LEJWELEPUTSWA DISTRICT MUNICIPALITY

Office of the District Municipal Manager

RFT 161/03/2025

APPOINTMENT OF A SUITABLY QUALIFIED SERVICE PROVIDER FOR THE SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF AN INTEGRATED MSCOA-COMPLIANT FINANCIAL MANAGEMENT SYSTEM INCLUDING SUPPORT AND MAINTENANCE FOR 3 YEARS.

RFT SUBMITTED BY:

Name of Company ....

Address ....

Telephone Number ....

Tender Amount (Including VAT) ....

ISSUED BY:	PREPARED BY:
LEJWELEPUTSWA DISTRICT MUNICIPALITY **Physical Address:** **Corner Jan Hofmeyer and Tempest Road, Welkom** **9460** **Postal Address:** **P.O. Box 2163** **Welkom** **9460**	**Directorate: FINANCE** **LEJWELEPUTSWA DISTRICT MUNICIPALITY** **Physical Address:** **Corner Jan Hofmeyer and Tempest Road** **Welkom** **9460** **Contact Person: Mr. K Khoabane** **Email: secfinance@lejwe.co.za**

TENDER NOTICE

Lejweleputswa District Municipality hereby invites tenders from a suitably qualified and experienced Service Provider for the supply, delivery, installation and commissioning of an integrated mSCOA - compliant financial management system including support and maintenance for 3 years.

Tender documents will be made available to tenderers from **12h00** on **20 March 2025.**

Tender documents can be downloaded and printed at the tenderer's cost from the National Treasury e-Tender Publication Portal on **www.etenders.gov.za**

For any technical related enquiries, please contact the office the Chief Financial Officer at 057 108 5000 or email at secfinance@lejwe.co.za

Tenders must be submitted in hard copy contained in sealed envelope and marked with **"Contract No. RFT 161/03/2025"** and the **Contract Description "APPOINTMENT OF A SUITABLY QUALIFIED SERVICE PROVIDER FOR THE SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF AN INTEGRATED MSCOA-COMPLIANT FINANCIAL MANAGEMENT SYSTEM INCLUDING SUPPORT AND MAINTENANCE FOR 3 YEARS"** must be placed in the Tender Box located at **Lejweleputswa District Municipality Cnr. Jan Hofmeyer and Tempest Road, WELKOM 9459** or posted to PO Box 2163, Welkom, 9460 on or before **Friday, 25 April 2025 at 12:00 pm**. Only tenders placed in the Tender Box shall be accepted.

Mandatory Requirements: Tenderers shall abide with the following mandatory requirements and shall provide the necessary supporting documentation to validate such requirements:

1.	Proof of Company Registration	
2.	MBD1, MBD4, MBD6.1, MBD8 and MBD9	
3.	B-BBEE: a valid original or certified B-BBEE status level verification certificate (SANAS accredited) or a sworn affidavit completed on the DTIC format.	
4.	Municipal Billing Clearance Certificate/municipal rates and service charges statement (not in arrears for more than 90 days), if renting a lease agreement and owner's copy of up-to-date municipal rates and service charges (not in arrears for more than 90 days). Should the tenderer not be based in the Lejweleputswa District Municipality, he shall submit a Municipal Billing Clearance Certificate issued by the municipality in which he/she is based	
5.	tax compliance status pin	
6.	National Treasury Central Supplier Database Summary report	

Failure to provide the requirements under the mandatory requirements will result in the disqualification of the tender.

Tender Adjudication/Evaluation Criteria: The tender shall be evaluated on a Two Stage Evaluation System – Stage One: Functionality and Stage Two: 80/20 Preference Point System in accordance with the LDM Preferential Procurement Regulations 2022 and Supply Chain Management Policy.

The Functionality for Stage One shall be evaluated on the following criteria:

All bidders scoring a total score of less than 70 out of possible 100 points will be disqualified.

Validity Period: Tender period of three months commencing from the closing date of the tender.

<table>
<tr><td colspan="2" style="text-align:center">SUMMARY OF BRIEF</td></tr>
</table>

The municipality is looking for an experienced bidder who can demonstrate the understanding of integrated financial management & internal control which is designed with effective and efficient interrelationships between software(s), hardware(s), personnel, procedures, controls, and data contained within the systems. The solution must be in accordance with the mSCOA regulations.

DETAILED SCOPE OF WORK

Although the required functionality is accepted to be driven by either legislation or mSCOA regulation, some functionality has been identified through evaluation, to be for best practice activities within local government.

The following 15 business processes must be supported as stipulated:

**N.B. Only tick the appropriate answer on the below. Whether you scratch out, tick or circle, your answer will be where the pen ink is reflecting. Complete both blocks, fully functional and third-party block.

1.	CORPORATE GOVERNANCE				
1.1 System configuration					
No.	**Functionality**	**Exists in IFMS and is fully functional**		**Does not exist in IFMS, exists through third party**	
1.1.1	Electronic approval and authorization capabilities of all transactions as predefined within the system per official.	Yes	No	Yes	No

1.1.2	Must support complex user profiles, with segregation of duties, to limit user rights beyond the transaction, but to also include content sensitive measures such as organisational structure, payroll, project, source of funding, other segmented transactions or other system objects needed to ensure confidentially of information and transactional integrity.	Yes	No	Yes	No
1.1.3	Must support delegation of duties and applied timeframes.	Yes	No	Yes	No
1.1.4	A comprehensive audit trail of all transactions at a transaction level must be available. This is to identify date, time and the user who initiated, approved, or amended any transaction.	Yes	No	Yes	No
1.1.5	The system must record all transactions with a unique transactional identifier.	Yes	No	Yes	No
1.1.6	No records should be physically deleted. Deleting a record in the context of the system means to flag as a status of being 'deleted', therefore not active. These records should be available for audit reporting. These deleted records may never be reactivated, only allowing creation of a new record with reference to the deleted one.	Yes	No	Yes	No
1.1.7	Bulk import of transactions facility.	Yes	No	Yes	No

1.1.8	A normalized relational database must be used.	Yes	No	Yes	No
1.1.9	Passwords must be stored in an encrypted format. Access to said file is only with ministrative privilege.	Yes	No	Yes	No
1.1.10	Must support complex user profiles, with segregation of duties, to limit user rights beyond the transaction, but to also include content sensitive measures such as organisational structure, payroll, project, source of funding, other segmented transactions or other system objects needed to ensure confidentially of information and transactional integrity.	Yes	No	Yes	No

1.1.11	Balancing of the sub-system with control accounts must be a condition of any period closure.	Yes	No	Yes	No
1.1.12	Monthly period closure and certification within the statutory reporting dates. Backdating of transactions should not be allowed.	Yes	No	Yes	No
1.1.13	Year-end closures period 12 as of 30 June (of the current year) result in a transactional transfer of opening balance to period one in the following year.	Yes	No	Yes	No
1.1.14	Finalisation and submission of annual financial statements (AFS) period 13 results in opening balance transactional transfer of only the transactions of period 13.	Yes	No	Yes	No
1.1.15	Audit periods with allowed audit approved journals occur in period 14 and result in opening balance transactional transfer of only the transactions of period 14.	Yes	No	Yes	No
1.1.16	Accommodate a period 15 for prior period errors (GRAP 3).	Yes	No	Yes	No
1.1.17	Any corrections of prior period error(s) result in opening balance transactions in the subsequent years.	Yes	No	Yes	No
1.1.18	Period closing, finalisation and audit period corrections are opening balance transactions in the current open period as well as normal transactions in the audit periods.	Yes	No	Yes	No
1.1.19	Modules and sub-systems must integrate to the core ledger without any manipulation.	Yes	No	Yes	No
1.1.20	Enable drill down from the general ledger (GL) to sub-system source transactions to transactional level.	Yes	No	Yes	No

1.1.21	Integration and automation of the annual financial statements (AFS) as well as monthly MFMA section 71 reports (financial management statements).	Yes	No	Yes	No
1.1.22	Daily, weekly, monthly, and yearly backups must be documented and signed-off.	Yes	No	Yes	No

| 1.1.23 | Disaster recovery must be off site. | Yes | No | Yes | No |
| 1.1.24 | The system must support ad-hoc backup capabilities. | Yes | No | Yes | No |

1.2 Reporting mechanisms

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
1.2.1	The system must support mSCOA segmented reports which can be produced on any level of the mSCOA hierarchy.	Yes	No	Yes	No
1.2.2	There should be a management dashboard that displays at the Municipal manager's (accounting officer) and senior manager's, the key performance areas information in a continues real time update.	Yes	No	Yes	No
1.2.3	Dashboards and reports must be available to assist the Municipal manager to adhere to MFMA section 70, by providing early warning of impeding financial distress.	Yes	No	Yes	No
1.2.4	The system should allow to monitor the financial progress of grants, programs, and capital projects as per the Service Delivery and budget implementation plan (SDBIP).	Yes	No	Yes	No
1.2.5	Reports should be available real time monitoring performance of debt recovery and creditor payments.	Yes	No	Yes	No
1.2.6	The system should have standard reports imbedded within the system reflecting the budget versus actual performance of the votes / functions of the municipality.	Yes	No	Yes	No
1.2.7	The system should enable the municipality to export of data via reports in commonly used file formats which is normally associated with excel spreadsheets and other data base applications.	Yes	No	Yes	No
1.2.8	The system should support multiple year reporting for comparison and tracking of progress.	Yes	No	Yes	No

| 1.2.9 | The system must allow to extract all required National treasury portal uploads for the current as well as past periods. These should also be produced in a readable format, representing the prescribed and/or specified descriptions of each segment. | Yes | No | Yes | No |

