bidder must be ready to enter into a contract with the client with regard to warranty, support and annual preventive maintenance services.                           |  |  |
| Chart of Accounts              |  |  |  |
| 1                              | One must be able to define and maintain the structure of the Chart of Accounts   |  |  |
| 2                              | The system should allow for the same Chart of Accounts that can be used by multiple Company setups   |  |  |
| 3                              | The Chart of Accounts must provide for a unique alpha-numeric, flexible account code Structure   |  |  |
| 4                              | The Chart of Accounts must provide for user-defined number of segments   |  |  |
| 5                              | Changes to the Chart of Accounts must be controlled and require necessary approval or amendment to be restricted to authorized personnel                                 |  |  |
| 6                              | The system must be able to maintain budgets tied to specific GLs   |  |  |

|  |   |  |  |
|--|---|--|--|
|  | 7 The system must be able to create/setup GL accounts and deactivate the same without erasing   |  |  |
|  | 8 Enable the viewing and extraction of GL accounts listing  |  |  |
|  | 9 The chart of accounts MUST be flexible to accommodate the future business expansions in the segments & GL codes   |  |  |
|  | 10 The application should facilitate summary account reporting based on all dimensions available in the database  |  |  |
|  | 11 The system must be able to support reporting on different reporting templates  |  |  |
|  | 12 The system MUST have the capability to create sub ledgers within the accounts defined or account categories for all possible combinations.<br>The system MUST be able to generate reporting for specific accounts. |  |  |
| Reporting Requirements for the Chart of Accounts |   |  |  |
|  | 1 Dynamic reports with the provision for a drill-down capability.   |  |  |
|  | 2 Create customized reports (user defined). Users who perform this function will have to be trained on use of the tools   |  |  |
|  | 3 Reports with the following parameters:  |  |  |
|  | Expenditure/Revenue by GL code either individually or as consolidated   |  |  |
|  | Expenditure/Revenue by Cost center  |  |  |
|  | Supplier/Staff/Customer accounts  |  |  |
|  | Budget Vs Actual expenditure  |  |  |
|  | Based on posting date, date of data capture   |  |  |
|  | Reversed journals   |  |  |
|  | Based on transaction numbers, type, document totals etc.  |  |  |
|  | 4 Able to translate amounts from functional currency or source currency in the originating ledger, based on a specified exchange rate   |  |  |
|  | 5 Should be able to perform foreign exchange gain/loss per transaction and post in the designated account.  |  |  |
|  | 6 The application MUST support currency Conversion  |  |  |
|  | 7 The application MUST support currency Revaluation.  |  |  |
|  | 8 The application MUST maintain all effective exchange rates for all foreign currency transactions  |  |  |
|  | 9 The system must be able to support the Kenya Shilling as the functional currency and should further be able to support other currencies   |  |  |
| Reporting Requirements for Currencies            |   |  |  |
|  | 1 Reports with the following parameters:  |  |  |
|  | - Foreign currency trends   |  |  |
|  | - Currency loss/gain per transaction  |  |  |

|                                     |  |  |  |
|-------------------------------------|--|--|--|
|                                     | - Currency loss/gain translation at defined periods  |  |  |
|                                     | - Invoices/Credit Notes/Debit Notes in foreign currency  |  |  |
| 2                                   | The system must be able to create and post automatic journal entries   |  |  |
| 3                                   | The system MUST provide a facility to input, update, copy, balance, and post the Journals. Journal Voucher Number MUST be automatically generated by the system  |  |  |
| 4                                   | The system MUST restrict updates to the GL of a Journal Voucher after posting.   |  |  |
| 5                                   | The system must allow the holding of journal entries pending approval.   |  |  |
| 6                                   | The system must enable held journals to be viewed and posted   |  |  |
| 7                                   | For any transaction posted through this system, it must allow for Correction or reversal of the same through an approved workflow process  |  |  |
| 8                                   | When reversing a transaction, the system must maintain the previous transaction historically without erasing. However, for rejected journals, the system should cancel the transaction without keeping its record.             |  |  |
| 9                                   | The system should be able to handle different types of journals  |  |  |
| 10                                  | The system must be able to maintain a history of full details of all transactions and avail them for printing when required  |  |  |
| 11                                  | Maintain a closed period history on-line   |  |  |
| 12                                  | A facility to enable enquiry on archived data and reports  |  |  |
| 13                                  | The system must be able to import/upload journal vouchers in batch from a Spreadsheet document or text files. There should be workflow for approving such uploads.   |  |  |
| 14                                  | The system must be able to export journal transactions in batch to spreadsheet or text file  |  |  |
| 15                                  | The application MUST have categories for single journals and batches   |  |  |
| 16                                  | The application MUST provide the capability to identify source documents or module references which are associated with the journal entry (e.g., Invoice No., Payment Voucher No., Telephone No. etc.) for reporting purposes. |  |  |
| 17                                  | The application SHOULD provide for Recurring Journals.   |  |  |
| 18                                  | Recurring Journal Entries may be based on templates with predefined schedules.   |  |  |
| 19                                  | The system must provide for period closing functionality   |  |  |
| Reporting Requirements for Journals |  |  |  |
| 1                                   | Reports with the following parameters  |  |  |
|                                     | - Foreign currency journals  |  |  |
|                                     | - Journals reports by preparer, reviewer, date posted etc  |  |  |
|                                     | - Journals held (pending posting)  |  |  |
|                                     | - Journal reversal   |  |  |

|  |  |  |  |
|--|--|--|--|
|  | - Journals by date/user defined period   |  |  |
| 2  | The system must have a mechanism for defining a financial year and setting up accounting periods it contains   |  |  |
| 3  | The system should be able to close accounting periods at pre-defined frequencies   |  |  |
| 4  | The system must allow for setup and updating separate accounting periods for adjusting and closing entries   |  |  |
| 5  | The system should only allow posting to the current period. Posting to closed periods must be subject to approved workflow procedure. Future posting MUST NOT be allowed |  |  |
| Other General Ledger Requirements                            |  |  |  |
| 1  | Setting up GL parameters that will ensure:   |  |  |
|  | Ledger validity and approvals are captured   |  |  |
|  | Handling of bank, mobile money payments  |  |  |
|  | Authorization matrix   |  |  |
|  | Unique identification/numbering of all transactions  |  |  |
|  | Audit trail showing name of originator, details of the GL affected, date, etc.   |  |  |
|  | Query functionality must be sufficient to query all information that has been captured   |  |  |
|  | Capable of allocating costs across cost centers  |  |  |
| 2  | The system must be able to consolidate several general ledgers into one at reporting   |  |  |
| 3  | The system should enable one to preview all open items such as open purchase orders, open invoices, etc.   |  |  |
| 4  | Ability to meet requirements of the following types of tax and have provision for setting up any additional tax requirements:  |  |  |
|  | Corporation tax  |  |  |
|  | Withholding tax  |  |  |
|  | Withholding Value Added Tax available  |  |  |
|  | Pay As You Earn (PAYE) available   |  |  |
|  | Value Added Tax (VAT) available  |  |  |
|  | Any other defined taxes  |  |  |
| 5  | The system must import opening balance of assets & liabilities (suppliers, customers, staff loans, Staff advances etc.)  |  |  |
| 6  | The system must have facility for adjusting entries after closing of the posting period/ financial year.   |  |  |
| Reporting Requirements for Other General Ledger Requirements |  |  |  |
| 1  | The system must allow for posting of invoices based on LPOs/LSOs,  |  |  |



|                          |   |  |  |
|--------------------------|---|--|--|
|                          | GRNs or on account. It should allow for capturing of all invoice details  |  |  |
| 2                        | The system must provide for raising of payment voucher based on invoice posted. Payment maybe full or partial payment.  |  |  |
| 3                        | The system must allow advance payment (down payment) based on purchase document   |  |  |
| 4                        | The system must have provision for cancellation/reversal of posted invoice  |  |  |
| 5                        | The system must have a facility for capturing supplier credit notes   |  |  |
| 6                        | The system must link an invoice with the approval request (requisition) and the expenditure item  |  |  |
| 7                        | The system must calculate tax for vendor invoices and record tax transactions separately. The system must support different taxes and tax rates on an invoice |  |  |
| 8                        | Automate the generation of remittance advice and tax certificate  |  |  |
| 9                        | The system should be able to process payments in multiple currencies, capture the foreign exchange rate, and date.  |  |  |
| 10                       | The system must have controls that prevent duplicate processing of payments or over-payment.  |  |  |
| <b>Accounts Payables</b> |   |  |  |
| 1                        | The system should be able to indicate payment type: cash, physical cheque, EFT, Card, Mobile money transfer/pay, and RTGS                                     |  |  |
| 2                        | The system must be able to maintain a complete payment history and enable extraction for analysis   |  |  |
| 3                        | The system should automatically notify the payment recipient upon completion of the payment process.  |  |  |
| 4                        | System should be capable of grouping several invoices to be settled as a single payment or settled individually   |  |  |
| 5                        | Support matching: Requisition, Purchase/Service Order, Goods/Service Receipt Note, Invoice & payment  |  |  |
| 6                        | The system should be able to close a purchase order upon payment of the full amount. The system should also be able to close unutilized commitments           |  |  |
| 7                        | The system must be able to create and maintain supplier payment information (if not captured in the procurement when creating a supplier)                     |  |  |
| 8                        | The setting up of all supplier details should be via a workflow/process   |  |  |
| 9                        | The system must interface with the procurement module so as to be able to retrieve all other supplier master details relevant for the payment.                |  |  |
| 10                       | The system must be able to capture payment terms such as payment discount conditions and penalty conditions.  |  |  |
| 11                       | The system must interface with the HR module so as to be able to retrieve employee master details relevant for payment  |  |  |
| 12                       | The system must be able to interface with the online banking  |  |  |

