



## ADDENDUM 2

Date: 2 November 2010

Pages: 4

Subject: Addendum 2 to the **Kiribati Education Improvement Program (KEIP)**  
**Request For Tender** of 25 September 2010

Reference: Request for Tender Number AusAID 10 – 11 - 6A

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**Tenderers are advised of the following:**

*AusAID would like to clarify the following:*

1. Please find attached the project completion report for the Language Education Pilot Project (LEPP). This report has been provided for information purposes only.

*AusAID would like to make the following changes to the Request for Tender:*

2. Delete Table 1a: Procurement Costs in Section 1 Part 1 Annex 1 and replace with the following:

Please note that this amendment also applies to Table 2a in Section 1 Part 4.

**Table 1a: Long Term Personnel Costs 2011: Salary Costs**

| Position                        | Monthly Salary* | Taxes | Superannuation | Leave Costs | Other Costs | Total Monthly Rate |
|---------------------------------|-----------------|-------|----------------|-------------|-------------|--------------------|
| (a)                             | (b)             | (c)   | (d)            | (e)         | (f)         | (g)                |
| KEIP Team Leader                |                 |       |                |             |             |                    |
| <b>Technical Assistance</b>     |                 |       |                |             |             |                    |
| [add/ delete rows as required]  |                 |       |                |             |             |                    |
| <b>Administrative Personnel</b> |                 |       |                |             |             |                    |
| [add/ delete rows as required]  |                 |       |                |             |             |                    |

\* 'Actual' Salary paid by Contractor to personnel.

3. Delete Table 3a: Procurement Costs in Section 1 Part 1 Annex 1 and replace with the following:

Please note that this amendment also applies to Table 4a in Section 1 Part 4.

**'Table 3a: Short Term Personnel Costs 2011: salary costs**

| Position                              | Daily Rate Salary* | Taxes | Superannuation | Other Costs | Total Daily Rate |
|---------------------------------------|--------------------|-------|----------------|-------------|------------------|
| (a)                                   | (b)                | (c)   | (d)            | (e)         | (f)              |
| KEIP Team Leader                      |                    |       |                |             |                  |
| <b>Technical Assistance</b>           |                    |       |                |             |                  |
| <i>[add/ delete rows as required]</i> |                    |       |                |             |                  |
| <b>Administrative Personnel</b>       |                    |       |                |             |                  |
| <i>[add/ delete rows as required]</i> |                    |       |                |             |                  |

\*'Actual' Salary paid by Contractor to personnel.

4. AusAID would like to emphasis that the Monthly / Daily Salaries, under Column (b), to be provided in both Tables 1(a) and 3(b) must not include any additional costs such as statutory obligations, superannuation etc. These additional costs need to be itemised separately as provided in the tables. The Total Rate, at the end of each table, will be the inclusive salary rate that contractors provide personnel. This is required for AusAID financial assessment purposes.
5. Delete Clause 6.9 and replace with the following

**'6.9 Notes and Instructions for Financial proposal Table 7:**

(a) Tenderer's must ensure that the Management Fee is **fully inclusive** of, but not limited to, the following Contractor costs: profit; financial management costs and financing costs, if any; corporate overheads; all management support costs for all Personnel, including any language training costs, related Personnel insurances, Australia based preparation (pre mobilisation) and professional development costs, as required; all legal costs; taxation, as applicable; health, medivac, worker's compensation, liability and indemnity insurance; costs associated with personnel briefings in Australia or in-country; costs, including financial costs, associated with any subcontracting and procurement of goods and services except where these are covered by the Procurement Fee; utilities such as phone (domestic and international), water, power and sewerage; security and cleaning services, as required; IT services for internet and intranet provision; costs of complying with the Contractor's reporting obligations under the Contract; all costs associated in supporting KEIP Oversight Committee meetings; costs associated with managing an effective monitoring and evaluation system; all other costs not specified as reimbursable costs;

allowances for risks and contingencies; all escalators on costs for the term of the Contract; but exclusive of any Australian Goods and Services Tax (GST) as referred to in **Clause 21** of the Standard Contract Conditions.'

Please note that this change also applies to Clause 5.3 in Section 1 Part 4.

*Questions raised by interested tenderers in writing:*

6. Tables 8 and 9 of the financial proposal in the RFT request that we provide escalation rates for reimbursable personnel costs and management fee respectively. As we understand the program, activity beyond Phase One is yet to be determined, and Phase One outputs assist with this determination. Consequently it is not clear what volume of personnel and management would be required for Phase Two, hence escalating from a Phase One level may not provide AusAID with a true reflection of future costs. Could you please clarify?

Answer: The escalation rate provided in Table 8 will be applied to existing (Phase One) position rates that are required in Phase Two. AusAID requests that tenderers include assumptions for the escalation rate provided in both Tables, particularly Table 9.

7. Clause 6.9 of the RFT (page 14) states that Tenderers must ensure the Management Fee is inclusive of "all costs associated in supporting KEIP Oversight Committee meetings". Please advise if this is for the provision of secretariat support services only, or full logistical costs associated with those meetings.

Answer: Yes, all costs associated in supporting the KEIP Oversight Committee meetings would include the provision of secretariat support services and logistic costs, among other things as determined by tenderers. AusAID requests all tenderers to provide assumptions in setting a management fee.

8. Please advise where we should include Per Diem for Long Term Personnel travelling on work related travel within Kiribati?

Answer: Per diem rates for Long Term Personnel travelling on work related travel within Kiribati would be included as a line item under Table 4: Procurement Costs.

9. Could AusAID please clarify the number of working days per month for Short Terms Advisers (STAs)? For example Table 3b pg 22 of the RFT assumes that STAs receive allowances and per diems only on days worked. Do we therefore assume a 30 day working month?

Answer: AusAID will pay Short Term Advisers for actual days worked. If Short Term Advisers are providing services away from their home base then they will also be entitled to accommodation and per diem rates for the period they are away. The overall amount provided for per diems and accommodation

therefore is an upper limit which will be drawn down against as required. The salary, per diem and accommodation rates are *daily* rates.

10. Is the tender expected to nominate local (I-Kiribati) administrative personnel?

Answer: It is up to the tenderer to propose appropriate personnel to fulfil positions necessary to complete the services described in Section 1 Part 3. AusAID does not have a requirement that personnel are or are not I-Kiribati.

11. Should the tenderer's staff (for project management, accountants etc) be shown under administrative staff in Table 1, or as part of the management fee Table 7 of Annex One?

Answer: Administrative Personnel are defined as including '*personnel engaged to manage the finances, human resources, reporting, logistics and other day to day administrative tasks necessary to deliver an aid program*'. (refer Section 1 Part 2 Clause 1.1) If tenderers require additional expertise to support administrative functions and/or the terms and conditions of the contract then they need to be included within the overall financial proposal. Please use the definition provided to determine whether costs should be accommodated in Table 1 or Table 7.

12. Do administrative personnel costs cover tenderer personnel not based in Kiribati?

Answer: The location of personnel does not matter. The function to be fulfilled by the position does. Please also refer to response above at point 11.

13. Should profit be included under the management fee in Table 7?

Answer: Yes, profit should be included under Table 7.

14. Please clarify the timelines for the outcomes in Priority Area 3, will this be across all three phases? If it's only regarding Phase 1, have in-service teachers been identified for training?

Answer: The outputs as described under Priority Area 3 are to be completed during Phase 1. In service teachers have yet to be identified for training.

All other information as set out in the RFT dated 25 September 2010 and Addendum 1 of 12 October 2010 remains unchanged.