2. MUNICIPAL BUDGET PLANNING AND MODELING

2.1 Budget module

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
2.1.1	The budget must be informed by the integrated development plan (IDP) and recorded across all the mSCOA segments as per the mSCOA regulation.	Yes	No	Yes	No
2.1.2	The system should equip users with budget and management information to determine funding adequacy of the budget ensuring the budget is funded.	Yes	No	Yes	No
2.1.3	The budget module must have the capabilities to calculate the budget opening balance.	Yes	No	Yes	No
2.1.4	The system must support automated balance sheet budget on item level, adhering to all known alignment rules and validations. Taking latest circulars in consideration ensuring complete schedule alignment with National treasury.	Yes	No	Yes	No
2.1.5	The budget module must support automated cashflow budget allocation.	Yes	No	Yes	No
2.1.6	The primary budget must allow for recovery and charge allocation on a secondary/costing level.	Yes	No	Yes	No
2.1.7	Virements processed in detail per period, with complete audit trail, and detailed reporting for auditing purposes	Yes	No	Yes	No
2.1.8	Virements adhering to policy and guidelines as per National treasury.	Yes	No	Yes	No

| 2.1.9 | The ledger must have drill down capability, indicating the detailed budget transactions for ORGB, ADJB (including virements) | Yes | No | Yes | No |

3. FINANCIAL ACCOUNTING

3.1 General ledger (GL)

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
3.1.1	The GL must contain all the recorded transactions relating to municipality's assets, liabilities, net assets, income and expense according to the prescribed mSCOA segments.	Yes	No	Yes	No
3.1.2	The GL must be the central repository for accounting data transferred from all subledgers e.g., revenue, cash management, fixed assets, procurement, debtors, and payroll as well as all entries reported against allocated budget.	Yes	No	Yes	No
3.1.3	Journal capabilities, allowing for bulk as well as single processing. Journals should be fully traceable, with period control by allowing current, period 13, period 14 and period 15.	Yes	No	Yes	No

3.2 Accounts receivable

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
3.2.1	The system must have the ability to link debtor invoices with credit notes and reversals.	Yes	No	Yes	No
3.2.2	The system must be able to provide a debtors' ledger per individual debtor and in aggregate.	Yes	No	Yes	No

No.	Functionality				
3.2.3	The system should enable the municipality to extract reports per tariff code for any adjustments and billing done for reconciliation purposes.	Yes	No	Yes	No

3.2.4	The system must support a module for the raising of ad hoc debtors that are not municipal service related, fully supported with detailed ageing, adjustment entries and integrated with cashier module.	Yes	No	Yes	No
3.2.5	The system must adhere to all segmentation rules within the debtors' submodules, ensuring correct recording of the financial position, financial performance, and cash flow.	Yes	No	Yes	No

3.3 Accounts payable

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
3.3.1	The system must support a supplier database which syncs on a regular basis with the Central Supplier Database (CSD)	Yes	No	Yes	No
3.3.2	The system must be able to provide a creditors' ledger per individual creditor and in aggregate.	Yes	No	Yes	No
3.3.3	The system should enable the municipality to record invoices, credit- and debit notes and payments with allocated document and transaction dates.	Yes	No	Yes	No
3.3.4	The sub-module must allow payments, invoice payments on varied platforms. Bulk payment of invoices including direct linking to the banking sector. Producing of electronic remittance statements with	Yes	No	Yes	No
3.3.5	Goods received notes for full or partial deliveries must be aligned to authorised issued purchase orders. Goods return notes with debit and credit orders must be supported.	Yes	No	Yes	No

3.4 Insurance claim register					

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
3.4.1	The system must allow for insurance management module, integrated with the accounts payable, claim register, contract register and asset register.	Yes	No	Yes	No

4. PROCUREMENT – SUPPLY CHAIN MANAGEMENT, SUPPLIER MANAGEMENT AND CONTRACT MANAGEMENT

4.1 Supply chain management (SCM)

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
4.1.1	Allow for requisition from the annual Procurement plan.	Yes	No	Yes	No
4.1.2	Requisitions must be project driven, with strict budget validation.	Yes	No	Yes	No
4.1.3	Supplier rotation management.	Yes	No	Yes	No
4.1.4	Supply chain deviation facility in terms of legislation.	Yes	No	Yes	No
4.1.5	All requisitions, orders invoices and payments must be subject to electronic authorisation aligned to the organogram	Yes	No	Yes	No
4.1.6	Adhere to the municipality's delegation of duties and authority levels	Yes	No	Yes	No
4.1.7	Electronically validate against the National Treasury database for prohibited, employees of state and related parties and invite tenders based preferential procurement principals	Yes	No	Yes	No

No.	Functionality				
4.1.8	Electronically manage the invitation, bid closure and adjudication process with a full document management server unpinning the cycle	Yes	No	Yes	No
4.1.9	Record and electronically store the bid adjudication committee's meeting minutes and store the minutes on the document management server	Yes	No	Yes	No
4.1.10	Enforce where applicable retention enforcement and manage retention registers.	Yes	No	Yes	No
4.1.11	Ensure tax clearance management for the duration of the contract	Yes	No	Yes	No
4.1.12	Ensure that all payments are made within 30 days of receipt of an invoice therefore	Yes	No	Yes	No

| 4.1.13 | The system should allow accruals to be raised on period closure | Yes | No | Yes | No |
| 4.1.14 | Automate notification alerting relevant system users when a supplier's BEE certificate and tax certification reach expiry dates. | Yes | No | Yes | No |

4.2 Contract management

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
4.2.1	Contracts must be recorded with complete milestones and responsible parties.	Yes	No	Yes	No
4.2.2	The contract module must allow for the upload of original documentation for record keeping.	Yes	No	Yes	No
4.2.3	The module must fully integrate with the contract payment module with transactions reflecting on the contract module	Yes	No	Yes	No
4.2.4	The retention to each contract should be recorded within the register	Yes	No	Yes	No
4.2.5	The system should allow for Panel/Pool Contracts	Yes	No	Yes	No

4.3 Purchase orders

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
4.3.1	Allow for automated purchase orders from approved requisitions.	Yes	No	Yes	No
4.3.2	Electronic authorising of purchase orders (PO's) through workflow process	Yes	No	Yes	No
4.3.3	Automated sending of purchase orders (PO's) to supplier through email	Yes	No	Yes	No
4.3.4	Processing of partial order deliveries with automated reminders of outstanding items	Yes	No	Yes	No
4.3.5	Automated transfers of outstanding orders to future periods with budget controls	Yes	No	Yes	No
4.3.6	Align purchase order (PO) deliverables to the annual service delivery- and budget implementation plan (SDBIP)	Yes	No	Yes	No

4.4 Inventory					
No.	**Functionality**	**Exists in IFMS and is fully functional**		**Does not exist in IFMS, exists through third party**	
4.4.1	All consumable items in terms of the classification framework is purchased via an inventory principal.	Yes	No	Yes	No
4.4.2	In terms of the above, all systems should cater for a stores module be it virtual or actual that will allow management to control the consumable items in an effective and controlled manner.	Yes	No	Yes	No
4.4.3	The stores module must seamlessly integrate and balance with the ledger.	Yes	No	Yes	No
4.4.4	The system must suppport multiple stores, which is supported by tracking of stock and stock take.	Yes	No	Yes	No
4.4.5	The module must cater for stock and quantity adjustment per part with the necessary authorisation requirements. These must automatically update all required segments, disclosing the financial impact within the ledger.	Yes	No	Yes	No
4.4.6	The module must allof for a stock valuation report for all or selected classes, supporting monthly control processes, indicating the balancing between sub-module and ledger.	Yes	No	Yes	No
4.4.7	The module must allow for detailed and summarised stock movement reports.	Yes	No	Yes	No

5. GRANT MANAGEMENT

5.1 Grant management

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
5.1.1	Provide for a grant register linked to ledger accounts	Yes	No	Yes	No
5.1.2	Automate receipt allocation of grants by making use of the correct segments relevant to the grant	Yes	No	Yes	No
5.1.3	Automate payment allocation	Yes	No	Yes	No
5.1.4	Link mSCOA funding source with budget control.	Yes	No	Yes	No
5.1.5	Detailed grant reporting highlighting the conditions met	Yes	No	Yes	No
5.1.6	Grant recognition journal that is parameterised ensure correct recording against the required items and fund.	Yes	No	Yes	No