|  |  |  |  |
|--|--|--|--|
|  | platforms for uploading approved payments and notifications from the bank (accepted/rejected payments)                                 |  |  |
| 13   | The payment application MUST stop payment clearance for all the vendors whose payments are on hold due to specific reasons             |  |  |
| 14   | The application MUST support payment interventions such as partial payments, stop payments, void payments, write offs etc.             |  |  |
| <b>Reporting Requirements for Accounts Payables Requirements</b> |  |  |  |
| 1  | The system must be able to generate the following AP reports:  |  |  |
|  | · Invoice Aging Report (using specific criteria -- department, date range, specific vendor or all vendors and suppliers)               |  |  |
|  | · Down payments/payment advances listing   |  |  |
|  | · Supplier Payment history report  |  |  |
|  | · Contract Payment History Report  |  |  |
|  | · Project Payment History Report   |  |  |
|  | · AP posting status reports per period   |  |  |
| <b>Accounts Receivables</b>                                      |  |  |  |
| 1  | Ability to record different types of receivables and revenues  |  |  |
| 2  | Integrated with GL and provides capability to update GL with A/R transaction   |  |  |
| 3  | Ability to bill based on various or combination of billing types with variable rates by customer                                       |  |  |
| 4  | The system must be able to automate the receipting process and generate Payment Receipt.   |  |  |
| 5  | The system must be able to update accounts receivables and cash/bank as a result of receipting   |  |  |
| 6  | The application MUST provide facilities to query accounts receivables  |  |  |
| 7  | The application must be able to restrict posting of receipts by users to specific accounts.  |  |  |
| 8  | The application MUST support the reversals, corrections of the payments and the receipts.  |  |  |
| 9  | The application MUST capture receipts other than revenue.  |  |  |
| 10   | The application MUST allow matching of receipts to invoices based on different parameters like customer id, name, invoice numbers etc. |  |  |
| 11   | The receivable module MUST define Payment terms such as penalties and/or fines   |  |  |
| 12   | The system must allow one to print a comprehensive customer account statement showing all transactions.                                |  |  |
| 13   | The application must be able to process receipts in multiple currencies  |  |  |
| 14   | The system should be able to produce cumulative reports on receipts per customer, vendor   |  |  |

|   |  |  |  |
|---|--|--|--|
| 15  | The application should interface with the bank so as to support creation of automatic receipts based on the bank files having customers depositing the cash directly into the corporate account  |  |  |
| 16  | The system must be able to interface with other modules so as to be able to retrieve customer details (such as: customer codes, customer name, location, contact details, etc.) and invoices being settled (licenses, penalties, etc.) |  |  |
| 17  | The system must be able to set up payment parameters for customers such as: currency of payment, payment frequency, etc.   |  |  |
| 18  | The system must be able to handle suppliers who are also customers   |  |  |
| 19  | The system must be able to detect duplicate customers by comparing a combination of unique customer details like the national ID numbers and the KRA tax PIN   |  |  |
| 20  | The system must be able to capture and maintain a complete history of customer transactions and generation of customer statements that can be emailed  |  |  |
| 21  | Alerts and notifications when accounts receivables are due.  |  |  |
| 22  | The system must be able to produce exceptional reports so as to determine customers whose credit limit is older than a specified number of days.   |  |  |
| 23  | The System MUST generate dunning or collection letters, to have credit limit and credit hold functions   |  |  |
| 24  | The system should be able to handle payments in excess of the receivable amount  |  |  |
| 25  | Ability to define Customer credit policies/limits.   |  |  |
| 26  | Ability to track a customer's credit balance and issue alerts upon attainment of a set threshold.  |  |  |
| 27  | The system must support bad debt provisioning  |  |  |
| 28  | The application MUST have write off limits defined for users and inbuilt approval process for bad debts or adjustments.  |  |  |
| Reporting Requirements for Accounts Receivables |  |  |  |
| 1   | The system must be able to generate the following AR reports:  |  |  |
|   | • AR Aging Report:   |  |  |
|   | Using specific criteria -- department, date range, specific customer or all Customers. The report MUST have details in terms of payment terms, customer profile class, customer category, the amount overdue and the payment mode      |  |  |
|   | Aging report categorizes receivables from clients based on time intervals:   |  |  |
|   | • Down payments/payment advances listing   |  |  |
|   | • Client Payment history report  |  |  |
|   | • AR posting status reports per period   |  |  |
|   | • Cash Receipts Report   |  |  |

|                                    |  |  |  |
|------------------------------------|--|--|--|
|                                    | • Client Statement   |  |  |
| Imprest/Petty Cash Management      |  |  |  |
| 1                                  | The system must be able to address imprest management process  |  |  |
| 2                                  | The system must embed a workflow for application, verifying, reviewing and approving staff imprest   |  |  |
| 3                                  | The system must have a facility for defining per diem rates applicable to staff based on job group for different towns.  |  |  |
| 4                                  | The system must interface with the requisition module  |  |  |
| 5                                  | The system should have an employee self-service functionality that allows the staff to Apply and account for outstanding balances before they apply for new imprest.   |  |  |
| 6                                  | The system should automatically reject imprest application for staff with uncleared advances. The system should automatically reject imprest application for staff not included in the requisition                 |  |  |
| 7                                  | The system must embed a workflow for verifying, reviewing and approving accountability of staff imprest  |  |  |
| 8                                  | The system must have a facility for uploading accountability supporting documents.   |  |  |
| 9                                  | Imprest Management module should be interfaced with payroll processing component to enable correct recovery of overdue advances/imprest to the employee. This process is subject to approval by an authorized user |  |  |
| 10                                 | The system should provide for definition of petty cash float limits. The system must raise alerts when the limits are exceeded   |  |  |
| 11                                 | The system should enable posting of imprest and their accountabilities entries to the GL.  |  |  |
| 12                                 | Raise alerts/Reminders or notifications on overdue petty cash/imprest both to the applicant and the issuer(cash office/Finance)  |  |  |
| 13                                 | The system must be able to capture advances  |  |  |
| 14                                 | Staff must be able to apply for petty cash request online with the defined limits.   |  |  |
| 15                                 | Automatic tracking of petty cash balance for purposes of replenishment.  |  |  |
| Reporting Requirements for Imprest |  |  |  |
| 1                                  | The system must be able to generate the following imprest management reports:  |  |  |
|                                    | - Imprest disbursements by individual/amount/date/division/department  |  |  |
|                                    | - Ageing staff imprest   |  |  |
|                                    | Aging report categorizes receivables to clients/staffs based on time intervals   |  |  |
| Bank Reconciliation                |  |  |  |

|   |   |  |  |  |
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|   | 1 | The system must provide for uploading of electronic bank statements  |  |  |
|   | 2 | Functionality for matching and reconciling entries in the cashbook with those on the bank statements by amounts, PV ref etc. The bank balance MUST be automatically updated online based on clearances |  |  |
|   | 3 | The system SHOULD interface with the bank banking platform to initiate payment receipts based on credits in the bank   |  |  |
|   | 4 | The system MUST provide for creation of miscellaneous transactions to record bank- initiated activities like interest gained, bank charges etc   |  |  |
|   | 5 | The system SHOULD have facilitate definition of matching rules and report on both reconciling and non-reconciling items  |  |  |
| Reporting Requirements for Bank Reconciliations |   |  |  |  |
|   | 1 | The system must be able to generate the following:   |  |  |
|   |   | - Bank reconciliation report   |  |  |
|   |   | - Direct debits/credits  |  |  |
|   |   | - Unreconciled items   |  |  |
| Cash Forecasting                                |   |  |  |  |
|   | 1 | The application MUST provide cash flows projections based on the transactions  |  |  |
|   | 2 | Processed in the integrated modules including receivables and payables.  |  |  |
|   | 3 | The application MUST provide the facility to define cash forecast templates such as:   |  |  |
|   |   | - Forecasting periods  |  |  |
|   |   | - Selection criteria for each source   |  |  |
|   | 4 | The application MUST be able to generate cash forecast in any currency based on the users parameters assigned  |  |  |
| Management Accounting                           |   |  |  |  |
| Budgeting Process                               |   |  |  |  |
|   | 1 | The system should incorporate online budget preparation functionality and should be able to cover all budgetary elements whether capital or operational expenses                                       |  |  |
|   | 2 | The system must possess functionality that allows budget preparation at activity, divisional and departmental levels prior to merging into a corporate budget.   |  |  |
|   | 3 | System should be able to maintain and track budgets and expenditure at activity, divisional, departmental and corporate level. It must be able to provide alerts upon attainment of defined threshold. |  |  |
|   | 4 | The system must have a workflow approvals for creating, uploading and updating the company's annual and supplementary budgets  |  |  |
|   | 5 | The system must be able to keep historic budget information  |  |  |

