



BID NOTICE / INVITATION TO BID

Bid Number: B09/2023-24

Bids are hereby invited for **B09/2023 – 24 Provision and Maintenance of MSCOA Compliant ERP Financial System For A Period Of 36 Months**, subject to Council's Supply Chain Management Policy.

Bid documents will be available from the office of the Supply Chain Management Office, Room 12, 64 Victoria Street, Dundee, 3000 during office hours between 07h30 to 15h30 as from **22 SEPTEMBER 2023**.

A non-refundable document fee of R 500.00 payable in cash or by bank guaranteed cheque made out in favour of the Endumeni Municipality is required on collection of the Bid documents.

Bid documents can be downloaded free of charge from the municipal website on www.endumeni.gov.za and National Treasury e-tender portal on www.etenders.gov.za

Technical enquiries: Mr S. Buthelezi Telephone No.: 034 2122121 / Ext 2323

Bids will be adjudicated in terms of the Preferential Procurement Regulations, 2022 pertaining to Preferential Procurement Policy Framework Act, 5/2000 and other applicable legislations and will be based on 80/20 points system. Preference points will be awarded to service providers using their B-BBEE status level of contribution. The bids will remain valid for 90 days. The Council reserves the right to some or none of the bids submitted, either wholly or in part and it is not obliged to accept the lowest bid.

Completed bid documents complying with the conditions of bid must be sealed and endorsed "**Bid Number: B09/ 2023 – 24 Provision And Maintenance Of MSCOA Compliant ERP Financial System For A Period Of 36 Months**" bearing the name and address of the bidder at the back of the envelope to be deposited in the official bid box provided in the foyer of Endumeni Municipality - Civic Centre, 64 Victoria Street, Dundee by no later than **14:00 on 4 OCTOBER 2023**.

Notice No: 137/2023

Mr. S NTOMBELA
Municipal Manager
Endumeni Municipality
64 Victoria Street
Private Bag X 2024
Dundee.

Date: 20/09/2023

BID DOCUMENTS

BID NO: B09/2023-24

**PROVISION AND MAINTENANCE OF MSCOA COMPLIANT ERP FINANCIAL
SYSTEM FOR A PERIOD OF 36 MONTHS**



CLOSING DATE: 04 OCTOBER 2023

NAME OF BIDDER:	
PHYSICAL ADDRESS:	
TELEPHONE NO:	
E-MAIL ADDRESS:	
TOTAL BID AMOUNT:	

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Notice No: 137/2023

Mr. S NTOMBELA
Municipal Manager
Endumeni Municipality
64Victoria Street
Private Bag X 2024
Dundee.

Date: _____

SPECIAL CONDITIONS OF BID

1. The closing date and time for submission of bids is as indicated in the notice calling for bids.
2. No bid received after the closing date will be considered.
3. Sealed bids, clearly marked "**BID NO: B09/2023-24 – PROVISION AND MAINTENANCE OF MSCOA COMPLIANT ERP SYSTEM FOR 36 MONTHS**" must be placed in the tender box situated in the foyer of the Civic Centre, 64 Victoria Street, Dundee, not later than **14:00 on 04 OCTOBER 2023**.
4. Bids must remain valid for a period of 90 days from closing date for submission of bids.
5. Bids shall be adjudicated in terms of the Supply Chain Management Policy of Endumeni Municipality.
6. The acceptance of a bid shall be subject to the approval of the Bid Adjudication Committee, without which approval no contract shall be entered into.
7. Bidders must initial every page of the document.
8. The point allocation used for the adjudication of this bid is provided on MBD 6.1. This form must be duly completed and signed by the authorized person for preferential points to be allowed.
9. No bid shall be considered, unless it is submitted on the attached bidding documents.
10. Failure to complete the forms in every aspect as requested may invalidate the bid.
11. No bids submitted by telefax, telex, telegram or electronic mail will be considered.
12. All prices must be in South African currency.
13. **Please note, Bidders are to familiarise themselves with the conditions of payment as laid down in point 16.3 of the General Conditions of Contract.**
14. Bidders will not be informed whether they have been successful, but the name of the successful bidder will be published on the municipal website.

