

## **REQUEST FOR PROPOSALS (RFP)**

### **PAYROLL SERVICES & RELATED COMPLIANCE**

in support of

ELIZABETH GLASER PEDIATRIC AIDS FOUNDATION (EGPAF)

Ariel House, Westlands Avenue, Off David Osieli Road, Waiyaki Way, Westlands

**Firm Deadline: 15<sup>th</sup> August, 2017**

The Elizabeth Glaser Pediatric AIDS Foundation, a non-profit organization, is the world leader in the fight to eliminate pediatric AIDS. Our mission is to prevent pediatric HIV infection and to eliminate pediatric AIDS through research, advocacy, and prevention and treatment programs. For more information, please visit <http://www.pedaids.org>.

### **BACKGROUND**

The Elizabeth Glaser Pediatric Aids Foundation (“EGPAF”), Nairobi Office is soliciting proposals from Payroll Firms that wish to provide employee payroll services to EGPAF supported sub-recipients. The firm retained will be responsible for providing payroll outsourced services ONLY for the organization’s employees funded through EGPAF funds. The requested services are not for EGPAF payroll.

### **PURPOSE/SCOPE OF WORK**

The services offered to be undertaken in response to this RFP shall be provided by the bidder directly employing their employees, and there shall not be any sub-contracting arrangements done by the Bidder.

### **INTRODUCTION**

#### **Request for Proposal Definitions**

Throughout this Request for Proposal, the following definitions are used:

“Bidder” means a company incorporated under the Companies Act or an individual that submits, or intends to submit, a proposal in response to this “Request for Proposal”;

“Service Provider” means the Bidder(s) awarded a Contract resulting from this RFP;

“Contract” means the agreement formed between EGPAF and the successful bidder as evidenced by an Agreement issued to the Service Provider;

“Contract Documents” means the Agreement, the Bidders proposal document, the RFP and such other documents as listed in the Agreement, including all amendments or addenda agreed between the parties;

“Must”, “mandatory” or “required” means an absolute minimum function or capacity, which, if not satisfied in the proposal, may result in disqualification in the final evaluation;

“RFP” means this request for proposal including any amendments, attachments, and/or clarifications pertaining to this RFP that may be issued prior to the closing date; and,

“Should”, “may” or “is desirable” means desirable but not mandatory functions or capacities. Bidders who are able to provide these functions or capacities may be evaluated more favorably than those who cannot.

### **MINIMUM REQUIREMENTS:**

Each interested firm must submit the following information:

1. Name of firm;
2. Address of principal place of business and all partners or firm’s offices and corresponding telephone numbers. Please note specifically which partners will be assigned to work with the Foundation;
3. Certificate of incorporation - All applicants are required to be registered and authorized to perform the scope of work in the place of performance. A copy of valid registration must be submitted with each proposal.
4. Tax Compliance Certificate

### **SERVICE PROVIDER RESPONSIBILITIES**

1. Participate in joint recruitment, when necessary, in collaboration with EGAF and the EGPAF supported sub-recipients. Will also support joint performance appraisals at mid-year and end year and maintain all related records for the employees
2. The Service Provider must maintain all payroll related documents confidentially in safe custody as per the terms of the agreement with EGPAF
3. Conduct periodic/surprise spot checks to verify that the employees on the payroll are performing their duties as envisioned on their job descriptions / employment engagements
4. Generate the monthly payroll on time and accurately based on the data and schedule provided by the sub-recipient;
5. Generate an exception report in conjunction with monthly payroll report
6. Issue and process employee contributions and taxes to various official departments overseeing social security and income tax, within statutory deadlines. The Service Provider must submit to EGPAF all supporting documentation relating to net payment and payments for all payroll deductions
7. Represent the EGPAF supported sub-recipients to the organizations or bodies cited above in matters respecting remuneration of taxes, disputes regarding tax remuneration, and administrative oversight of tax remuneration.
8. The Service Provider must notify EGPAF in advance of any new regulatory or legislative provisions;
9. Assist EGPAF’s Grants team in answering any audit (statutory or internal) queries in respect of payroll and related compliance for supported sub-recipients.