6. FULL ASSET LIFE CYCLE MANAGEMENT INCLUDING MAINTENANCE

6.1 Asset management

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
6.1.1	Manage the contract and build phase of the project by registering the component and rolling the accounting transaction up to the Work-in-Progress (WIP)	Yes	No	Yes	No
6.1.2	Immediately after a completion certificate is received, unbundle assets and maintain the parent-child relationship between the main asset and its components	Yes	No	Yes	No
6.1.3	Compile and monitor expenditure against the asset maintenance plans	Yes	No	Yes	No
6.1.4	Ensure that all asset transactions are recorded against the prescribed segments with	Yes	No	Yes	No

6.1.5	Allow for all financial entries, in current period as well as prior years (period 13,14,15) when preparing for AFS	Yes	No	Yes	No
6.1.6	Integration to billing systems to monitor investment properties and valuation inconsistencies	Yes	No	Yes	No
6.1.7	Enable table-to-floor inspection sheets (electronic devices are preferred) as well as floor-to-table look-up methodologies	Yes	No	Yes	No
6.1.8	Host an insurance register, aligned to the asset register	Yes	No	Yes	No
6.1.9	Allow for retrospective calculations such as depreciation	Yes	No	Yes	No
6.1.10	Report on maintenance done per asset, aligned with the maintenance project	Yes	No	Yes	No
6.1.11	Allow for criticality rating to be assignable to each asset via the risk assessment model	Yes	No	Yes	No
6.1.12	Any vehicle related expenses, maintenance, fuel must be recorded and reported	Yes	No	Yes	No

7. REAL ESTATE AND RESOURCE MANAGEMENT

7.1 Real estate and resource management

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
7.1.1	Facilities rental module updated from receipting with workflow refunds.	Yes	No	Yes	No
7.1.2	Maintain a register of all rental properties.	Yes	No	Yes	No
7.1.3	Link to debtors' system for collection of rent.	Yes	No	Yes	No

8. HUMAN RESOURCE AND PAYROLL MANAGEMENT

8.1 Human resource

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
8.1.1	Organogram budgeting, interfacing to the main budget system.	Yes	No	Yes	No
8.1.2	Employee Records Management	Yes	No	Yes	No
8.1.3	Leave Records Management	Yes	No	Yes	No
8.1.4	Leave Pay Accrual to be automated also to be retrieved on an ad hoc basis	Yes	No	Yes	No
8.1.5	E-Leave functionality – portal for employee self service	Yes	No	Yes	No
8.1.6	Training and Development Management	Yes	No	Yes	No
8.1.7	Recruitment and Selection Management	Yes	No	Yes	No

No.	Functionality				
8.1.8	Travel claims Management	Yes	No	Yes	No
8.1.9	Payroll and Benefits Management	Yes	No	Yes	No
8.1.10	Automated reconciliation at predetermined intervals	Yes	No	Yes	No
8.1.11	Overtime claims Management/ Time off in lieu	Yes	No	Yes	No
8.1.12	Special Allowance Management (eg acting, secondments, etc)	Yes	No	Yes	No
8.1.13	Refunds to staff in respect of over deductions and ad hoc payments	Yes	No	Yes	No
8.1.14	Deductions and payments to third parties (eg medical aids, SARS, union contributions, etc)	Yes	No	Yes	No
8.1.15	Ad hoc payroll runs must reflect in the Financial Management System	Yes	No	Yes	No
8.1.16	Must cater for pensioners' benefits	Yes	No	Yes	No
8.1.17	Provision to record allowance details against a post and employee (eg Telephone Allowance, categories, amounts, telephone number etc.).	Yes	No	Yes	No
8.1.18	Employee Relations	Yes	No	Yes	No
8.1.19	The system must cater for all requirements of the South African Revenue Services (SARS)	Yes	No	Yes	No

8.1.20	Must provide a facility to automate the update of tax tables whenever changes occur	Yes	No	Yes	No
8.1.21	History of previous tax tables must be retained on the system for an indefinite period	Yes	No	Yes	No
8.1.22	The system must be flexible to cater for any legislative changes to UIF, Workman's Compensation, Unions, etc.	Yes	No	Yes	No
8.1.23	The system must be able to cater for more than payroll type (eg Staff, Pensioners, etc)	Yes	No	Yes	No
8.1.24	Narrative type pay slips must be provided (Hard copy and electronically)	Yes	No	Yes	No
8.1.25	Accumulations of all deductions to be printed on pay slip if required (Pension, tax, housing allowance, motor car allowance, etc.).	Yes	No	Yes	No
8.1.26	Salary payments made to employees' bank accounts must be catered for electronically by either ACS (Automated Clearing Bureau) or electronic funds transfer (EFT).	Yes	No	Yes	No
8.1.27	Provide a payment hold facility	Yes	No	Yes	No
8.1.28	Third Party deduction and payments in terms of schedules or ad hoc basis	Yes	No	Yes	No

8.1.29	Variance reporting	Yes	No	Yes	No
8.1.30	The ability to calculate back pay across tax periods and increment periods must be provided for.	Yes	No	Yes	No
8.1.31	The system must allow for dummy validation pay runs to be carried out prior to running the final run.	Yes	No	Yes	No
8.1.32	All temporary staff (eg seasonal workers, learner ship programs, contract workers, etc) to be controlled via Budget availability.	Yes	No	Yes	No
8.1.33	Provision to maintain (add, amend, delete) conditions of service pertaining to specific posts	Yes	No	Yes	No

No.	Functionality				
8.1.34	The Payroll System must be able to accommodate or account for all vacancies (ie funded and or unfunded vacancies) based on a Council approved Organogram in terms of. Section 66A of the Municipal Systems Act Amendment Act (MSAA).	Yes	No	Yes	No
8.1.35	Budget control and management of virement requirements	Yes	No	Yes	No
8.1.36	Ensure that all employees' and councillors' declaration of interest and related parties are	Yes	No	Yes	No
8.1.37	Report and create the workflow for collection of all employees and councillors with arrear accounts.	Yes	No	Yes	No
8.1.38	Provide the financial statements with regulated reporting requirements regarding the municipal councillors' outstanding debtor account details.	Yes	No	Yes	No
8.1.39	Provide the general ledger (GL) with transactions that debit expenditure and credit revenue votes when applicable. This creates a temporary total liability of the payroll balance on the integration control.	Yes	No	Yes	No
8.1.40	Manage seamless third-party payment integration	Yes	No	Yes	No
8.1.41	Electronic funds transfer (EFT) to employee's bank accounts into the core financial systems cashbook awaiting approval	Yes	No	Yes	No

8.2 Payroll

No.	Functionality	Exists in IFMS and is		Does not exist in IFMS, exists	
		fully functional		through third party	
8.2.1	Must be able to easily integrate with banks. Seamless upload of payroll information	Yes	No	Yes	No
8.2.2	Support multiple payrolls with different pay structures	Yes	No	Yes	No

8.2.3	Produce, in conjunction with the Human Resource system, a multi-year budget in the mSCOA segmentation with integration to the main budget module.	Yes	No	Yes	No
8.2.4	Integrate with the time management system	Yes	No	Yes	No
8.2.5	Ability to submit statutory reporting to SARS for all taxes	Yes	No	Yes	No

9. COSTING AND REPORTING					
9.1 Costing transactions					
No.	**Functionality**	**Exists in IFMS and is fully functional**		**Does not exist in IFMS, exists through third party**	
9.1.1	The system should allow for costing per project, with resource allocation.	Yes	No	Yes	No
9.1.2	The system should also cater for the necessary functions and validations to allow for the usage the prescribed costing segment for interdepartmental charges.	Yes	No	Yes	No

10. CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION					
10.1 Customer care					
No.	**Functionality**	**Exists in IFMS and is fully functional**		**Does not exist in IFMS, exists through third party**	
10.1.1	The platform should be available to Consumers through an Online Web Portal and a Mobile Application on the Apple and Google stores.	Yes	No	Yes	No
10.1.2	Consumers should be able to register a profile on the Consumer Portal and/or App with either their email address or mobile phone number, which should be verified on registration.	Yes	No	Yes	No

10.1.3	Consumers should be able to link their profiles on the Consumer Portal and/or App with their registered accounts at the municipality.	Yes	No	Yes	No
10.1.4	The municipality should be able to send communication to Consumers on Email and SMS.	Yes	No	Yes	No
10.1.5	The municipality should be able to post messages and share general information to the Consumer in the Portal and Mobile App.	Yes	No	Yes	No
10.1.6	Consumers should be able to rate and/or provide feedback to the municipality regarding the quality of the services and the performance of the municipality or its service providers.	Yes	No	Yes	No
10.1.7	Consumers with linked accounts should be able to view and query metered consumption. The display must indicate "read" vs "averaged" meter readings as well as conventional vs pre-paid.	Yes	No	Yes	No
10.1.8	Consumers with linked accounts should be notified when readings for their meters are due each month, with the option for the consumer to then supply the reading to the municipality and attach a photo of the meter with the reading.	Yes	No	Yes	No
10.1.9	Consumers with linked accounts should be able to view and print of historic statements.	Yes	No	Yes	No
10.1.10	Consumers should be able allowed to log an incident/query/compliment with an auto generated incident number for tracking, escalation, and feedback.	Yes	No	Yes	No
10.1.11	Consumers with linked accounts should be able to pay outstanding balances online from the Portal or Mobile App.	Yes	No	Yes	No