LIST OF RETURNABLE DOCUMENTS

- **Company registration certificate**
- **Valid Tax Clearance Certificate with SARS pin code**
- **Originally Certified ID Copies of members/directors not older than 3 months**
- **Original or Certified SANAS Approved BBBEE Certificate or Sworn affidavit**
- **Statement of Municipal rates not older than 3 months**
- **Copy of Central Suppliers Database Registration (History Report)**
- **Proof of Experience in Similar Project within the past 5 years**
- **Detailed Project Plan**
- **Organogram with assigned roles for project**
- **Detailed CVs and Certified Copies of Qualifications and IDs of Project Team**

Failure to submit the above documents and submission of certified copies older than 3 months will disqualify bid.

GENERAL CONDITIONS OF CONTRACT

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1. Definitions

1. The following terms shall be interpreted as indicated:
- 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "Day" means calendar day.
- 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 "Tort" means in breach of contract.
- 1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28.1 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a nonrefundable fee for documents may be charged.
- 3.2 Invitations to bid are usually published in locally distributed newsmedia and on the municipal website.

4. Standards

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information inspection

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent Rights

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 6.2 When a supplier developed documentation / projects for the municipality, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

11. Insurance

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

12. Transportation

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

13. Incidental Services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

- 14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
 - (b) in the event of termination of production of the spare parts:
 - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

- 15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

- 18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Assignment

- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for

- performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.
- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b) if the supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen

(14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchaser actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 . If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website

24. Antidumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations

under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

31. Notices

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

- 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

34. Amendment of contracts

- 34.1.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.
- 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

SPECIFICATIONS

PROVISION AND MAINTENANCE OF MSCOA COMPLIANT ERP SYSTEM FOR 36 MONTHS

1. INTRODUCTION

Endumeni Local Municipality intends to appoint a suitable and experienced service provider to provide, maintain and support an mSCOA compliant Enterprise Resource Planning (ERP) System that will be hosted in a hybrid configuration, on premises and on the municipal cloud platform, for a period of 36 months. The prospective bidder must provide a solution that will optimize the municipality's business processes and ensure compliance with legislative prescripts pertaining to financial management and control that govern local government.

This document sets to provide a single repository that defines the key business requirements for the envisaged ERP System. It is intended that these requirements will serve as the basis for the functional specification and evaluation criteria that will be used for the selection of the relevant systems and implementation vendors that Endumeni Local Municipality may appoint to provide the services required.

2. OBJECTIVES

Endumeni Local Municipality seeks to appoint a well experienced bidder who demonstrates a sound understanding and knowledge of implementing and supporting an ERP System within the local government sphere. The proposed solution must be designed with effective and efficient interrelationships between software(s), hardware(s), personnel, policies and procedures, controls, and data contained within the systems.

Endumeni Local Municipality intends on implementing a solution that complies, at a minimum, with the following business process requirements:

- a) A system that provides for the hosting of the mSCOA structure and associated detail as contained in the seven defined segments.
- b) A system that accommodates and operates the classification framework across all required segments at a transactional level as defined in the associated detail to the segments
- c) A system that provides 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
- d) A system that does 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 c) above.
- e) A system that provides 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
- f) The system must have access to hardware that is sufficient to run the required software solution

The solution must, as a **minimum**, comply with the main business and processes of mSCOA. The components must integrate seamlessly with the mSCOA general ledger and comply at a posting level to mSCOA Regulations and GRAP.

The main components are defined as follows:

- i. General Ledger as per mSCOA regulation
- ii. Billing for municipalities
- iii. Supply chain management
- iv. Assets management
- v. Inventory/stores
- vi. Budget and planning
- vii. Human Capital Management and Payroll

3. SCOPE OF WORK

The appointed bidder will be required to provide a solution that caters for the fifteen business processes that have been defined in the list below. These processes are directly aligned to the defined components that form part of the desired objectives. Each business process has been fragmented into sub-processes to enable alignment to practical work streams common to the municipality and are defined as follows:

1. Corporate Governance;
2. Municipal Budgeting, Planning and Financial 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 Capital 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.

4. KEY SYSTEM FUNCTIONALITY REQUIREMENTS

The following tables represent a breakdown and the minimum system functionality requirement per identified business process in the scope of work. The bidder is required to indicate whether the solution they are offering complies with the requirement or not in the space provided. The requirements below will form the basis of the evaluation criteria and system demonstration should the bidder make it to that phase of the evaluation and adjudication phase.