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| 6  | The system must keep track of all changes to the budget   |  |  |
| 7  | The system must link payments and invoices to budget line items for cost management purposes.   |  |  |
| 8  | The system MUST link payments to project budget line items for cost management purposes (where applicable)  |  |  |
| 9  | The system MUST be able to accommodate a budget calendar that may be different from a financial calendar  |  |  |
| 10   | The system should provide functionality to view actual data against budgeted data   |  |  |
| 11   | The system must be able to support reallocation of budgets between budget lines   |  |  |
| 12   | The system must support Activity Based Budgeting providing for a facility to capture objectives, activities and outcomes at item and sub item level               |  |  |
| 13   | The system must facilitate allocation of budget ceilings by activity and account code.  |  |  |
| 14   | The system must have ability to allow for creation of special budgets (Monthly, Quarterly, Biannual, Annually) etc  |  |  |
| 15   | The system must support both Bottom-Up and Top-Down budgeting.  |  |  |
| 16   | The system must support commitment control by not allowing spending on a line item without a budget.  |  |  |
| 17   | The system MUST be able to link advances to staff (imprest) and regional offices to budget. Funds so advanced must remain as commitments until they are accounted |  |  |
| 18   | The system MUST allow for importation of Budget from excel  |  |  |
| 19   | The application should support copying of budgets from a financial period to another  |  |  |
| 20   | The copied budget should be modifiable through application of percentages or absolute figures.  |  |  |
| 21   | The system must link all procurements and payments to the budget  |  |  |
| 22   | The system must facilitate viewing of each department/function budget and expenditure to date   |  |  |
| Reporting Requirements for Budgeting Process |   |  |  |
| 1  | The reports must conform to the defined reporting templates:  |  |  |
|  | - Monthly budget reports  |  |  |
|  | - Quarterly budget reports  |  |  |
|  | - Annual budget reports   |  |  |
|  | - Actual vs. Budget   |  |  |
|  | - Year expenditure/revenue reports  |  |  |
|  | - Reallocation reports  |  |  |
|  | - Cost center budget reports in user defined period   |  |  |
|  | - Performance contracting reports   |  |  |
|  | -Un utilized commitments  |  |  |

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|                          | -Variance reports  |  |  |
| Organizational Structure |  |  |  |
| 1                        | System MUST have ability to include Organization structure hierarchy definition and organogram.  |  |  |
| 2                        | System MUST be able to build an organization structure, which caters to various organization types such as departments, Divisions, sub-Divisions, Units,                     |  |  |
| 3                        | System MUST have an ability to have multiple organization (subsidiaries) Hierarchies   |  |  |
| 4                        | System MUST have a functionality to modify the organization structures as and when required and maintain the history of all such changes.                                    |  |  |
| 5                        | System MUST have a functionality to assign managers to various Organizations and view the managers and sub-ordinates reporting to them.                                      |  |  |
| 6                        | System MUST have an ability to view positions linked to various Organizations.   |  |  |
| 7                        | System MUST have provision to define various divisions at various locations.   |  |  |
| 8                        | The system must be able to define, develop, analyse/ evaluate and store job descriptions, skills and qualifications required for each position.                              |  |  |
| 9                        | The system MUST be able to maintain history of changes done to the position Details  |  |  |
| 10                       | Ability to show all vacant and occupied positions & jobs (staff in post).  |  |  |
| 11                       | Ability to integrate staff costs with the budget module  |  |  |
| 12                       | The system must have the ability to maintain changes in employee position and jobs details such as:  |  |  |
|                          | - Position and job Transfer  |  |  |
|                          | - Position and job Status  |  |  |
|                          | - Position and job Description   |  |  |
|                          | - Position and job History   |  |  |
| 13                       | The system should allow for changes in position title.   |  |  |
| 14                       | The system should allow for upgrading a position.  |  |  |
| 15                       | The system should allow for downgrading a position.  |  |  |
| 16                       | The system should allow for removing or returning a position.  |  |  |
| 17                       | The system should allow for the ability to create several types of employment (terms of service) such as Permanent and Pensionable, contractual, consultant, internship etc. |  |  |
| 18                       | The system should allow for addition, removal or amendment of types of employment  |  |  |
| 19                       | Ability to create grading levels (managerial, technical and support) and flexibility to adding new levels.   |  |  |
| 20                       | Ability to create employee status (active employment, resigned,  |  |  |

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|   | suspended, study leave and unpaid leave) and integrate it with affected areas in leave management and payroll  |  |  |
| Reporting Requirements for Organizational Structure |  |  |  |
|   | 1 Ability to generate multiple statistical reports for all positions & jobs within the Organization  |  |  |
|   | 2 The system MUST produce the following reports:   |  |  |
|   | - Organizational structure reporting by location.  |  |  |
|   | - Organizational structure reporting by department/divisions.  |  |  |
|   | - Open and filled positions reporting.   |  |  |
|   | - Positions associated with organizations.   |  |  |
|   | - Budget & Actual Head Count Comparison.   |  |  |
| Recruitment and selection                           |  |  |  |
|   | 1 Ability to create and develop employee requisitions/vacancies.   |  |  |
|   | 2 Ability to receive applications during online recruitments and serialized  |  |  |
|   | 3 Ability to allow for information drawn from physical applications to be inputted into the system during recruitments   |  |  |
|   | 4 Ability to accept both internal and external applications.   |  |  |
|   | 5 Ability to screen and select candidates.   |  |  |
|   | 6 Ability to track candidates and recruiter in the placement process.  |  |  |
|   | 7 Ability to advertise vacancies internally (self-service)   |  |  |
|   | 8 The system SHOULD enable candidates to apply for available vacancies and allow only those who meet the minimum requirements.   |  |  |
|   | 9 Ability to capture interviewer notes and feedback.   |  |  |
|   | 10 System MUST have an inbuilt vacancy approval process/workflow.  |  |  |
|   | 11 System must have a recruitment and selection workflow that covers the process from vacancy creation to defining a new employee.   |  |  |
|   | 12 Ability to generate resumes from candidate input details.   |  |  |
|   | 13 Ability to upload and share candidate documents (e.g. certificates, CV, etc.)   |  |  |
|   | 14 Ability to generate offer letters, appointment letters, etc. Ability to send an offer letter electronically or as a print out.  |  |  |
|   | 15 Ability to generate regret letters.   |  |  |
|   | 16 Ability to hire staff on contract for a specified period.   |  |  |
|   | 17 Ability to hire temporary staff and/or interns for a specified period.  |  |  |
|   | 18 The system should be able to shortlist qualified applicants from the long-list at the point of job application. This will assist HR from having to review overwhelming number of applications from unqualified persons. |  |  |



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| 19                            | When employees are rehired, the system should link all previous employment information to the new record.         |  |  |
| 20                            | The system MUST be able to track the requisitions for vacancies for a particular job, grade, location or position |  |  |
| 21                            | Ability to schedule interviews  |  |  |
| 22                            | Ability to track interview results  |  |  |
| 23                            | The requisition form should be flexible to change according to requirements                                       |  |  |
| 24                            | Ability to register the employment contract, renewal and termination  |  |  |
| 25                            | The system must have the ability to provide an interface for customizing recruitment letters                      |  |  |
| 26                            | Ability to implement a specified probation period for newly hired employees                                       |  |  |
| Staff orientation / induction |   |  |  |
| 1                             | Should be able to develop induction program within the system with input from HR and user departments.            |  |  |
| 2                             | Ability to allocate employee compensation and benefits (NHIF, NSSF, club membership, advances, loans, etc.)       |  |  |
| 3                             | Ability to confirm/reject new employee after completion of probation period or extend probation period            |  |  |
| 4                             | At a minimum, the following employee master details must be captured:   |  |  |
|                               | - Staff number (auto-generated)   |  |  |
|                               | - Nationality   |  |  |
|                               | - Disability  |  |  |
|                               | - Gender  |  |  |
|                               | - PIN Details   |  |  |
|                               | - NSSF Details  |  |  |
|                               | - NHIF Details  |  |  |
|                               | - HELB status   |  |  |
|                               | - ID/Passport number  |  |  |
|                               | - Marital status  |  |  |
|                               | - Date of birth   |  |  |
|                               | - Employees names   |  |  |
|                               | - Contacts (Phone Number, Postal Address, and Email etc.)   |  |  |
|                               | - Spouse details: name, ID number, occupation and contacts (Phone number, Postal Address, Email etc.)             |  |  |
|                               | - County of origin  |  |  |
|                               | - Dependants: Age, Gender, relation (daughter, son, adopted)  |  |  |
|                               | - Next of kin details: Names, ID number, occupation and contacts  |  |  |
|                               | - Employee photo  |  |  |
|                               | - Employee qualifications, experience and skills  |  |  |