10.2 Credit control

No.	Functionality	Exists in IFMS and is	Does not exist in

		fully functional		IFMS, exists through third party	
10.2.1	The system must be able to communicate late payment notifications via SMS, e-mail and/or hand delivered.	Yes	No	Yes	No
10.2.2	The list for meter disconnection must be driven by parameter settings.	Yes	No	Yes	No
10.2.3	Pre-legal actions defined below are inter alia at a minimum: - SMS (two-way communication) - Final Reminders - Electricity Disconnections - Water Restrictions / Disconnections - Illegal consumption inspections - Reconnection / Unrestricting	Yes	No	Yes	No
10.2.4	Legal process defined below are inter alia at a minimum: - Final Demands (Section 129) - Summons - Judgement - Warrant of Execution - Sale in Execution - Handed Over to Attorney	Yes	No	Yes	No
10.2.5	The system must cater for reporting various statistical reporting, for both monetary as well as field operations, for example: - Response rate per type of action - Accounts available for allocation to field workers - Capacity management of field workers - Referral management - Results per action type (Electricity cuts, water restrictions, reconnections, tampers etc.) - Unsuccessful actions and reasons - Success rate of actions performed. - Progress on completion of actions by field workers	Yes	No	Yes	No

10.3 Indigent management					
No.	**Functionality**	**Exists in IFMS and is**		**Does not exist in**	
		fully functional		**IFMS, exists through third party**	
10.3.1	The system should validated indigents prior any billing run within the billing module, indigent tariffs must automatically default to normal billing in the case of the indigency expiring or lifted.	Yes	No	Yes	No

10.4 Arrangements					
No.	**Functionality**	**Exists in IFMS and is fully functional**		**Does not exist in IFMS, exists through third party**	
10.4.1	The system must allow the Consumer department to activate arrangements with a consumer, supporting the following processes:	Yes	No	Yes	No
	- Review of application				
	- Authorisation of applications				
	- Restriction and reinstatement of credit and prepaid meters				
	- Comprehensive reporting				
	- Parameter driven cut-off process, overlooking valid arrangements which have not defaulted.				
	- Automated canceling of arrangements once defaulted.				

11. VALUATION ROLL MANAGEMENT

11.1 Valuation roll management					
No.	**Functionality**	**Exists in IFMS and is fully functional**		**Does not exist in IFMS, exists through third party**	
11.1.1	Integrate information for spatial analysis in a Geographical Information System (GIS).	Yes	No	Yes	No
11.1.2	Integrate with the building control system ensuring additions as well as new buildings updates the billing module.	Yes	No	Yes	No

11.1.3	Integrate with the Surveyor General (SG) database and town planning systems in use at the municipality.	Yes	No	Yes	No
11.1.4	Integrate with the deeds registry and monitor actual sales with current valuations as well as ownership against the billing system.	Yes	No	Yes	No
11.1.5	The GV (General Valuation) and SG (Supplementary Valuation) roll seamlessly updates the billing module for correct billing per category.	Yes	No	Yes	No
11.1.6	The system allows to extract the Circular 93 reconciliation report which adheres to the prescribed template for required uploads.	Yes	No	Yes	No
11.1.7	Allows for the printing of exception reports, indicating properties where there is a misalignment between valuator and billing module category.	Yes	No	Yes	No

12. LAND USE AND BUILDING CONTROL MANAGEMENT

12.1 Land use and building control management.

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
12.1.1	Property register providing for all land in the municipal area.	Yes	No	Yes	No
12.1.2	Integrate with cashier, billing, and valuation system.	Yes	No	Yes	No
12.1.3	Integration with asset register for municipal owned properties.	Yes	No	Yes	No

13. REVENUE CYCLE BILLING

13.1 Billing and consumer management.

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
13.1.1	Measure and flag anomalies of the current database transaction (all services) against alternative information sources such as Surveyor General (SG), Deeds and valuation rolls to ensure completeness of actual billing	Yes	No	Yes	No
13.1.2	Calculate and account monthly for the provision of bad debt.	Yes	No	Yes	No
13.1.3	Integration of Prepaid at a minimum of a 'debtor per tariff '-code per region, monthly	Yes	No	Yes	No

	bill the consolidation sales amount and daily receipt the sales.				
13.1.4	Provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for services.	Yes	No	Yes	No
13.1.5	Provide adequate information for spatial analysis in a Geographical Information System (GIS).	Yes	No	Yes	No
13.1.6	Create and Maintain Regional Structure.	Yes	No	Yes	No
13.1.7	Integrate with valuation and property systems.	Yes	No	Yes	No
13.1.8	Create and maintain a tariff structure to comply with mSCOA Regulations.	Yes	No	Yes	No
13.1.9	Produce monthly invoices to debtors and group accounts.	Yes	No	Yes	No
13.1.10	Allow for rebates and penalty levies.	Yes	No	Yes	No
13.1.11	Must have report writing capabilities for standard & Ad hoc reporting (daily, monthly & annual).	Yes	No	Yes	No
13.1.12	Maintenance of tariffs as per the tariffing section.	Yes	No	Yes	No
13.1.13	Disconnections and re-connection process flow.	Yes	No	Yes	No
13.1.14	Integration into 3rd party software for receive readings taken.	Yes	No	Yes	No

13.1.15	Must be able to store infrastructure (metering) diagrams which will show the physical location of meter to be able to drill down to all the relevant information concerning the meter in question.	Yes	No	Yes	No
13.1.16	Must have a full process and document flow for terminations and re-connections of services and the relevant documentation.	Yes	No	Yes	No
13.1.17	Must integrate with the Geographical Information System (GIS) to the extent that reticulation of services can be viewed as a layer at any point in time within the context of the current property being worked on.	Yes	No	Yes	No
13.1.18	Must be able to do consolidated billing of properties (all services and rates into one bill): As Municipalities are working within the determination of the Municipal Property Rates Act, 2004, a property relational database design is critical. The respective debtor is secondary to that.	Yes	No	Yes	No

13.1.19	Generate statements at any point in time and consolidate at customer level.	Yes	No	Yes	No
13.1.20	Flexible tariff building structure and design. System must be capable of inclining block tariffs based on daily, monthly, or annual rate scales	Yes	No	Yes	No
13.1.21	Must allow for the maintenance of tariffs as per the tariffing section.	Yes	No	Yes	No
13.1.22	Customer must be able to nominate between mailing, MMS or e-mailing of monthly statement.	Yes	No	Yes	No

13.2   Meter Management

No.	Functionality	Exists in IFMS and is fully functional	Does not exist in IFMS, exists through third party

13.2.1	Functionality is required to link the numbered meter that is used to measure the consumption of services to the erf/ property on which the meter is installed. It is important to note that there may well be more than one meter per erf/ property.	Yes	No	Yes	No
13.2.2	Functionality is required to categorise meters.	Yes	No	Yes	No
13.2.3	The system must be able to record the relationship of each meter to the property and track meter readings and relevant history of each meter individually.	Yes	No	Yes	No
13.2.4	Functionality is required to link the Debtor to the numbered meter that is used to measure the Debtor consumption of services. It is important to note that a Debtor may well be linked to several meters. (E.g., a landlord with several leased properties). (MSA section 95d).	Yes	No	Yes	No
13.2.5	Functionality is required to create and maintain practical and efficient meter reading routes.	Yes	No	Yes	No
13.2.6	Functionality is required to capture and record the meter reading and the date on which the meter was read. At least the following methods of capture must be provided, namely:	Yes	No	Yes	No
	- Capture via keyboard entry				
	- Receiving meter readings electronically from a third-party interface. Automated uploading and validation, limiting incorrect readings.				
13.2.7	If a meter reading is not received, functionality is required to calculate an estimated consumption, according to pre-set parameter.	Yes	No	Yes	No
13.2.8	The system must beable to support pre-paid vending integration.	Yes	No	Yes	No
13.2.9	The system must allow for blocking rules on pre-paid sales.	Yes	No	Yes	No

14. PROJECT ACCOUNTING

14.1	Project prioritisation				
No.	**Functionality**	**Exists in IFMS and is fully functional**		**Does not exist in IFMS, exists through third party**	
14.1.1	The municipal budget module must be aligned to the project module.	Yes	No	Yes	No
14.1.2	Projects registered in the project module must be aligned to the mSCOA Project segment.	Yes	No	Yes	No
14.1.3	All segmentation of mSCOA must be incorporated into the project module, whereby a project-based budget is produced, informed by the integrated development plan (IDP) and giving input to the annual service delivery- and budget implementation plan (SDBIP).	Yes	No	Yes	No