1. CORPORATE GOVERNANCE					
1.1 Internal Audit					
No.	Functionality	Available within core system		Available through third party integration	
1.1.1	Ability to obtain base transactional information 'View Only' ability.	Yes	No	Yes	No
1.1.2	Issue audit findings and risk registers and invoke consequence management procedures.	Yes	No	Yes	No
1.2 System Configuration					
No.	Functionality	Available within core system		Available through third party integration	
1.2.1	Electronic approval and authorization capabilities of all transactions as predefined within the system per official.	Yes	No	Yes	No
1.2.2	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 confidentiality of information and transactional integrity.	Yes	No	Yes	No
1.2.3	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
1.2.4	Additionally the audit trail on all activities on the system, date, time and responsible user stamped. This must be done to the extent that an activity log can be drawn from the system, outlining a particular user's activities on the system for the entire workday.	Yes	No	Yes	No
1.2.5	The solution must include the online recording of all transactions with a unique transactional identifier and a date/time stamp format which records transactions in all systems.	Yes	No	Yes	No
1.2.6	No records should be physically deleted. Deleting a record in the context of the system means to flag as a status of being 'deleted', the record so that it is no longer visible or active and does not present 'clutter' to normal users.	Yes	No	Yes	No
1.2.7	Only duly authorised users may view or report on logically deleted records.	Yes	No	Yes	No
1.2.8	Logically deleted records MAY NOT be reactivated. (If a record was 'flagged for	Yes	No	Yes	No

	deletion' in error, it will require recapturing).				
1.2.9	Bulk import of transactions facility.	Yes	No	Yes	No
1.2.10	A normalized relational database must be used.	Yes	No	Yes	No
1.2.11	Passwords must be stored in an encrypted format. Access to said file is only with administrative privilege.	Yes	No	Yes	No
1.2.12	Balancing of the sub-system with control accounts must be a condition of any period closure.	Yes	No	Yes	No
1.2.13	Monthly period closure and certification within the statutory reporting dates. Back-dating of transactions should not be allowed.	Yes	No	Yes	No
1.2.14	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
1.2.15	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
1.2.16	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
1.2.17	Accommodate a period 15 for prior period errors (GRAP 3).	Yes	No	Yes	No
1.2.18	Any corrections of prior period error(s) result in opening balance transactions in the subsequent years.	Yes	No	Yes	No
1.2.19	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
1.2.20	Sub-system(s) or ledgers must, without (manual) intervention or manipulation, integrate and constantly balance with the core financial system.	Yes	No	Yes	No
1.2.21	Enable drill down from the general ledger (GL) to sub-system source transactions to transactional level.	Yes	No	Yes	No
1.2.22	Integration and automation of the annual financial statements (AFS) as well as monthly MFMA section 71 reports (financial management statements).	Yes	No	Yes	No
1.2.23	Daily, weekly, monthly, and yearly backups must be documented and signed-off.	Yes	No	Yes	No
1.2.24	Disaster recovery must be cloud based solutions that are to be tested regularly	Yes	No	Yes	No

1.2.25	The system must support ad-hoc backup capabilities.	Yes	No	Yes	No
1.2.26	Data back up procedures must be continuous and roll back. Recovery should be at the maximum extent possible as defined by the municipal policy and not cause system down time.	Yes	No	Yes	No
1.3 Performance Management System					
No.	Functionality	Available within core system		Available through third party integration	
1.3.1	This module should formally start with and should assist in the compilation of the IDP	Yes	No	Yes	No
1.3.2	Seamlessly integrate with the budgeting module	Yes	No	Yes	No
1.3.3	The compilation and solution to capture the service delivery- and budget implementation plan (SDBIP) measurable performance indicators and the assignment of tasks to specific managers	Yes	No	Yes	No
1.3.4	Ensuring that policies and Municipal By-laws are aligned to the developmental nature of the municipality and give effect to the measurable performance objectives and service delivery- and budget implementation plan (SDBIP) of the municipality (for staff and political office bearers)	Yes	No	Yes	No
1.3.5	Ensure that internal municipality delegations are updated and assigned and formally accepted by individuals	Yes	No	Yes	No
1.3.6	The contract management module should monitor key deliveries and also invoke penalty clauses, retentions and consequences in cases of persistent breach of contract. This include listing of transgressors on the National Treasury website under the appropriate listing for transgressors	Yes	No	Yes	No
1.3.7	A performance management module that manages the contracts of senior management and allows for electronic submissions and 'portfolio of evidence' management	Yes	No	Yes	No
1.3.8	The performance management module should assist in consequence management and record any such actions	Yes	No	Yes	No
1.3.9	The performance management system should as a minimum produce the following documents: <ul style="list-style-type: none"> - The integrated development plan (IDP) for publication - The service delivery- and budget implementation plan (SDBIP) 	Yes	No	Yes	No