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|                     | - Previous employer  |  |  |
|                     | - Medical related details  |  |  |
|                     | - Employment date  |  |  |
|                     | - Position   |  |  |
|                     | - Category (senior, management, mid management, support)   |  |  |
|                     | - Department/Division  |  |  |
|                     | - Employment status (contract, permanent, probation, temporary)  |  |  |
|                     | - User-defined comments  |  |  |
|                     | - Ability to add/delete any bio data as necessary by authorized user   |  |  |
| 5                   | The system must allow an employee to view and update payment details such as bank, account name, account number, Bank Branch Codes etc. subject to verification and approval.  |  |  |
| 6                   | The system must allow the user to view and update information on beneficiary and dependents subject to verification and approval.  |  |  |
| 7                   | The system SHOULD have storage repository for certification and other relevant documents for employees   |  |  |
| 8                   | The System SHOULD allow grouping of employees based on various aspects such as department/Division and grades  |  |  |
| 9                   | The system MUST be able to store working hour's details, work frequency and normal timings for the employee.   |  |  |
| Employee Management |  |  |  |
| 1                   | Act as a centralized portal for disseminating static employee information such as benefits, leave information, disciplinary action and appeal process, FAQs, benefits, etc. which can be updated as need be.   |  |  |
| 2                   | The system must be able to manage staff transfers, acting appointments, relocations, promotions and demotions and track such movements.  |  |  |
| 3                   | Provision for uploading and attaching documents to an employee's profile such as scanned transfer letters, etc.  |  |  |
| 4                   | Maintain a history of Employee transfers taken and support the ability to profile the same employee  |  |  |
| 5                   | Employee transfers module should be interfaced with payroll processing component   |  |  |
| 6                   | Provision for managing employee disciplinary actions   |  |  |
| 7                   | Embed a workflow that supports the disciplinary process (disciplinary module)  |  |  |
| 8                   | Maintain a history of disciplinary action taken against an employee and support the ability to profile the same employee   |  |  |
| 9                   | The system must be able to adequately address situations where an employee is suspended and capture this event on the employee's profile. This includes provision of workflows for initiating the suspension process, ending suspension and reinstating/rejecting an employee after suspension |  |  |
| Reporting           |  |  |  |

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| Requirements<br>Employee<br>Management |  |  |  |
|  | 1 Ability to generate the following reports:   |  |  |
|  | - Employee details by department, location, positions, jobs, grades, payroll, Allowances, etc.   |  |  |
|  | - New appointments report.   |  |  |
|  | - Acting appointments report.  |  |  |
|  | - Transferred employees report.  |  |  |
|  | - Employee addresses and contact details report.   |  |  |
|  | - Employees' summary reporting by specific criteria e.g. by department, grade etc.   |  |  |
|  | - Employees Locations report   |  |  |
|  | - Employee turnover reporting and analysis   |  |  |
|  | - Disciplinary actions taken report  |  |  |
|  | - Positions Analysis   |  |  |
|  | - Contract Employees   |  |  |
|  | - Employees by Cost Centre   |  |  |
|  | - Promoted Employees   |  |  |
|  | - Retiring Employees   |  |  |
|  | - Terminated Employees   |  |  |
|  | - Transferred Employees  |  |  |
|  | - Workforce planning   |  |  |
|  | 2 Skill set and competencies status: to list per employee the professional qualifications, academic qualifications, learning / development map, job requirements |  |  |
| Performance<br>management              |  |  |  |
|  | 1 System MUST have an inbuilt performance appraisal process/workflow.  |  |  |
|  | 2 Ability to define various objectives associated with performance management.(OKRs)   |  |  |
|  | 3 Ability to define and amend KPI's associated with the objectives defined subjected to a workflow approval.   |  |  |
|  | 4 The system must enable calculations for the KPIs against predefined rules to arrive at the performance measurement   |  |  |
|  | 5 Ability to monitor and manage performance contract deliverables.   |  |  |
|  | 6 Ability to receive periodic (e.g. monthly, quarterly) appraisal reviews/results from various departments online  |  |  |
|  | 7 Ability to send employees / special groups performance appraisal report on the system  |  |  |
|  | 8 Ability to track performance appraisal results over a period of time per employee, special group, department, etc  |  |  |
|  | 9 Support the associating of evidence to performance KPI's   |  |  |

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| 10               | Extraction of performance data to (excel, MS word, pdf etc.) per employee and per department  |  |  |
| 11               | The system should support self-appraisal  |  |  |
| 12               | Support electronic signoffs between the appraised and appraiser and other relevant officials  |  |  |
| 13               | The system should allow the salary adjustment as defined in the salary progression matrix   |  |  |
| Leave Management |   |  |  |
| 1                | The system MUST automate the leave application process by enabling end-to-end online leave management   |  |  |
| 2                | The system must embed a workflow for leave management that can capture comments and approvals related to the task depending on its requirements |  |  |
| 3                | Ability to accrue leave days at a configurable rate   |  |  |
| 4                | Provide alerts and notifications to users and relevant authority on leave days above 5 leave days, 30 days before the end of contract           |  |  |
| 5                | Ability to deduct leave days  |  |  |
| 6                | Ability to suspend leave subject to approval by Head of Department  |  |  |
| 7                | Capability to track and extract a history of the leave management data of an employee   |  |  |
| 8                | Calculation of leave balances and how much they are worth   |  |  |
| 9                | The system must be able to carry forward leave balances as per HR policy  |  |  |
| 10               | Interfaced with payroll component so as to support the conversion of leave balances to payment (during separation only)                         |  |  |
| 11               | Should enable users to perform online leave planning and submission of the same into the leave approval workflow or save plans as draft         |  |  |
| 12               | Provide alerts and notifications to users and relevant authority on leave dates, public holidays,   |  |  |
| 13               | Enable one to apply different types of leave including:   |  |  |
|                  | - Maternity   |  |  |
|                  | - Study   |  |  |
|                  | - Paternity   |  |  |
|                  | - Compassionate   |  |  |
|                  | - Annual  |  |  |
|                  | - Compulsory  |  |  |
|                  | - Terminal  |  |  |
|                  | - Sick  |  |  |
|                  | - Unpaid  |  |  |
| 14               | The system must allow initiation of sick leave on behalf of the employee application by HR personnel  |  |  |
| 15               | At a minimum, the following details on leave application must be captured:  |  |  |
|                  | - Name  |  |  |

|                     |   |  |  |
|---------------------|---|--|--|
|                     | - Department/Branch   |  |  |
|                     | - Title   |  |  |
|                     | - Date of appointment   |  |  |
|                     | - Leave entitlement (days per contract)   |  |  |
|                     | - Leave days applied for  |  |  |
|                     | - Leave start date  |  |  |
|                     | - Leave end date  |  |  |
|                     | - Contacts when away  |  |  |
|                     | - Leave balance carried forward   |  |  |
|                     | - Leave balance brought forward   |  |  |
|                     | - Leave balance   |  |  |
| 16                  | The system MUST have a facility to keep a track of number of days of leaves taken, for the various categories of leave                                  |  |  |
| 17                  | The system MUST have a facility for the supervisors or the HR users to approve or reject the leave applied by the employees                             |  |  |
| 18                  | Report on usage of leave types  |  |  |
| Employee separation |   |  |  |
| 1                   | A workflow must be present for VAELL to initiate the separation of an employee in the event that it is a dismissal and capture comments where necessary |  |  |
| 2                   | A workflow must be present for processing a request for separation from an employee and capture comments where necessary                                |  |  |
| 3                   | A workflow must be present for processing a request for separation through an employee retirement, demise and capture comments where necessary          |  |  |
| 4                   | The system should store the notice period details of all employees  |  |  |
| 5                   | Employee custome (indicating any company property) clearance form should be accessible online   |  |  |
| 6                   | At a minimum, the following should be captured on the clearance form:   |  |  |
|                     | - Name and Employment Number  |  |  |
|                     | - Date employed   |  |  |
|                     | - Forward Contacts  |  |  |
|                     | - Designation   |  |  |
|                     | - Department  |  |  |
|                     | - Type of separation  |  |  |
|                     | - Last day of service   |  |  |
|                     | - Leave days due payable  |  |  |
|                     | - Notice period (adequate/inadequate)   |  |  |
|                     | - Notice period (to hand over Company Property)   |  |  |
|                     | - Pay in lieu of notice   |  |  |
|                     | - Signoff requirements with relevant personnel, departments   |  |  |
| 7                   | Electronic signoff of clearance form between user and relevant  |  |  |

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|                  | personnel and capture comments  |  |  |
| 8                | Integration with compensation module, loans, e.t.c  |  |  |
| 9                | Maintain employee exit interview information  |  |  |
| 10               | The system should capture the separation event and date under an employee's profile. Further to this, it should capture type of separation (dismissal, resignation, death, retirement, and contract expiry), details and allow attaching of relevant separation documentation                   |  |  |
| 11               | The system must be able to address the process of employee reinstatement. During reinstatement, the system should allow one to continue working with the previous data that was captured prior to termination of the employee and register the event of reinstatement on the employee's profile |  |  |
| 12               | The System MUST allow for closing the employee record at the conclusion of the employment period without deletion   |  |  |
| Self – Service   |   |  |  |
| 1                | The system MUST enable the users to maintain their personal data such as name, address, telephone numbers, contacts, qualifications, school and colleges attended, skills attained etc. subject to the supervisor's verification  |  |  |
| 2                | The system MUST enable the users to view their pay slips and P9 on-line for all the processed payrolls.   |  |  |
| 3                | The payment details for employees such as bank name, bank branch, account number etc. MUST be visible to users and they must be able to modify the same. Subject to verification and approval   |  |  |
| 4                | The system MUST have a facility for the users to upload maintain their beneficiary details and dependents information   |  |  |
| 5                | The system MUST facilitate the users to maintain their emergency / next of kin contact details. Subject to verification and approval  |  |  |
| 6                | The system MUST have the leave request functionality, which would enable the users to apply for leave   |  |  |
| 7                | The system MUST be able to display the leave balances, leaves taken and eligible leaves for the users.  |  |  |
| 8                | Staff must be able to fill loan application form online through the self-service module for the different types of loans and advances   |  |  |
| 9                | The system must capture the loan/advance against the employee's compensation and benefits profile   |  |  |
| 10               | The system must interface with the payroll component so as to correctly record issued loans, recovered loans/advances   |  |  |
| Asset Management |   |  |  |
| 1                | The system must interface with the procurement and inventory management module. For items defined as assets, there should be an embedded workflow for updating the asset register with all the requisite details  |  |  |
| 2                | The system should provide a notification to Asset Manager once an item marked as assets is received   |  |  |