10. Generate quarterly compliance briefs for EGPAF management in relation to any identified non-compliance with personnel administration standards
11. Ensures that all employees receive a copy of their pay slips within 5 days of payroll processing
12. Ensure that all employees receive their p9 forms within one month of year end in preparation for individual tax returns
13. The Service Provider will be responsible for timely submission of all withheld statutory deductions
14. The Service Provider must assume liability for late statutory filings due to its own negligence.

#### **FOUNDATION RESPONSIBILITIES:**

1. Working with the sub-recipient, make available to the Service Provider, in advance, all information related to the management of its payroll in compliance with legal requirements related to labour legislation;
2. Working with the sub-recipient, communicate any changes in the payroll including additional or attrition of staff as the case may be.
3. Pay the amounts due to the Service Provider, i.e. remuneration and disbursements in accordance with the terms and conditions set out in the agreement.
4. EGPAF will make funds available to meet the payroll tax, direct deposit and service fee liabilities on day prior to each check date.
5. EGPAF will not be liable for any error of, law, principles, policies that are required by the Government of Kenya in the management of payroll. This is entirely the responsibility of the Service Provider. The Service Provider will fully take care of any liabilities that might arise as a result of any payroll error.

#### **KEY CONTRACT TERMS:**

The anticipated contract type is *firm fixed price based on a percentage of the total monthly payroll amount*. Unless stated otherwise in the statement of the work, the Service Provider is responsible for providing equipment and/or supplies required to perform the services.

All deliverables provided to the Foundation must be furnished for the use of EGPAF without royalty or any additional fees.

All Materials will be owned exclusively by EGPAF. Service Provider will not use or allow the use of the Materials for any purpose other than Service Provider's performance of the Contract without the prior written consent of EGPAF.

#### **EVALUATION CRITERIA AND SUBMISSION REQUIREMENTS:**

EGPAF will determine the most advantageous proposals against the following Evaluation Criteria. Submitted Proposals should address each factor thoroughly and provide additional information as deemed appropriate. A composite rating will be assigned to each proposal based on the weights indicated below.

Evaluation Criteria	Submission Requirements	Weight
1. Relevant Experience of Applicant / Past performance of similar work	<p>Past performance summaries are requested in Minimum Requirement #4 above which also address the following:</p> <ol style="list-style-type: none"> <li>1. The number of years' experience in providing Payroll services (Minimum of 5 years of payroll experience) in Kenya</li> <li>2. Number of offices in Kenya</li> <li>3. Number of clients in Kenya to whom you are providing payroll services</li> <li>4. 3 professional references from similar services with phone and email contact information and one or more examples of prior similar work</li> <li>5. Do you currently sub-contract any of the payroll services to third parties or to any of your associates/ partners? If so, give complete details.</li> <li>6. Provide the number of existing customers lost in last 2 years, reasons why you lost them and their contact details.</li> <li>7. Have you received any show cause notice, penalty orders from any authority in respect of your payroll services to any client? If so, please give details.</li> </ol>	25%
2. Applicant's proposed process and approach to meet our needs efficiently	<p>A maximum 5-page written proposal explaining the process and timeline for implementation and include:</p> <ol style="list-style-type: none"> <li>1. The location from where your payroll processing team will provide the service.</li> <li>2. The approximate number of days that you would require for payroll processing of between 1,000 to 1,500 employees.</li> <li>3. The technical and functional details of the payroll software you are using for processing.</li> <li>4. How inputs will be discussed with the client to seek clarity, where required, before upload of data into your payroll system?</li> <li>5. Your internal control processes to ensuring confidentiality of client data and information, received in electronic and/ or physical format; how often these processes are audited and by whom?</li> <li>6. Does your team do a complete validation of payroll output vis-à-vis input submitted before sending the 1st trial report to client?</li> <li>7. Other than above validation, does your team also conduct a variance check vis-à-vis last month's output and submit a report on deviations to the client?</li> <li>8. Whether you have any need to share client information with a 3rd party including your associates, partners, etc.? If so, please share details and the reasons for sharing.</li> <li>9. Detailed schedule of required documentation for the service provider to process payroll</li> <li>10. Any other value added service which you may want to provide to the client?</li> </ol>	15%