15. TREASURY AND CASH MANAGEMENT

15.1 Cash management					
No.	**Functionality**	**Exists in IFMS and is fully functional**		**Does not exist in IFMS, exists through third party**	
15.1.1	The cash book module must be able to automate the receipting and reconciliation of direct deposits from the bank statement.	Yes	No	Yes	No
15.1.2	The system must enable the authorized official to record interest and bank charges from the bank statement within the reconciliation module.	Yes	No	Yes	No
15.1.3	The system must allow for seamless integration between the Petty Cash, Investment, Loan, Cashier and Payment module.	Yes	No	Yes	No

15.1.4	Receipting module allowing for all payment methods	Yes	No	Yes	No
15.1.5	Accommodate the processing of multiple receipting streams.	Yes	No	Yes	No
15.1.6	The system must allow for multiple bank accounts.	Yes	No	Yes	No
15.1.7	Processing of payments at supervisorcontrolled cash offices to accommodate cashier opening, balancing, and closing.	Yes	No	Yes	No
15.1.8	Multiple daily and monthly online and automated reconciliations.	Yes	No	Yes	No
15.1.9	Accommodate receipt cancellation.	Yes	No	Yes	No
15.1.10	Facilitate debit orders, with automated reconciliation and recording against the account receivable/debtor.	Yes	No	Yes	No
15.1.11	Printing and re-printing (marked as 'Copy Receipt') of receipts.	Yes	No	Yes	No

15.2 Investment and loan management

No.	Functionality	Exists in IFMS and is fully functional		Does not exist in IFMS, exists through third party	
15.2.1	Accommodate all investment and loan related transaction, adhering to all mSCOA segment allocation rules, ensuring successful cash flow alignment	Yes	No	Yes	No
15.2.2	The system must allow for the extract of quarterly Investment, Loan and Bond monitoring reports for submission and reporting as regulated.	Yes	No	Yes	No
15.2.3	The system's Treasury module must allow for seamless integration between the Petty	Yes	No	Yes	No
	Cash, Investments, Loans, Receipting, and Payment module.				

A.   GENERAL REQUIREMENTS LISTING:

1. Compliance with MIOS (Minimum Inter-Operability Standards).
2. Must be web based and architecture must have Development, Quality Assurance and Production environments.
3. Utilize a formal development framework, and auditable standard change management procedure in line with Municipal Policies.
4. Be local and cloud based (Hybrid) with Disaster Recovery environment.
5. Infrastructure and Hardware diagnostic/ sizing for hosting the system. Must be able to run on various mainstream database engines e.g.Oracle & SQL as well as mainstream operating systems e.g. Microsoft, Unix, Linux, MCP, OS2200.
6. Must support a multi-language interface on both the presentation layer as well as the data layer.
7. Must be able to integrate with the Microsoft Office suite programs.
8. Automatically generate all reports required for National Treasury via the portal.
9. Integrate a document management system for financial and non-financial items together with Archival software.
10. Incorporate a customizable Report Writer e.g. Crystal Reports.
11. Consolidated Billing Module must be able to handle all aspects of pre-paid vending internally. Ability to dispense Tokens by Cell phone is imperative.
12. Sundry Billing for non-standard charges.
13. Cashier module for both online and offline receipting.
14. Compliance with the Standard Chart of Accounts framework with unlimited reporting levels.
15. Full compliance with the MFMA requirements regarding multiyear budget and budget control.
16. Fixed Assets module that is fully compliant with the requirements of GRAP and IAS (International Accounting Standards).
17. Integrated Human Resources and Payroll System.
18. Must be flexible for customization.

The following extract of General Requirements supports the technical specifications of the FMS without duplicating Standard Accounting Practices and supports General Business Processes and Procedures.

1. The system must comply with Municipal Regulation on Standard Chart of Accounts (SCOA).
2. The system must be developed in a modern recognized programming language to facilitate quick and easy enhancements.
3. The system must run on a recognized modern relational database, for example: SQL, ORACLE, etc.
4. Disaster Recovery Site is mandatory and simulation test are to be conducted periodically.

5. Data migration details from SQL Server databases from SAP system should be clearly costed and GIS integration is to also form part the system.
6. Detailed Licensing cost must be on the basis of current system is for TBA users and the percentage for annual support and maintenance is clearly defined.
7. Hosting servers must also be compactable with Microsoft Enterprise licensing packages that Municipality has.
8. Scheduled automatic backups, risk and governance compliance module must do risk violation monitoring and segregation of duties.
9. The database must be able to perform Audit Trail that records all master file.
10. Amendments (Add, Change, Delete), record the date and time, user as well as the old and new value of the field changed.
11. All operator menus must be customizable for each operator i.e. soft menu structure.
12. All updating must be on-line and real-time i.e. no batch processing or overnight updating.
13. The system must have an integrated Payroll system and be able to communicate with Pay@, electronic meter reading handhelds, and all South African Banks.
14. All historical data should be migrated onto the new FMS.
15. Data must be easily extractable for auditing purposes. Accountability must always vest with the Municipal official in charge.
16. Easy to use and customizable reporting tools are essential.
17. All manuals including operations, support and user manuals must be provided.
18. Training must be a component built into the SLA between the Municipality and the service provider and should be of no additional cost to the Municipality.
19. The system must be able to generate statements and transmit them via any medium.
20. The system must be able to generate debtors' age analyses that reconcile to the general ledger.
21. The system must be able to generate creditors' age analyses that reconcile to the general ledger.
22. Generate a General ledger and trial balance that reconcile.
23. Produce the AFS and all NT Budget Reports (No exporting and importing of data or user intervention.)
24. The SLA must consist of the following components:-

    A. Software Maintenance Contract;
    B. Support Maintenance Contract; and
    C. Upgrades Maintenance Contract.

    17. The system must be able to record meter readings from any possible source. An exception report must be generated by the system that highlights any significant variance that will then need to be addressed.
    18. The Asset Management system must be fully integrated and directly linked to all business processes inside the FMS.

B.   FMS GENERAL DESIGN & ARCHITECTURE

1. The integrated ERP system must be modular in design and implementation project plan must accommodate data migration and cleansing where necessary, as well as change management activities.
2. The system must enforce database consistency during all transaction states.
3. The system must be able to recover from any state of failure and restore itself to its last consistent state before such failure
4. The system must have fully documented restart capabilities for all online and/or batch processing
5. The system must adhere to best practices in both software and database design to enhance maintainability and reduce redundancies of code and data.
6. The IFMS must provide secure Web browser access to all modules including workflow related features for the purpose of entering new financial documents/transactions and for the review and approval of such entries.
7. Online real time integration between debtors ledger and general ledger

C. SECURITY

1. The system will utilize 5 levels of security:
   - Hardware
   - Network
   - Database
   - IFMS System Security
   - Firewall and licensing

2. The FMS security module must control access of users to specific modules, functionalities and screens.
3. The FMS security module must maintain a full audit trail of each and every change to the data by any user. Such a trail must consist of:
   - User details
   - Date and Timestamp of change
   - Source of the change
   - Before and After images of each change

D. SCOPE OF WORK

Each bid must contain detailed plans for -

- Onsite Gap Analysis of IFMS fit
- The Gap Analysis will be for the account of the Vendor
- In the event of a successful bid all unidentified gaps will be resolved by the successful Vendor at no charge to the Client

- The Gap Analysis will demonstrate a thorough understanding of the Municipality's operating environment by the Vendor and will provide the Client with a good understanding of system fit to business requirement.
- Electronic migration and cleansing of data from current system
- Implementation Project plan and projected budget
- Skills transfer and training must be high priority and mandatory.
- Change management strategy and champion with auditable evidence
- The IFMS must be scalable and cater for at least **TBA** system user license
- Software release policy
- Call management
- Service provider must be able to propose a suitable project manager with diversified expertise to meet the requirement of .
- Testing procedures must be documented, testing shall include, but not limited to the following:
  a. Unit Business Process documentation Testing scripts
  b. Performance/Volume Testing (OEM tools shall not be used for this testing)
  c. System Integration Testing (FMS Implementer)
  d. User Acceptance Testing (UAT)Facilitation

- The FMS implementer must develop a comprehensive and detailed approach and strategy for implementation of a FMS for the municipality including , but not limited to the following:
  a. Project Scope and Plan
  b. Overall implementation plan and work plan(in phases)
  c. Migration plan
  d. Testing plan
  e. Training plan
  f. Cut over and commissioning plan (Go Live)
- The FMS implementer will be required to provide data migration plan and will be responsible for all data migration
- List of documents that the service provider must provide as deliverables must include at the minimum the following:
  a. Project charter
  b. AS-IS Document
  c. Business Process Blueprint Document
  d. Process Mapping with FMS and Gap analysis document
  e. Security and Control Specifications
  f. Hardware and networking plan

E.   FINANCIAL REQUIREMENTS

1.   Medium Term Budget Policy Statement

a. Revenue budget per vote

    i. Actuals for last two Financial Years
    ii. Actuals for current year to date
        iii. Proposed Tariff increases in line with applicable CPIX
        iv. Indicative Budget Allocations for Revenue, Operating and Capital Expenditure

b. Classifications of consumption on Municipal Services
    i. Private households
    ii. Business iii. Public Institutions
    iv. Industrial

c. Top slicing proposals
    i. Purchases of Electricity and Water
        ii. Provision on external loans
        iii. Personnel expenditure
    iv. Provision for depreciation

d. Information on the tax base for all classes of consumption of Municipal services