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| 3  | Ability to generate asset tag based on asset class & predefined sequence numbering to help in the process of physical verification                                 |  |  |
| 4  | Ability to allocate each asset to one or more insurance policies   |  |  |
| 5  | Provide alerts for payment of insurance premium before the expiry  |  |  |
| 6  | Ability to trigger off alerts as reminders for maintenance for assets  |  |  |
| 7  | Ability to register and track warranty information   |  |  |
| 8  | Ability to associate a fixed asset with a regional office and calculate depreciation expense accordingly   |  |  |
| 9  | The system provides the ability to store manufacturing information   |  |  |
| 10 | The system provides the ability to store supplier information  |  |  |
| 11 | The system provides the ability to track to what system/asset a piece of equipment belongs to  |  |  |
| 12 | The system provides the ability to track the asset purchased, installed dates, removed dates, original costs, life-to-date repair costs, current replacement costs |  |  |
| 13 | The system provides the ability to allow for categorization of an asset (apply different depreciation methods for different components of a major asset)           |  |  |
| 14 | The system should have the functionality to request for and get approval of an asset movement/transfer from one location to another                                |  |  |
| 15 | The system should have the functionality to monitor the asset movements within VAELL/Vaell   |  |  |
| 16 | Provide facility to generate asset movement forms and approvals when asset is moved and identify current location and current user (whenever it is applicable)     |  |  |
| 17 | Ability to facilitate inter-region / inter-department asset issues, receipts and transfers   |  |  |
| 18 | The system should have the functionality to produce standard reports on the asset movements within QB/Vaell  |  |  |
| 19 | The system must be able to maintain an Asset Maintenance budget and total life cycle of the assets   |  |  |
| 20 | The system should have the functionality to manage Preventive maintenance. It should have the ability to:  |  |  |
|    | - Define PM (preventative maintenance) parameters per asset  |  |  |
|    | - Define PM inspection schedules per asset   |  |  |
|    | - Capture PM inspection feedback reports per asset   |  |  |
|    | - Capture PM actions carried   |  |  |
|    | - Update PM next inspection date   |  |  |
|    | - Capture the team (internal or outsourced) scheduled to carry out the PM  |  |  |
|    | - Track all stock items issued towards the asset maintenance work order  |  |  |
|    | - Track all outsourced service orders issued towards the asset maintenance   |  |  |
| 21 | The system should have the functionality to manage Breakdown   |  |  |

|    |   |  |  |
|----|---|--|--|
|    | Maintenance. It should have the ability to:   |  |  |
|    | - Capture repairs reported per asset  |  |  |
|    | - Capture repairs inspection feedback reports per asset   |  |  |
|    | - Capture repairs actions carried   |  |  |
|    | - Define repairs next inspection date   |  |  |
|    | - Define the next repair actions  |  |  |
|    | - Capture the team (internal or outsourced) scheduled to carry out the repairs  |  |  |
|    | - Track all stock items issued towards the asset maintenance work order   |  |  |
|    | - Track all outsourced service orders issued towards the asset maintenance  |  |  |
| 22 | Provide reports on:   |  |  |
|    | - PM scheduled, conducted on time, conducted after due date, and not yet done   |  |  |
|    | - Per selected period/department/organization unit actions carried out  |  |  |
|    | - Per selected period/department/organization unit the costs incurred   |  |  |
| 23 | The system should generate the following reports:   |  |  |
|    | - Assets beyond their useful life   |  |  |
|    | - Assets that have been maintained over a select period   |  |  |
|    | - Assets with maintenance costs over a select threshold   |  |  |
|    | - Assets with +/- maintenance budget balances   |  |  |
| 24 | The system should be able to generate the following work order reports:   |  |  |
|    | - How many work orders in a certain time period were scheduled or non- Scheduled  |  |  |
|    | - Open work orders by type, by status (pending, waiting parts, etc. ), by location, and/or by asset category                                |  |  |
|    | - How many work orders in a certain time period by reason, subassembly and/or repair type   |  |  |
| 25 | The system should be able to generate the Asset/Equipment downtime report by summary or detail by user defined periods for:                 |  |  |
|    | - Each location   |  |  |
|    | - Cost center   |  |  |
|    | - Asset Category  |  |  |
| 26 | Ability for creating and managing different types of asset disposal plans   |  |  |
| 27 | Ability to calculate and create automated journals and reverse accumulated depreciation at the time of sale, scrap, and retirement of asset |  |  |
| 28 | Manage all asset disposal related data including dates, rates and attachable documents  |  |  |
| 29 | The system should have a functionality that allows one to generate a number of different standard reports, including:                       |  |  |



|                  |  |  |  |
|------------------|--|--|--|
|                  | - Current asset tagging listing  |  |  |
|                  | - List of fixed asset transferred between locations or custodian during the period   |  |  |
|                  | - List of newly added asset  |  |  |
|                  | - Assets disposed during the period indicating the reserve disposal price, Actual disposal price, and Variance   |  |  |
|                  | - Assets earmarked for disposal listing  |  |  |
| 30               | The location and holder (responsible person) of the asset to be determined and transfers to be approved and recorded   |  |  |
| 31               | Impact on the depreciation accounts (balance sheet and profit & loss) when different periods are selected  |  |  |
| 32               | An asset to be uniquely identified   |  |  |
| 33               | An asset classification(s)   |  |  |
| 34               | An asset to be adequately described  |  |  |
| 35               | The status of the asset to be monitored (whether active, suspended, or disposed)   |  |  |
| Asset Accounting |  |  |  |
| 1                | Quantity and value of assets per category and in summary to be determined  |  |  |
| 2                | Categorization of assets   |  |  |
| 3                | Depreciation value to be computed using various methods and parameters   |  |  |
| 4                | Quantity and value of assets per category and in summary to be determined  |  |  |
| 5                | asset details to be retrieved such as cost, useful life, salvage value, date of commissioning, etc.  |  |  |
| 6                | Warranty & licensing information to be captured and renewal alerts   |  |  |
| 7                | Inspection data to be recorded (tagging)   |  |  |
| 8                | Revaluation  |  |  |
| 9                | Impairments  |  |  |
| 10               | The system should have flexible reporting functionality that enables one to extract any information above as a report. It should have a report on assets whose residue book value is fully depreciated |  |  |
| 11               | Ability to automatically check and stop depreciation on reaching the user defined residual values for assets or predefined service years   |  |  |
| 12               | Ability to permit accounting of sale of assets as per statutory requirements   |  |  |
| 13               | The system should have a functionality that allows one to generate a number of different standard reports, including:  |  |  |
|                  | - Fixed assets register  |  |  |
|                  | - Fixed asset valuation report   |  |  |
|                  | - Fixed asset depreciation report  |  |  |
|                  | - Fixed asset reports by asset type and other asset category   |  |  |
|                  | - Depreciation forecasting report  |  |  |

|  |   |  |  |
|--|---|--|--|
|  | - Accumulated depreciation list by category by Location   |  |  |
|  | - List of newly added fixed asset   |  |  |
|  | - List of fixed asset transferred between locations or custodian during the period  |  |  |
| Purchase requisition and Purchase Order Management |   |  |  |
| 1  | Embed a workflow for the purchase requisition process and capture approvals, comments and documentation associated with this process/task   |  |  |
| 2  | The system should allow for requisition approvals based on the set thresholds for the different approvers in the work flow process  |  |  |
| 3  | Avail online a purchase requisition form for internal users for raising purchase requisitions to the procurement division. The purchase requisition form should capture the following details:              |  |  |
|  | - Department and Division raising the request   |  |  |
|  | - Requisition date  |  |  |
|  | - Description of the item requested   |  |  |
|  | - Quantity of items   |  |  |
|  | - Reasons for purchase  |  |  |
|  | - Specifications  |  |  |
|  | - Budget code   |  |  |
|  | - Name of requestor   |  |  |
|  | - User divisional/departmental/Director approval  |  |  |
|  | - Date of approval  |  |  |
| 4  | Once the purchase requisition is submitted to procurement, the procurement division should be able to input extra data that will enable the requisition to be converted to a Purchase Requisitioning Order: |  |  |
|  | - Name of suggested supplier  |  |  |
|  | - Address of suggested supplier   |  |  |
|  | - Quantity & unit of measure  |  |  |
|  | - Description/quality of goods  |  |  |
|  | - Costs   |  |  |
|  | - Name of alternative supplier  |  |  |
|  | - Address of alternative supplier   |  |  |
|  | - Delivery address  |  |  |
|  | - Delivery date of goods  |  |  |
| 5  | The system MUST capture the following details for Purchase order header   |  |  |
|  | - LPO/LSO Number  |  |  |
|  | - LPO/LSO description   |  |  |
|  | - LPO/LSO type (maintenance & repair , one time purchase, and   |  |  |