	<ul style="list-style-type: none"> - The service level agreements (SLA's) and performance contracts - Reporting on service delivery- and budget implementation plan (SDBIP) indicators (inclusive of financial performance indicators) - The municipality's annual report 				
1.4 Reporting mechanisms					
No.	Functionality	Available within core system		Available through third party integration	
1.4.1	The report writer should have a user configurable application utility that includes sample reports configured as well as standard reports. Alternatively an effective, flexible report-writing facility with access to the database dictionary is required;	Yes	No	Yes	No
1.4.2	The system must support mSCOA segmented reports which can be produced on any level of the mSCOA hierarchy.	Yes	No	Yes	No
1.4.3	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
1.4.4	Dashboards and reports must be available to assist the Municipal manager to adhere to MFMA section 70, by providing early warning of impending financial distress.	Yes	No	Yes	No
1.4.5	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
1.4.6	Reports should be available real time monitoring performance of debt recovery and creditor payments.	Yes	No	Yes	No
1.4.7	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
1.4.8	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

1.4.9	The system should support multiple year reporting for comparison and tracking of progress.	Yes	No	Yes	No
1.4.10	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
1.4.11	The annual procurement plan - actual versus budget;	Yes	No	Yes	No
1.4.12	The asset maintenance plan - actual versus budget;	Yes	No	Yes	No
1.4.13	Annual Financial Statements (AFS)	Yes	No	Yes	No
1.4.14	Annual report;	Yes	No	Yes	No
1.4.15	National Energy Regulator SA (Nersa) reports	Yes	No	Yes	No
1.4.16	VAT returns 201 reconciliations	Yes	No	Yes	No
1.4.17	PAYE and 501 reconciliations	Yes	No	Yes	No
1.4.18	IRP 5	Yes	No	Yes	No
1.4.19	Unemployment Insurance Fund (UIF) forms.	Yes	No	Yes	No

2. MUNICIPAL BUDGET PLANNING AND FINANCIAL MODELLING

2.1 Main Budget

No.	Functionality	Available within core system		Available through third party integration	
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	System must support budgeting cycles across the medium term revenue and expenditure framework (MTREF) (3-year budget) of the municipality	Yes	No	Yes	No
2.1.3	The system should be able to link budgeting to final integrated development plan (IDP) priorities	Yes	No	Yes	No
2.1.4	Budgeting on the factual elements of typical work streams	Yes	No	Yes	No
2.1.5	Budgeting on the factual elements of municipal operational and running cost.	Yes	No	Yes	No
2.1.6	The system should enable users with budget and management information to determine funding adequacy of the budget ensuring the budget is funded.	Yes	No	Yes	No

2.1.7	The budget module must have the capabilities to calculate the budget opening balance.	Yes	No	Yes	No
2.1.8	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
2.1.9	The budget module must support automated cashflow budget allocation.	Yes	No	Yes	No
2.1.10	The primary budget must allow for recovery and charge allocation on a secondary/costing level.	Yes	No	Yes	No
2.1.11	Virements processed in detail per period, with complete audit trail, and detailed reporting for auditing purposes	Yes	No	Yes	No
2.1.12	Virements adhering to policy and guidelines as per National treasury.	Yes	No	Yes	No
2.1.13	The ledger must have drill down capability, indicating the detailed budget transactions for ORGB, ADJB (including virements)	Yes	No	Yes	No
2.1.14	The system should be able to link Expenditure and Revenue to All segments of mSCOA	Yes	No	Yes	No
2.1.15	Tracking of the budget process plan and timetable.	Yes	No	Yes	No
2.1.16	Track, compare and report on budget versus actual amounts for year 1 of the medium term revenue and expenditure framework (MTREF)	Yes	No	Yes	No
2.1.17	The statutory budget submission to the National Treasury local government Database (LG Database)	Yes	No	Yes	No
2.1.18	Planning of secondary costing i.e.. Departmental charges, internal recoveries and activity based charges	Yes	No	Yes	No
2.1.19	Data extraction from the mandatory six (6) segments on the mSCOA classification framework and upload to the National Treasury local government Database (LG Database) portal	Yes	No	Yes	No
2.2 Human Capital/Payroll					
No.	Functionality	Available within core system		Available through third party integration	