2.   Electronic Revenue system that is linked to Billing Module

a.   Tax Base

i. Water
   Multiple tier tariffs
ii. Sanitation
   Sewerage charge linked to water consumption
   Refuse – normal and ad-hoc removal
Landfill – integration to 3rd party software

iii. Pre-paid services

iv. Re-Zonings

v. Receipting to include debtors and sundry(Short code), allocation of receipts in terms of priority rules
   Deposits – Cash and Guarantees

b. Indigents Register
Automatic indigents
Applied indigents

c. Debtors Register - Disconnections & Reconnections

i. Free Basic Services –see indigents

Disconnection lists
Credit control of consumers and property owners
Final demands Hand overs
Reconnections
Sms facilitation
Email and mms facilitation

Other
Housing – purchased and rental
Receipting – integration to bank, Easypay, post office and Pay@ New services
Finalization of services
Debit orders
Departmental settlements
Period based adjustments
Tariffs – rates and all services, to include daily scales, flat rates, sliding scales, fixed amounts, unit tariffs
Debtor maintenance
Property maintenance
Tables for all codes and descriptions
Meter maintenance
Raising of interest on originating service
Trade effluent charges Generation of statements Reporting
Estimation of consumption services based on computation rules
Adjustment registers per type of service
Salary deductions
Work Flow
Direct link to GIS
Refunds

3   Adjustments Budget

 a. Cater for multiple adjustment budgets

4   Electronic compilation of the monthly budget

a. Operating Revenue by Vote
b. Operating Revenue by Source
c. Operating Expenditure by Vote
d. Operating Expenditure by Standard Item
e. Capital Expenditure by Vote
f. Capital Expenditure by Category
g. Expenditure vs National and Provincial Grants

Part B

1.   Development of the Vote Hierarchy

   a. Hierarchy per Vote
   b. Hierarchy per GFS Function

2.   The IT System must be developed to extract reports outlining the following, namely

   a. GFS Function
   b. Standard Item classification that is linked to the category year to date, current month, forecast and balance available

Part C

1   Service Delivery and Budget Implementation Plan

      a. Characteristics

   i.   Directly linked to the Financial Management System, the Performance Management, the MTREF Budget, the IDP and the Annual Report

   ii. Consist of the five components as outlined in MFMA
             Circular 13 iii. Produce monthly reports
        per Vote

Part D

1.   Financial Management System
   a.   Characteristics and components
      i.   Compile the Financial Statements - GRAP Standards

2.   Produce the following:
   a.   Ledger
   b.   Cash book

    c.   Bank reconciliations

    d.   Journals

    e.   System generated Financial Statements

        i.   Manage normal daily financial transactions

        ii. Generate daily cash flow statements together with Bank

        iii. Generate daily stock and assets register

        iv. Consist of the following components

3.   Electronic creditors system that is linked to

    a.   Assets register - Depreciation, Financial Reporting & Valuations

    b.   Budget per Vote

    c.   Municipal Supply Chain Management Structure

    d.   Produce electronic orders for goods and services

    e.   Produce electronic payment requisitions

    f.   Generate electronic remittance advices

4.   Electronic Revenue system that is linked to Billing Module

    a. Tax Base

        i.   Water

        ii. Sanitation

        iii. Pre-paid services

        iv. Re-zonings

    b. Indigents Register

    c. Debtors Register - Disconnections & Reconnections

        i.   Free Basic Services

    d. ITC

    e. Revenue Budget under the following classes

        i.   Primary Class

        ii. Secondary Class

    g. GIS

    h. SDBIP

5.   Salaries System/Human Resources Management

        i.   Budget vs all employee related expenditure

        ii. Councillors

        iii. Senior Managers

        iv. Other municipal staff

        v.   Management information (personnel numbers, etc)

The system must have:-

a. Online application for leave, overtime, employee update, see past and current payslips and IRPS.

b. It must have an on-line update attendance register due to the fact that we have various work depot sites spread across the city.

c. Clocking and mark employees on duty:- It must be a portable hand held facility to scan/read to mark employees present – biometric scanners

The following modules are essential:

a. Payroll remuneration with annual increments worked out automatically by applying percentage increase across various salary notches and bands leave management with sms/email facility to remind on compulsory or overdue vacation to be taken and for any other messages:
   • draw organograms,
   • staff/post establishment,
   • recruiting and dismissal,
   • employee personal inform update,
   ☐ capture of grievances and disciplinary with SMS facility to send out to employees,
   • Keep staff qualifications, training and skills audit
   ☐ Provide legislative states   on employment equity and WSP (workplace skills programmes/plans)
   • Costing modules
   • Capture staff protective clothing, assets, tools and equipment
   ▪ Supply with clocking in-systems situated at strategic positions for office bound employees – outside staff must have portable mobile clocking in facility
   ▪ Automated leave register

b. Be able to be used from any desktop /kiosk whereby any employee with be able to set up their own log in details with passwords and recognize

Expenditure System
   a. Linked to the Creditors System
   b. Produce expenditure reports
      i.   Per Vote
      ii.   Per Standard Item
   c. Linked to Supply Chain Management
      i.   Contracts Management
   d. Linked to SDBIP and IDP
   e. Linked to Performance Management System
   f. Produce reconciliation statements on the following
      i.   Bank
      ii.   Creditors
      iii. Debtors

Part E

1   General Plan for the IT Systems Implementation

Format and MFMA requirements are compiled for implantation a.

   i. MTREF Budget (including all schedules) ii. IDP

iii. SDBIP

iv. Annual Report

v. Municipal Evidence Audit File - GRAP Standards

vi. Financial Management & Reporting (Section 71 & 72)

vii. Document Management Module   Fully Web enabled

Part F

Integrated Supply Chain Management Module

Procurement

- Procurement process to start with the Supply Chain which must be fully integrated Procurement process must check for valid tax clearance certificates and company Registration details.
- Request for good must be entered by various departments.
- The supply chain department to produce the quotes and fax or email through to supplier.
- The system must also be able to SMS the supplier should they become invalid or have quotes to be collected.
- The system must select suppliers for quoted based on the rotation system.
- Should the quote not be awarded to the first supplier a valid reason must be provided.
- Once the quote has been awarded the system should automatically create the requisition.
- All requisitions to be authorized by the head of departments and reserve the necessary Budget.
- Authorized requisitions must automatically appear on the finance department's screens where they generate the Purchase Orders.
- Goods Received notes can only be processed against valid orders and must automatically be pushed through to the creditor's module for payment.
- The system must check for duplicate supplier's invoice numbers.
- Contract Management – Expenditure and Validity, Competitive bidding
- Self-registration on the database

Stores

- The stores module must be fully integrated into the general ledger,
- The system must be able to handle average costing and must cater for minimum stock levels as well as the recommended reorder quantities
- Creation and authorization of Stores and Fuel Issues
- Must cater for perpetual stock take during the year and produce the necessary deviation listings.
- The necessary Stock Enquiries and Stock Valuation Reports available

Part G
COMPLIANCE ASSESSMENT

PRESENTATION REQUIREMENTS

Vendors are advised that the topics they MUST cover at the mandatory presentation are as follows:

- Budget Module
- IDP Module
- SDBIP
- Live demos are expected on Section 71/72 Reports
- Production of AFS
- Billing Cycle
- Workflow
- Integrated Document Management system

The selected vendors may be required to do further presentations as and when required. An on-site demonstration will be required before the finalisation of appointment.

DOCUMENTATION AND INFORMATION RELATED TO THE BRIEF

- Any related information in Municipality's possession will be provided to the service provider.

- Ownership of factual information, collected by the service provider and paid for by either of the municipalities shall vest with the municipality. Electronic version of the information should be supplied to the municipality.

REPORTING

The service provider responsible for roll out should be contracted by the Municipality.

The appointed service provider will be required to report on a monthly basis regarding the progress on outputs and project deliverables.

IMPLEMENTATION SCHEDULE

- The service provider will be responsible for the compilation of the "Project Programme", detailing activities and time frames for provision of the Terms of Reference. This should be provided to within a week of appointment and presented to the Project Manager.
- Any deviation from the accepted Programme should be pre-negotiated with the Municipality.

PROJECT COSTS & PAYMENT MILESTONE

Pricing

Bidders should submit their technical and financial proposals separately, as per the evaluation criteria. Value Added Tax must be included in the bid price.

SPECIAL CONDITIONS OF BID

The bidder's proposal must, **as a minimum**, comply with the main components of municipal financial management and control. These components must integrate seamlessly with the mSCOA general ledger and comply at a posting level to mSCOA Regulations and GRAP. Support and Maintanace including minor and major enhancements for a period of 36 months should also be clearly costed.