|                         |   |  |  |
|-------------------------|---|--|--|
|                         | service contract)   |  |  |
|                         | - Requestor ID  |  |  |
|                         | - Supplier physical address   |  |  |
|                         | - Suppliers' contact person/directors   |  |  |
|                         | - Expected delivery date  |  |  |
|                         | - Comments  |  |  |
|                         | - Delivery address  |  |  |
|                         | - Terms   |  |  |
|                         | - Payment term  |  |  |
|                         | - Full /Partial Delivery  |  |  |
|                         | - P.O date  |  |  |
|                         | - Warranty  |  |  |
|                         | - Total value of the LPO/LSO/Contract   |  |  |
|                         | - Quantity  |  |  |
|                         | - And any other necessary details for a LPO/LSO   |  |  |
|                         | - Audit Trail of the Creator, Approver and Modifier of the LPO/ LSO   |  |  |
| 6                       | Ability to record purchase order acknowledgement from vendor when LPO/LSO is sent by email.   |  |  |
| 7                       | System should automatically generate an alert if acknowledgement is not received within a specified time from LPO/LSO issue date                              |  |  |
| 8                       | All LPO/LSOs generated should include terms and conditions; the system should allow for the definition and maintenance of the terms and conditions.           |  |  |
| 9                       | The system shall notify the user about any changes made to the order.   |  |  |
| 10                      | All approvals on the system must be clearly captured  |  |  |
| 11                      | The system should have provision for raising purchase requisition for recurring services automatically  |  |  |
| 12                      | The system should have provision for raising purchase requisition for recurring services that do not issue an invoice such as invoices from utility companies |  |  |
| 13                      | Manage the entry of Service Entry Sheets i.e. the acknowledgement of the of services received against an LPO/LSO or Contract                                  |  |  |
| 14                      | Ability of the system to input and analyze price trending per item and units of Services (Market Survey)  |  |  |
| 15                      | The system should be able to process LPO/LSOs with multiple delivery Locations  |  |  |
| 16                      | Ability to print purchase order terms and conditions  |  |  |
| 17                      | Ability to restrict information that end users should view in the procurement process   |  |  |
| Goods/Services Receipts |   |  |  |
| 1                       | The system allows for the receipt of goods, services, works, repaired items, inter stores transfers, etc  |  |  |

|    |  |  |  |
|----|--|--|--|
| 2  | The system automates generation of Goods Received Note (GRN) that must be associated / matched with an open Purchase Order   |  |  |
| 3  | The system allows for full or partial receipts against a purchase order or contract  |  |  |
| 4  | The system must be able to address situations where the goods have been received but needs to be returned to the supplier.   |  |  |
| 5  | System should allow invoicing only for an approved GRN   |  |  |
| 6  | The system SHOULD have the ability to support one time vendors   |  |  |
| 7  | The system should have the ability to generate reports on pending Purchase Requisition /LPO/LSO by supplier, by item and by department   |  |  |
| 8  | The system MUST capture the following important information for each Item:   |  |  |
|    | Item Number/code (barcode or QR Code)  |  |  |
|    | Item description(brief information)  |  |  |
|    | Unit price   |  |  |
|    | Minimum stock quantity, maximum stock quantity   |  |  |
|    | Safety stock level, re-order stock quantity  |  |  |
|    | Last stock date, last stock quantity   |  |  |
|    | Physical attributes such as weight, volume, length etc.  |  |  |
|    | Supplier information, country of origin  |  |  |
|    | Expiry date, purchase date   |  |  |
| 9  | The system MUST allow the definition of the following inventory types inside the application e.g. Consumables, Assets etc  |  |  |
| 10 | The system MUST have an ability to define new Item categories and Catalogues based on their characteristics  |  |  |
| 11 | The system MUST allow the assignment of Inventory items to one of these categories and catalogues defined  |  |  |
| 12 | The systems allows collecting of item information using barcodes or QR codes during receiving and issuing of items   |  |  |
| 13 | The system allows for the issuance of goods and assets and collecting of the data using barcodes/QR Codes , inter stores transfers, etc  |  |  |
| 14 | The system should allow approval of issuance of all stores or assets through the requisition form by the officer in charge of the procurement function or only delegated officer |  |  |
| 15 | The system automates generation of Goods Issue Note that must be associated / matched with a stores requisition note   |  |  |
| 16 | The system allows for full or partial issues/receipts against a stores requisition note or contract  |  |  |
| 17 | System should allow for creation of an internal Catalogue for all items /Services  |  |  |
| 18 | The system allows for the delivery of goods to a specific store  |  |  |
| 19 | The system has the functionality that allows different movements of stock items from one store location to another   |  |  |
| 20 | The system has the ability to create a new storage location including:   |  |  |

|                       |   |  |  |
|-----------------------|---|--|--|
|                       | - A new store/WH  |  |  |
|                       | - A new stock room  |  |  |
| 21                    | The system can generate, per storage location, the store movement reports including:  |  |  |
|                       | - Current stocks (Value and Quantity reports, reorder level, balance to reorder level, etc.)  |  |  |
|                       | - Receipts per a selected period (Value and Quantity LPO/LSO reports)   |  |  |
|                       | - Issues per a selected period (Value and Quantity reports)   |  |  |
|                       | - Transfers ((Value and Quantity reports))  |  |  |
|                       | - Damaged stocks (Value and Quantity reports)   |  |  |
|                       | - Expired stocks (Value and Quantity reports)   |  |  |
| 22                    | Allow the receiving of inventory both at once and partially   |  |  |
| 23                    | The system must give alerts and notifications when stocks are at the re-order level and on expiry dates   |  |  |
| 24                    | Embed a workflow for the disposal of items (fixed assets and store items) and capture approvals, comments and documentation associated with this process/task and updating of the information in the fixed asset register or inventory. |  |  |
| 25                    | Support the identification of items for disposal both manually and through preconfigured rules e.g. expired, useful life exhausted, damaged, etc.   |  |  |
| 26                    | The system should have the ability to generate all standard reports with respect to stock takes   |  |  |
| 27                    | The system should allow for capture of stock take notes/observations to accompany the physical counts   |  |  |
| System Administration |   |  |  |
| 1                     | The System MUST have ability to provide adequate audit trails that can be reviewed for information. These records MUST be non – editable and be secured from unauthorized access  |  |  |
| 2                     | Electronic records MUST maintain the old and new values to the change and the transaction used to generate the record   |  |  |
| 3                     | The system parameters, including application controls, authorizations and standard security configuration MUST be clear, well defined and can allow processing in an efficient and controlled manner, while protecting valuable data    |  |  |
| 4                     | The system MUST support multiple levels of security. This includes protecting certain fields from unauthorized access   |  |  |
| 5                     | The system MUST execute authority checks in its security administration and authorization profiles to ensure only authorized individuals can access the system or perform specific operations   |  |  |
| 6                     | The system MUST have features that prevent the user from further access when the SET number of failed attempts is exceeded  |  |  |
| 7                     | The system MUST have the ability to log out the user automatically after a specified period of an idle session  |  |  |

|                                    |   |  |  |
|------------------------------------|---|--|--|
| 8                                  | The system MUST have the ability to support single sign-on  |  |  |
| 9                                  | The user MUST be able to access a single or multiple menus / modules in the system as granted by the system administrator   |  |  |
| 10                                 | The system MUST have the flexibility to create user defined responsibilities / profiles to which different requests / functions / reports can be attached.  |  |  |
| 11                                 | The system MUST support digital signatures  |  |  |
| 12                                 | The system MUST automatically generate all records and logs when creating, modifying, or deleting data. These records and logs MUST be date and time stamped and MUST include the user ID of the individual who is logged onto the system and performed the action. |  |  |
| 13                                 | The system MUST be easily reconfigured to respond to changes in business practices, policy directives, organization structure, statutes and regulations. As business requirements change, the system MUST also be able to change to support the new requirements.   |  |  |
| 14                                 | The system MUST ensure that the processed data is provided to users in a consistent and secure manner.  |  |  |
| 15                                 | In addition to the production environment, the system MUST support independent copies for training, development, and test.  |  |  |
| 16                                 | The multiple environments MUST be sufficiently isolated from production and from each other so that operations in one environment will not affect those of another.   |  |  |
| 17                                 | Bidders MUST propose a number of disaster recovery configurations and should indicate the level of protection offered by each alternative.  |  |  |
| 18                                 | The system MUST support replication and rapid fail-over or redeployment in the event of problems or planned maintenance   |  |  |
| <b>Business Value Enhancements</b> |   |  |  |
| 1                                  | The bidder MUST work with the relevant user departments to identify all business requirements   |  |  |
| 2                                  | The bidder MUST provide services to implement “best practice” business processes associated with the supplied system  |  |  |
| 3                                  | The bidder MUST provide “best practice” business process documentation for business processes associated with the supplied systems  |  |  |
| 4                                  | The bidder MUST describe how they will assist the organization in maximizing the business value out of the supplied systems   |  |  |
| 5                                  | The bidder must describe a detailed methodology for undertaking business process improvement activities and execute business process improvement activities   |  |  |
| 6                                  | The bidder should highlight experience of the firm for delivering the following services:   |  |  |
|                                    | - Gap analysis of the “best practices” business processes as brought by the bidder with the organization’s current business processes   |  |  |
|                                    | - Developing a “To-Be” business model based on the proposed system solution and best practices  |  |  |