3. Compliance	Adequacy of the service provider's internal control environment to minimize fraud out of: <ul style="list-style-type: none"> <li>a. Collusion by its own employees or with outside forces</li> <li>b. Ghost staff being introduced into the payroll</li> <li>c. Kickbacks</li> <li>d. Other forms of fraud</li> </ul>	20%
4. Cost	% of total monthly payroll	40%
<b>Total</b>		<b>100%</b>

EGPAF reserves the right to:

- Accept or reject any or all proposals received, or to cancel or reissue this RFP in part or its entirety;
- Award a contract at its sole discretion if it is in its best interest;
- Award a contract to other than the lowest cost/priced bidder;
- Reject any proposal that fails to confirm the essential requirements of this RFP;
- Contact any individual or entity listed in the proposal or otherwise known to the Foundation who may have knowledge of the bidder's experience, performance, and qualifications; and
- Request additional information from any and all bidders including requests for interviews

**PROPOSED TIMELINE:**

**DATE: 31 July 2017**– Release of RFP

**DATE: 4 August 2017** – Submission of Contractual and Technical Inquiries:  
Any questions regarding this Request for Proposals shall be directed in writing no later than **Friday 4<sup>th</sup> August 2017, 1:00 p.m., to attention: Procurement Manager, via email to [nairobiprocurement@pedaids.org](mailto:nairobiprocurement@pedaids.org)**

No phone calls please.

**DATE: 7 August 2017** –Question and Answer Response Document to be shared with **all** bidders

**DATE: 14 August 2017** - Completed proposals must be delivered electronically by the deadline mentioned on page one to: [nairobiprocurement@pedaids.org](mailto:nairobiprocurement@pedaids.org)

**DATE: 31 August 2017:** – Final decision announced and Offerors notified

**DATE: 1 October 2017:** – Contract executed and Services begin.

**Please note it is our best intent to comply with the above timeline but unavoidable delays may occur.**

### **ADDITIONAL INFORMATION**

**All proposals and communications must be identified by the unique RFP# reflected on the first page of this document. Failure to comply with this requirement may result in non-consideration of your proposal.**

Any proposal not addressing each of the foregoing items could be considered non-responsive. Any exceptions to the requirements or terms of the RFP must be noted in the proposal. The Foundation reserves the right to consider any exceptions to the RFP to be non-responsive.

Late proposals will be rejected without being considered.

This RFP is not an offer to enter into agreement with any party, but rather a request to receive proposals from persons interested in providing the services outlined below. Such proposals shall be considered and treated by the Foundation as offers to enter into an agreement. The Foundation reserves the right to reject all proposals, in whole or in part, enter into negotiations with any party, and/or award multiple contracts.

The Foundation shall not be obligated for the payment of any sums whatsoever to any recipient of this RFP until and unless a written contract between the parties is executed.

Equal Opportunity Notice: The Elizabeth Glaser Pediatric AIDS Foundation is an Equal Employment Opportunity employer and represents that all qualified bidders will receive consideration without regard to race, color, religion, sex, or national origin.

### **ETHICAL BEHAVIOR:**

As a core value to help achieve our mission, the Foundation embraces a culture of honesty, integrity, and ethical business practices and expects its business partners to do the same. Specifically, our procurement processes are fair and open and allow all vendors/consultants equal opportunity to win our business. We will not tolerate fraud or corruption, including kickbacks, bribes, undisclosed familial or close personal relationships between vendors and Foundation employees, or other unethical practices. If you experience of suspect unethical behavior by a Foundation employee, please contact [fraud@pedaids.org](mailto:fraud@pedaids.org) or the Foundation's Ethics Hotline at [www.reportlineweb.com/PedAids/](http://www.reportlineweb.com/PedAids/) Any vendor/consultant who attempts to engage, or engages, in corrupt practices with the Foundation will have their proposal disqualified and will not be solicited for future work.