The main components are defined as follows, per section 5 of MFMA Circular. 80:

- General Ledger as per mSCOA regulation
- Billing for municipalities
- Supply chain management that complies with regulation
- Procurement that complies with regulation
- Creditors Management linked to CSD
- Assets management and tracking
- Inventory/stores
- Customer care module
- Budget module aligned to IDP as regulated
- HR and Payroll module with leave management

Directly aligned to the defined components per the desired objective, there are fifteen (15) business processes that have been defined within Local Government. Each business process has been fragmented into sub-processes to enable alignment to practical work streams common to the municipality.

The objective of the business processes at outlined in the Municipal Regulations on Standard Chart of Accounts Gazette No 37577 and MFMA Circular No. 80 are that an iFMS:

1. Must provide for the hosting of the mSCOA structure and associated detail as contained in the seven defined Segments.
2. Must accommodate and operate the classification framework across all required segments at a transactional level as defined in the associated detail to the segments

3. Must provide for the data extraction functionality as per the segmented transactional string and seamless upload to the Local Government Database as hosted by the National Treasury

4. May not apply methodologies of data mapping or data extrapolation to provide for the segmented transactional data string at a transactional level above as explained in point

5. Must provide for full seamless integration between the core financial system representing the general ledger, and any third-party system with a direct impact on the general ledger

6. Must have access to hardware that is sufficient to run the required software solution.

The 15 business processes are:

1. Corporate Governance;
2. Municipal Budgeting, Planning and Modelling;
3. Financial Accounting;
4. Costing and reporting;
5. Project Accounting;
6. Treasury and Cash Management;
7. Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable;
8. Grant Management;
9. Full Asset Life Cycle Management including Maintenance Management;
10. Real Estate and Resources Management;
11. Human Resource and Payroll Management;
12. Customer Care, Credit Control and Debt Collection;
13. Valuation Roll Management; 14. Land Use Building Control; and
15. Revenue Cycle Billing.

FUNCTIONALITY

REQUIREMENT	EVALUATION CRITERIA	POINTS ALLOCATION	TOTAL MAX POINTS
System Implementation			
	Number of previous implementations of the system in South Africa		
Previous Relevant Experience of the Bidder in Implementing the proposed ERP system	(Attach proof in the form of reference letters with contactable reference client information from South African customers where the system was successfully implemented)	=>5 is 1 point per project up to the maximum of 10	**25 points**
	Previously migrated the company from the ERP System to your proposed ERP System, or whereby the bidder successfully migrated at least three (3) different clients from different ERPs to the proposed solution	= 5 points	5 points
	The Service provider is the OEM or Regional Distributer of the ERP	= 5 points	5 points
	Proof of mSCOA Pilot Site (attach valid recommendation letter)	= 5 points	5 points

REQUIREMENT	EVALUATION CRITERIA	POINTS ALLOCATION	TOTAL MAX POINTS
Experience of the Project Team in Implementing the proposed ERP system	• Project Manager with a minimum of a 3-year Diploma/Degree in Information and Communication Technology related qualification. • Must have certification in Project Management	5 points	**25 points**

REQUIREMENT	EVALUATION CRITERIA	POINTS ALLOCATION	TOTAL MAX POINTS
	• Three (3) full life cycle ERP project implementation (HCM, FINANCE and SCM Modules) experience as a Project Manager where at least one was for the proposed ERP solution. (Attach detailed CV and certificates of qualifications as proof)		

		Points allocation	Total max points
	• Solution Architect with a minimum of a 3-year Diploma/Degree in related qualification. • Must have certifications for the proposed ERP solution. • Must have a minimum of 5 years' experience as a Solution Architecture in the ERP implementation (HCM, FINANCE and SCM Modules) of the proposed ERP solution. (Attach detailed CV and certificates of qualifications as proof)	5 points	5 points
	• Service Delivery Manager with a minimum of a 3-year Diploma/Degree in Information and Communication Technology related qualification. Must be certified in Information Technology Infrastructure • Library (ITIL).	5 points	5 points

REQUIREMENT	EVALUATION CRITERIA	POINTS ALLOCATION	TOTAL MAX POINTS
	• Must have a minimum of 5 years' experience as a Service Delivery Manager in the ERP support (HCM, FINANCE and SCM Modules) of the proposed ERP solution. (Attach detailed CV and certificates of qualifications as proof)		

	• Functional Team with a minimum of a 3-year Diploma/Degree in Information and Communication Technology (ICT) or functional area related qualification. • Must be certified in the functional area of the proposed ERP solution • Must have been involved in a minimum of 5 ERP Implementation projects of the proposed ERP solution. (Attach detailed CV's and certificates of qualifications as proof)	5 points	5 points
	• Technical Team with certification in Information and Communication Technology (ICT) or technical area related qualification. • Must be certified in the technical area of the proposed ERP solution	5 points	5 points

REQUIREMENT	EVALUATION CRITERIA	POINTS ALLOCATION	TOTAL MAX POINT
	• Must have been involved in a minimum of ERP Implementation projects of the proposed ERP solution. (Attach detailed CV's and certificates of qualifications as proof)		
Approach and Methodology, including Proposed Timelines for **Implementing** the proposed ERP system	Detailed project approach and methodology to be applied including the proposed timelines that will be used to upgrade the current ERP System/reimplementation of the proposed ERP Solution, and must include the following in detail: • Comprehensive Implementation Plan with clear deliverables of the scope and timelines, with the project timelines. • Change Management and Training Plan • Data Migration Plan which clearly indicates how data will be migrated from ERP Solution to the proposed ERP solution and what Software Tools will be utilized.	Rating Scale: 15 – Excellent 12 - Good 9 - Satisfactory 6 - Poor 0- Very Poor	**15 points**

System Support

REQUIREMENT	EVALUATION CRITERIA	POINTS ALLOCATION	TOTAL MAX POINTS
Previous Relevant Experience of the Bidder in supporting the proposed ERP system	Number of years of experience in systems support in South Africa. (Attach proof in the form of appointment letters and recommendation letters from municipality Submit referral letters from municipalities where mSCOA have been satisfied satisfactory in the last three years with clean audit	3 or more is =I point to maximum of 5	**5 points**

Experience of the Project Team in supporting the proposed ERP system	• Help Desk Officer • Must be certified in ITIL or service management • Must have a minimum of 5 years' experience as a Help Desk Manager in the ERP support (HCM, FINANCE and SCM Modules) of the proposed ERP solution. (Attach detailed CV and certificates of qualifications as proof)	5 Points	**20 Points**

REQUIREMENT	EVALUATION CRITERIA	POINTS ALLOCATION	TOTAL MAX POINTS
	• Functional Team Leads with a minimum of a 3-year Diploma/Degree in Information and Communication Technology (ICT) or functional area related qualification. Must be certified in the functional area of the proposed ERP Solution. Must have been involved in a minimum of 5 ERP Implementation projects of the proposed ERP solution. (Attach detailed CV's and certificates of qualifications as proof)	5 Points	5 Points
	• Technical Team Leads with certification in Information and Communication Technology (ICT) or technical area related qualification. • Must be certified in the technical area of the proposed ERP solution	5 Points	5 Points

		• Must have been involved in a minimum of 5 ERP Implementation projects of the proposed ERP		

	solution. (Attach detailed CV's and certificates of qualifications as proof)		

REQUIREMENT	EVALUATION CRITERIA	POINTS ALLOCATION	TOTAL MAX POINTS
mSCOA Assessment Participated and was successful in the Transversal Contract by National Treasury, appointed for local municipalities	• Submit Letter of Appointment and Clients Data String Status from NT Portal at least from 5 Municipalities = 5 • Submit Letter of Appointment and Clients Data String Status from NT Portal at least from 3 Municipalities = 3 • Submit Letter of Appointment and Clients Data String Status from NT Portal at least from 2 Municipalities = 2 • Submit Letter of Appointment and Clients Data String Status from NT Portal at least from 1 Municipalities = 0	=5 Points	**5 points**

REQUIREMENT	EVALUATION CRITERIA	POINTS ALLOCATION	TOTAL MAX POINTS
IT Security Management			
IT Security Management	• IT security management consists of processes to enable organizational structure and technology to protect an organization's IT operations and assets against internal and external threats, intentional or otherwise. • These processes are developed to ensure confidentiality, integrity, and availability of IT systems.	= 5 points	5 Points
Total Points for Functionality			100 points
Minimum Passing Score for Functionality (70 points)			70 points

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (*NAME OF MUNICIPALITY/ MUNICIPAL ENTITY*)				
BID NUMBER:		CLOSING DATE:		CLOSING TIME:
DESCRIPTION				

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX
SITUATED AT *(STREET ADDRESS*

SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		**OR**	CSD No:	
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	☐Yes ☐No [IF YES, ANSWER PART B:3]	
TOTAL NUMBER OF ITEMS OFFERED			**TOTAL BID PRICE**	R	
SIGNATURE OF BIDDER	……………………………..		**DATE**		
CAPACITY UNDER WHICH THIS BID IS SIGNED					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT		CONTACT PERSON	
CONTACT PERSON		TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			

PART B
TERMS AND CONDITIONS FOR BIDDING

1.	BID SUBMISSION:

1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	**ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR ONLINE**
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2.	TAX COMPLIANCE REQUIREMENTS

2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
2.4	FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
2.5	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.6	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.7	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3.	QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

3.1.	IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
3.5.	IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	☐ YES ☐ NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER: ……………………………………………

CAPACITY UNDER WHICH THIS BID IS SIGNED: ……………………………………………

DATE: ……………………………………………...