|                                 |  |  |  |
|---------------------------------|--|--|--|
|                                 | - Creating Key Performance Indicators (KPIs) to measure the efficiency of the new processes  |  |  |
| 7                               | bidders MUST conduct an integration review workshop. The outcome of the workshop will be a complete mapping of all existing points of system integration, the identification of new points of integration and the identification of existing points of integration which may benefit from re – design or re – implementation |  |  |
| 8                               | The bidder must implement all integration requirements identified as a result of the integration review workshop   |  |  |
| 9                               | The bidder must conduct an integration training workshop for the ERP Core Team to provide knowledge transfer with the objective of building internal capacity for:   |  |  |
|                                 | - Providing in-house maintenance and support to the Interface  |  |  |
|                                 | - Development of interfaces  |  |  |
| 10                              | The bidder must supply all documentation, manuals and guides necessary for maintaining the integration platform  |  |  |
| 11                              | The system MUST support modern “best business practices”, with data located in one integrated system and a centralized location, shared across VAELL’s departments. The system MUST support enterprise-wide business processes with a goal of eliminating multiple handling of data and increasing accuracy                  |  |  |
| Documentation Standards         |  |  |  |
| 1                               | All project documentations (softcopy and hardcopy) MUST be handed over by the bidder and will be considered FINAL once approved by VAELL ERP Core Team   |  |  |
| 2                               | The documentation provided should be done at all the phases of the implementation. All relevant documentation MUST be handed over to VAELL after the project implementation  |  |  |
| 3                               | All documents MUST be submitted in English language, including user manuals.   |  |  |
| Training and Knowledge Transfer |  |  |  |
| 1                               | The Bidder MUST provide information on the types of training to be offered for super users, end users, IT personnel, among others  |  |  |
| 2                               | The information provided should include:   |  |  |
|                                 | - Training strategy and plan for pre and post implementation   |  |  |
|                                 | - Location   |  |  |
|                                 | - Training provider (in-house, external)   |  |  |
|                                 | - Type of training and modules provided  |  |  |
| 3                               | The bidder MUST provide Knowledge Transfer Plan. The approach MUST cover the following:  |  |  |
|                                 | Functional Area: by which the key-users MUST be able to configure, setup, and handle any new requirements after the implementation. This will allow VAELL to continue with process improvement exercises after the completion of the implementation  |  |  |

|                         |   |  |  |
|-------------------------|---|--|--|
|                         | Assistance and guidance with development of the business rules and applying them to the software  |  |  |
|                         | Technical Area: by which the IT personnel of VAELL MUST have the sufficient knowledge that qualify them to carry out:   |  |  |
|                         | - System administration (ability to maintain, install, configure) especially in the initial stages of testing and implementation  |  |  |
|                         | The knowledge transfer plan MUST include a component where VAELL's staff is involved in all phases of the project's design, development, implementation and support                   |  |  |
|                         | The bidder MUST provide a list of expected training documents and material to be delivered during the project   |  |  |
| Testing and Acceptance  |   |  |  |
|                         | The bidder MUST design and develop detailed functional test specifications and scripts that cover all possible business scenarios with the help of business users for all the modules |  |  |
|                         | The bidder must participate in the User Acceptance Testing processes and be available for consultation during this process  |  |  |
|                         | The bidder must implement results of all test activities conducted during the project   |  |  |
|                         | The bidder MUST provide test reports on all conducted tests   |  |  |
|                         | The bidder MUST design, develop and conduct regression testing following the correction of problems identified during the testing cycle   |  |  |
| Implementation Schedule |   |  |  |
|                         | The Implementation schedule should be no more than 6 months, addressing the following requirements, among others:   |  |  |
|                         | Project organization and management plan  |  |  |
|                         | Full customization, implementation and commissioning of the ERP System  |  |  |
|                         | Testing schedules such as unit testing, integration testing, etc.   |  |  |
|                         | User Acceptance testing, Performance testing and regression testing   |  |  |
|                         | Training for VAELL Managers, end users and power users  |  |  |
|                         | Go live   |  |  |
|                         | Provision of all documentation and manuals.   |  |  |
|                         | Task, time and resource scheduling  |  |  |
|                         | As part of the implementation plan, the bidder should clearly demonstrate how the following reporting components will be incorporated as part of their implementation schedule:       |  |  |
|                         | - Results accomplished between the reporting periods  |  |  |
|                         | - Deviations from project plan/milestones and reasons for such Corrective actions to be taken and their due dates   |  |  |
|                         | - Other issues and outstanding problems and proposed corrective actions that should be undertaken   |  |  |
|                         | - Actions that should be undertaken by VAELL and due dates  |  |  |



|    |  |  |  |
|----|--|--|--|
|    | - Other issues that the bidder foresees could impact on the project's progress or Effectiveness  |  |  |
|    | - Project management reports   |  |  |
|    | - Inspection and quality assurance reports   |  |  |
| 11 | The Bidder is required to provide the specification and description of the different phases and activities of the project. The plan shall clearly specify the start and end dates (relative to contract signing) of each of the project phases specifying key milestones allowing visibility of project progress |  |  |

## SECTION VIII: STANDARD FORMS

### Notes on the standard Forms

1. **Form of Tender** . The form of Tender must be completed by the Tenderer and submitted with the tender documents. It must also be duly signed by authorized representatives of the Tenderer.
2. **Price Schedule Form** . The price schedule form must similarly be completed and submitted with the tender.
3. **Contract Form** . The contract form shall not be completed by the Tenderer at the time of submitting the tender. The contract form shall be completed after contract award and should incorporate the accepted contract price.
4. **Confidential Business Questionnaire Form** . This form must be completed by the Tenderer and submitted with the tender documents.
5. **Tender Security Form** . When required by the tender document the Tenderer shall provide the tender security either in the form included hereinafter or in another format acceptable to VAELL.
6. **Performance security Form** . The performance security form should not be completed by the Tenderer at the time of tender preparation. Only the successful Tenderer will be required to provide performance security in the form provided herein or in another form acceptable to VAELL.
7. **Letter of Notification of Award** –The letter shall be written to the successful bidder
8. **Client Reference Form** – The form should be duly filled and submitted by at least five (5) firms.
9. **Anti-corruption Declaration** . This form must be completed by the Tenderer and submitted with the tender documents.

**8.1 FORM OF TENDER**

Date: ..... 2019

TENDER NO. VAELL/003/2019 - 2020  
SUPPLY, DEPLOYMENT, COMMISSIONING AND SUPPORT OF AN ERP SYSTEM

To:  
Regional Managing Director,  
Vehicle and Equipment Leasing Limited,  
P. O. Box 2157 – 20117,  
NAIVASHA.

Gentlemen and/or Ladies,

Having examined the tender documents and Addenda thereof, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide services for

\_\_\_\_\_ in conformity with the said tender documents for the Grand Total

Contract sum of Kenya Shillings \_\_\_\_\_  
(amount in words & figures) as total Cost for Supply, Deployment, Commissioning and Support of an ERP System (total tender amount in words and figures) in accordance with the Schedule of Prices/Schedule of Requirements attached herewith and made part of this Tender.

Upon acceptance of our tender, we undertake to provide the services of Supplying, Deploying, Commissioning and Supporting an ERP System in accordance with the Specifications specified in the Schedule of Requirements and details of the services to be sourced and monitored by the service provider.

We shall also obtain the guarantee of a bank in a sum equivalent to \_\_\_\_\_ percent of the contract price for the due performance of the contract in the format prescribed by VAELL.

We agree to abide by this tender for a period of one hundred and twenty (120) days from the date fixed for tender opening of the Instructions to Tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period. This Tender, together with your written acceptance thereof and your notification of award, shall constitute a Contract, between us subject to signing of the contract by the parties.

We understand that you are not bound to accept the lowest or any tender you may receive.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
(Name & Signature) (In the capacity of)

Duly authorised to sign tender for and on behalf of \_\_\_\_\_

## 8.2 PRICE SCHEDULES

Only financial proposals of Bidders who have technically qualified shall be opened for further evaluation. Bidders are required to clearly show how they have arrived at the final figure of the project cost. Therefore, Bidders are expected to provide definitions, metrics, unit and total cost of each item in the financial bid.

The table below is to be used as a guide in preparing the financial bid:

| Item                                   | Metrics used | Unit cost | Total cost (Inclusive of all applicable costs and taxes) (KES) |
|--|--------------|-----------|--|
| Project preparation                    |              |           |  |
| Business design                        |              |           |  |
| Setup, configuration and customisation |              |           |  |
| Licensing                              |              |           |  |
| System testing                         |              |           |  |
| Data migration                         |              |           |  |
| Training                               |              |           |  |
| Documentation                          |              |           |  |
| System commissioning                   |              |           |  |
| User support                           |              |           |  |

**The total amount in words Inclusive of all applicable taxes and costs quoted for:**

.....  
 .....

Signature..... Email Address.....

Name of authorised representative.....

Company Stamp.....

Telephone/Mobile Number.....

- This price schedule should form part of the Financial Proposal.
- The Tenderer shall fill in the Grand Total Contract Sum Inclusive of all relevant applicable taxes and costs. Items for which no rate and/or price is entered by the Tenderer will not be paid for by VAELL when executed and shall be deemed covered by the other rates and prices.