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state[1].

2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

3   In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

   3.1 Full Name of bidder or his or her representative:…………………………………………..

   3.2 Identity Number: ……………………………………………………………………………….

   3.3   Position occupied in the Company (director, trustee, hareholder[2]):……………………..

   3.4 Company Registration Number: …………………………………………………………….

   3.5 Tax Reference Number:……………………………………………………………………….

   3.6 VAT Registration Number: ……………………………………………………………………

   3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

   3.8   Are you presently in the service of the state?   **YES / NO**

      3.8.1 If yes, furnish particulars. …………………………………………………………………

           …………………………………………………………………………………………..

[1]MSCM Regulations: "in the service of the state" means to be –
   (a) a member of –
      (i)   any municipal council;
      (ii)   any provincial legislature; or
      (iii)   the national Assembly or the national Council of provinces;

   (b) a member of the board of directors of any municipal entity;
   (c) an official of any municipality or municipal entity;
   (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
   (e) a member of the accounting authority of any national or provincial public entity; or
   (f) an employee of Parliament or a provincial legislature.

   [2] Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months? ………**YES / NO**

    3.9.1 If yes, furnish particulars.…………………………...…………………………………..

    ………………………………………………………………………………………….

3.10 Do you have any relationship (family, friend, other) with persons
in the service of the state and who may be involved with
the evaluation and or adjudication of this bid? ....**YES / NO**

    3.10.1 If yes, furnish particulars.
    …………………………………………………………………………
    …………………………………………………………………………

3.11 Are you, aware of any relationship (family, friend, other) between
any other bidder and any persons in the service of the state who
may be involved with the evaluation and or adjudication of this bid?   **YES / NO**

    3.11.1 If yes, furnish particulars
    …………………………………………………………………………
    …………………………………………...……………………………..

3.12 Are any of the company's directors, trustees, managers,
principle shareholders or stakeholders in service of the state?   **YES / NO**

    3.12.1 If yes, furnish particulars.
    ………………………………………………………………………….
    ………………………………………………………………………….

3.13 Are any spouse, child or parent of the company's directors
trustees, managers, principle shareholders or stakeholders
in service of the state?   **YES / NO**

    3.13.1 If yes, furnish particulars.
    ………………………………………………………………………….
    ………………………………………………………………………….

3.14 Do you or any of the directors, trustees, managers,
principle shareholders, or stakeholders of this company
have any interest in any other related companies or
business whether or not they are bidding for this contract.   **YES / NO**

    3.14.1 If yes, furnish particulars:
    ………………………………………………………………………..
    ………………………………………………………………………..

4.   Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

……………………………..
Signature

……………………………..
Date

…………………………….
Capacity

……………………………………
Name of Bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 **To be completed by the organ of state**

(*delete whichever is not applicable for this tender*).

a) The applicable preference point system for this tender is the 90/10 preference point system.

b) The applicable preference point system for this tender is the 80/20 preference point system.

c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

(a) Price; and

(b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	
SPECIFIC GOALS – B-BBEE	
SPECIFIC GOALS – LOCALITY=	
Total points for Price and SPECIFIC GOALS	100

1.5   Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6   The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2.   DEFINITIONS

(a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

(c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3.   FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1.   POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20   **or**   **90/10**

$$Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

Where

Ps   =   Points scored for price of tender under consideration

Pt   =   Price of tender under consideration

Pmin =   Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20   **or**   **90/10**

$$Ps = 80\left(1 + \frac{Pt - Pmax}{Pmax}\right) \text{ or } \quad Ps = 90\left(1 + \frac{Pt - Pmax}{Pmax}\right)$$

Where

Ps	=	Points scored for price of tender under consideration
Pt	=	Price of tender under consideration
Pmax	=	Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3.   Name of company/firm……………………………………………………………………….

4.4.   Company registration number: ……………………………………………………………...

4.5.   TYPE OF COMPANY/ FIRM

     Partnership/Joint Venture / Consortium
     One-person business/sole propriety
     Close corporation
     Public Company
     Personal Liability Company
     (Pty) Limited
     Non-Profit Company
     State Owned Company
[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: ………………………………………………….

DATE: …………………………………………………

ADDRESS: …………………………………………………

…………………………………………………

…………………………………………………

…………………………………………………

CONTRACT FORM - PURCHASE OF GOODS/SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or services described in the attached bidding documents to (name of institution)…... in accordance with the requirements and specifications stipulated in bid number………..……….. at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:

   (i)   Bidding documents, *viz*
   - Invitation to bid;
   - Proof of Tax Compliance Status;
   - Pricing schedule(s);
   - Technical Specification(s);
   - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
   - Declaration of interest;
   - Declaration of bidder's past SCM practices;
   - Certificate of Independent Bid Determination;
   - Special Conditions of Contract;

   (ii)   General Conditions of Contract; and
   (iii)   Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)	………………………………………..
CAPACITY	………………………………………..
SIGNATURE	………………………………………..
NAME OF FIRM	………………………………………..
DATE	………………………………………..

WITNESSES
1   ………….………
2.   ……………..……
DATE: ……………………..

CONTRACT FORM - PURCHASE OF GOODS/SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I……………………………… in my capacity as…………………………………………………...….. accept your bid under reference number ………………dated………………………for the supply of goods/services indicated hereunder and/or further specified in the annexure(s).

2. An official order indicating delivery instructions is forthcoming.

3. I undertake to make payment for the goods/services delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

4. I confirm that I am duly authorized to sign this contract.

SIGNED AT ……………………………………ON………………………………..

NAME (PRINT)   ……………………………………..

SIGNATURE   ……………………………………..

OFFICIAL STAMP

WITNESSES	
1.	………………………
2.	………………………
DATE	…………………………

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)………………………………… in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number………………….. at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:

    (i) Bidding documents, *viz*
        - Invitation to bid;
        - Proof of tax compliance status;
        - Pricing schedule(s);
        - Filled in task directive/proposal;
        - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
        - Declaration of interest;
        - Declaration of Bidder's past SCM practices;
        - Certificate of Independent Bid Determination;
        - Special Conditions of Contract;
    (ii) General Conditions of Contract; and
    (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)   …………………………….

CAPACITY   …………………………….

SIGNATURE   …………………………….

NAME OF FIRM   …………………………….

DATE   …………………………….

WITNESSES
1 …….……………………….
2 …….……………………….
DATE: ……………………………..

MBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1.   I…………………………………………. in my capacity as………………….....……………….……… accept your bid under reference number ………………dated……………………….for the rendering of services indicated hereunder and/or further specified in the annexure(s).

2.   An official order indicating service delivery instructions is forthcoming.

3.   I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

4.   I confirm that I am duly authorised to sign this contract.

SIGNED AT …………………………………… ON   …………………………………..

NAME (PRINT)   …………………………………………..

SIGNATURE   …………………………………………

OFFICIAL STAMP

WITNESSES
1   ….....………………………
2   ….....……………………..
DATE: …………………………...

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1   This Municipal Bidding Document must form part of all bids invited.

2   It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3   The bid of any bidder may be rejected if that bidder, or any of its directors have:

   a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
   b. been convicted for fraud or corruption during the past five years;
   c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
   d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

4   **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the *audi alteram partem* rule was applied). **The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.**	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? **The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.**	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐

Item	Question	Yes	No
4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.7.1	If so, furnish particulars:		

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME) …………..………………………...……
CERTIFY THAT THE INFORMATION FURNISHED ON THIS
DECLARATION FORM TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,
ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION
PROVE TO BE FALSE.**

………………………………………...
Signature

…………………………..
Date

………………………………………
Position

…………………………..
Name of Bidder

Js367bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1   This Municipal Bidding Document (MBD) must form part of all bids[1] invited.

2   Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).[2] Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

3   Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:

   a.   take all reasonable steps to prevent such abuse;

   b.   reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and

   c.   cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

4   This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5   In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

---

[1] **Includes price quotations, advertised competitive bids, limited bids and proposals.**

[2] **Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.**

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

_____

(Bid Number and Description)

in response to the invitation for the bid made by:

_____

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of:_____that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;

2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;

4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;

5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

   (a)   has been requested to submit a bid in response to this bid invitation;

   (b)   could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

   (c)   provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

      (a)   prices;

      (b)   geographical area where product or service will be rendered (market allocation)

      (c)   methods, factors or formulas used to calculate prices;

      (d)   the intention or decision to submit or not to submit, a bid;

      (e)   the submission of a bid which does not meet the specifications and conditions of the bid; or

      (f)   bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ **Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.…………………………………………………   …………………………………………
Signature   Date

.…………………………………………………   …………………………………………
Position   Name of Bidder

Js9141w 4