**8.3 CONTRACT FORM**

THIS AGREEMENT is made on the \_\_\_\_\_ day of \_\_\_\_\_ 2019 between Vehicle And Equipment Leasing Limited, of P. O. Box 2157 – 20117, NAIVASHA, of the one part and

\_\_\_\_\_ (name of Tenderer) of P.O. Box \_\_\_\_\_  
(City and country of Tenderer) hereinafter called “the Tenderer”) of the other part.

WHEREAS VAELL invited tenders for Supply, Deployment, Commissioning and Support of an ERP System and has accepted a tender by the Tenderer for the provision of the services in the Grand

Total Contract Sum of .....  
(Contract price in words and figures) (Hereinafter called “the Contract Price”).

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement viz:
  - (a) The Tender form
  - (b) Price Schedule form
  - (c) Schedule of Requirements
  - (d) Details of ERP System
  - (e) General Conditions Of Contract
  - (f) Special Conditions Of Contract
  - (g) Technical Specifications
  - (h) Notification of Award
  - (i) Letter of Acceptance
  - (j) Financial Proposal Document
3. In consideration of the payments to be made by VAELL to the Tenderer as hereinafter mentioned, the Tenderer hereby covenants with VAELL to provide the services as an implementer of Digital Migration in conformity to all respects with the provisions of the contract.
4. VAELL hereby covenants to pay the Tenderer in consideration of the provisions of the services and the remedying of defects therein, the contract price or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws the day and year first above written.

Signed:  
**For VAELL**  
Name: \_\_\_\_\_

**For Tenderer**  
Name: \_\_\_\_\_

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

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**In the presence of:**

Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## 8.4 CONFIDENTIAL BUSINESS QUESTIONNAIRE

You are required to give the particulars indicated in part 1 and either 2(a) or 2(b) whichever applies to your type of business.

A Tenderer who gives false information will be disqualified.

### Part 1 – General:

Business Name .....  
(Attach copy of certificate of Incorporation or Registration Certificate)

Location of Business .....

Plot No. .... Street/Road ..... Postal Address .....

Tel.No. .... Email Address ..... Nature of Business .....

Current Trade Licence No. .... Expiry date .....

PIN No. .... VAT No. ....  
(Attach copy of pin Certificate and copy of VAT certificate)

Maximum value of business you can handle at any one time: Sh. ....

Name of your banker(s)..... Branch .....

### Part 2 (a) – Partnership:

Give names of partners as follows:

| Name    | PIN No. | Nationality | Shares |
|---------|---------|-------------|--------|
| 1. .... | .....   | .....       | .....  |
| 2. .... | .....   | .....       | .....  |
| 3. .... | .....   | .....       | .....  |

### Part 2(b) – Registered Company

Give Details of all Directors as follows:

| Name    | PIN No. | Nationality | Shares |
|---------|---------|-------------|--------|
| 1. .... | .....   | .....       | .....  |
| 2. .... | .....   | .....       | .....  |
| 3. .... | .....   | .....       | .....  |

Signed ..... Date .....  
(Authorised signatory of the firm)

**8.5 TENDER SECURITY FORM**

Date: .....

To:  
Vehicle And Equipment Leasing Limited,  
P.O. Box 2157 – 20117,  
Naivasha.

Whereas \_\_\_\_\_ [name of the Tenderer] (hereinafter called “the Tenderer”) has submitted its Tender dated \_\_\_\_\_ [date of submission of Tender] for the supply of ERP Implementation Services (hereinafter called “the Tender”).

KNOW ALL PEOPLE by these presents that We \_\_\_\_\_ [name of bank ] of \_\_\_\_\_ [name of country], having our registered office at \_\_\_\_\_ [address of bank] (hereinafter called “the Bank”), is bound unto VAELL (hereinafter called “the Purchaser”) in the sum of \_\_\_\_\_ for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

THE CONDITIONS of this obligation are:

- 1. If the Tenderer
  - (a) withdraws its Tender during the period of Tender validity specified by the Tenderer on the Tender Form; or
  - (b) does not accept the correction of errors in accordance with the Instructions to Tenderers; or
- 2. If the Tenderer, having been notified of the acceptance of its Tender by the Purchaser during the period of Tender validity:
  - (a) fails or refuses to execute the Form of Agreement in accordance with the Instructions to Tenderers, if required; or
  - (b) fails or refuses to furnish the performance security, in accordance with the Instructions to Tenderers;

We undertake to pay to the Purchaser up to the above amount upon receipt of its first written demand, without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by him is due to him, owing to the occurrence of any of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including thirty (30) days after the period of Tender validity or as it may be extended by the Purchaser, notice of which extension(s) to the Bank is hereby waved.

Any demand in respect thereof should reach the Bank not later than the above date.

\_\_\_\_\_  
[signature and seal of the issuing bank]

**Witness**

Name : \_\_\_\_\_ Signature: \_\_\_\_\_ Address: \_\_\_\_\_

**8.6 PERFORMANCE SECURITY FORM**

Date: .....

To:  
Vehicle And Equipment Leasing Limited,  
P.O. Box 2157 – 20117,  
Naivasha.

WHEREAS ..... [name of tenderer] (hereinafter called “the tenderer”) has undertaken , in pursuance of Contract No. [reference number of the contract] dated \_\_\_\_\_ 2019 to supply, install and commision an ERP system (hereinafter called “the Contract”).

AND WHEREAS it has been stipulated by you in the said Contract that the tenderer shall furnish you with a bank guarantee by a reputable bank for the sum specified therein as security for compliance with the Tenderer’s performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the tenderer a guarantee.

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the tenderer, up to a total of ..... [amount of the guarantee in words and figure] and we undertake to pay you, upon your first written demand declaring the tenderer to be in default under the Contract and without cavil or argument, any sum or sums within the limits of ..... [amount of guarantee] as aforesaid, without you needing to prove or to show grounds or reasons for your demand of the sum specified therein.

This guarantee is valid until the \_\_\_\_\_ day of \_\_\_\_\_ 2019.

Signed and seal of the Guarantors

\_\_\_\_\_  
[name of bank or financial institution]

Address: .....

Date: .....

(Amend accordingly if provided by Insurance Company)



## **8.7 LETTER OF NOTIFICATION OF AWARD**

Regional Managing Director  
Vehicle And Equipment Leasing Limited,  
P.O. Box 2157 – 20117,  
Naivasha.

To:

**RE: Tender No. & Tender Name**

This is to notify that the contract stated below under the above mentioned tender has been awarded to you.

- 
1. Please acknowledge receipt of this letter of notification signifying your acceptance.
  2. The contract shall be signed by the parties within 30 days of the date of this letter.
  3. You may contact the officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

---

FOR: VAELL

**8.8 CLIENT REFERENCE FORM**

Name of the ERP Provider .....

Name and address of the Client/Organization .....

**ERP System module(s) Supplied**

| Module | Duration in Use |
|--------|-----------------|
| 1.     |                 |
| 2.     |                 |
| 3.     |                 |
| 4.     |                 |
| 5.     |                 |
| 6.     |                 |

**Performance Evaluation**

(The organization to indicate their ERP Provider rating by ticking the appropriate box)

| No. | How do you rate the performance of the ERP Provider as per their responsiveness to the following: | Excellent | Good | Average | Poor |
|-----|---|-----------|------|---------|------|
| 1.  | Implementation of ERP services  |           |      |         |      |
| 2.  | Responsiveness/turnaround time of raised concerns   |           |      |         |      |
| 3.  | Training and User support   |           |      |         |      |
| 4.  | The general System and usability  |           |      |         |      |
| 5.  | Pricing (please write: expensive, affordable, )   |           |      |         |      |
| 6.  | General Customer Care   |           |      |         |      |
| 7.  | Competence (Capability to meet all demands)   |           |      |         |      |

**Declaration**

We confirm that the above firm/company (ERP Provider) is currently or has been engaged to handle our ERP System as a .....

Name of authorised signatory: .....

Title: .....

Signature ..... Date .....

Telephone ..... Email .....

Official stamp of the organization .....

(ATTACH WRITTEN VERIFIABLE DOCUMENTARY EVIDENCE)

**8.9 ANTI-CORRUPTION DECLARATION**

We ..... (insert the name of the company/supplier) declare and guarantees that no offer, gift or payment consideration or benefit of any kind, which constitutes an illegal or corrupt practice, has been or will be made to anyone by our organization or agent, either directly or indirectly, as an inducement or reward for the award or execution of this tender.

In the event that the above is contravened, we accept that the following to apply:

- (a) The person shall be disqualified from entering into a contract for the tender
- (b) If a contract has already been entered into with the person, the contract shall be voidable at the option of VAELL.
- (c) The voiding of a contract by VAELL under subsection (b) does not limit any other legal remedy that VAELL may have.

Name ..... Signature..... Date .....

Company Seal/Business Stamp

**ANTI-FRAUDULENT PRACTICE DECLARATION**

We ..... (insert the name of the company/supplier) declares and guarantees that no person in our organization has or will be involved in a fraudulent practice in any tender proceeding.

Name ..... Signature..... Date .....

Company Seal/Business Stamp

**NON-DEBARMENT DECLARATION**

We ..... (insert the name of the company/ supplier) declares and guarantees that no director or any person who has any controlling interest in our organization has been debarred from participating in a procurement proceeding.

Name ..... Signature..... Date .....

Company Seal/Business Stamp