2.2.1	Allow the municipality to budget for its full organogram	Yes	No	Yes	No
2.2.2	Incorporate the ability to apply costing allocation to projects and percentage (%) based allocation of administration costs to trading service departments (if not allocated) using direct calculation methods	Yes	No	Yes	No
2.2.3	Provision to calculate new notch values within grades either as a percentage increase or by minimum value. These notch values are to be held on a temporary file and the user must be able to perform Various "what if" scenarios without affecting the live data.	Yes	No	Yes	No
2.2.4	Ensure that the planned positions is budgeted for pro-rata to when the expected appointment can be done.	Yes	No	Yes	No
2.2.5	Utilising historical trends, calculate the likely provision for leave and bonus provisions. This function should also be able to anticipate any long service allocations.	Yes	No	Yes	No
2.2.6	Supply the general ledger's main budget module with counts of the actual and planned positions (organogram) budgets for the full mSCOA segments as a budget line. The functionality should be able to provide this for both expenditure and balance sheet items.	Yes	No	Yes	No
2.3 Asset Management					
No.	Functionality	Available within core system		Available through third party integration	
2.3.1	Allows budgeting for "new capital" projects requested in the integrated development plan (IDP)	Yes	No	Yes	No
2.3.2	Anticipates completion and subsequent operational costs of these "new capital" projects	Yes	No	Yes	No
2.3.3	Calculates existing and anticipates new planned assets' maintenance, insurance and a percentage of "un-planned" maintenance	Yes	No	Yes	No
2.3.4	Calculates depreciation, taking into account the impact of major repairs	Yes	No	Yes	No
2.3.5	Calculates profit or loss on planned disposals	Yes	No	Yes	No
2.3.6	Provides for a (contract) retention payment schedule	Yes	No	Yes	No
2.3.7	Provides for grant and work-in-progress (WIP) or contract management payment schedules to assist the main budget	Yes	No	Yes	No

	module with its forecasting and cash flow management				
2.3.8	Supplies the general ledger's main budget module planned budgets with the full mSCOA segments as a budget line. This functionality should be able to provide this for both expenditure and balance sheet items	Yes	No	Yes	No
2.3.9	Provide the asset maintenance plan	Yes	No	Yes	No
2.4 Budget Management					
No.	Functionality	Available within core system		Available through third party integration	
2.4.1	Automate the virement process as per the virement policy.	Yes	No	Yes	No
2.4.2	Provide the annual procurement plan.	Yes	No	Yes	No
2.4.3	Link the service delivery- and budget implementation plan (SDBIP) and workflow to show progress on projects and include links to service delivery scorecards and municipal procurement plans	Yes	No	Yes	No

3. FINANCIAL ACCOUNTING					
3.1 General ledger (GL)					
No.	Functionality	Available within core system		Available through third party integration	
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 sub-ledgers 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	Reflect transactions posted in the sub-ledgers immediately in the main ledger thereby ensuring the financial integrity of the entire system without the need for manual reconciliations between main and sub-ledgers.	Yes	No	Yes	No
3.1.4	Non withstanding the above and due to probable packet loss a routine, is required to ensure that the general ledger and sub-ledger is in balance. This must be done	Yes	No	Yes	No

	by enforcing daily closing routines with subsequent blocking of opening routines if out of balance occurrence with control accounts is observed				
3.1.5	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
3.1.6	Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems for an audit trail.	Yes	No	Yes	No
3.1.7	Reporting functionality for all financial reports in the full mSCOA segmented transactions .	Yes	No	Yes	No
3.2 Accounts receivable					
No.	Functionality	Available within core system		Available through third party integration	
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
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
3.2.6	Debtor classes and discount categories to ensure correct billing and rebates	Yes	No	Yes	No
3.2.7	Trade, sundry and other debtor types to comply with mSCOA requirements	Yes	No	Yes	No
3.2.8	Debtor levies in mSCOA segmentation to the Accounts Receivable	Yes	No	Yes	No
3.2.9	Receipt allocation to AR in the correct mSCOA segmentation	Yes	No	Yes	No

3.2.10	Daily balancing between sub-system and AR	Yes	No	Yes	No
3.2.11	Month-end and year-end procedures to ensure correct disclosure of cash on hand and age analysis	Yes	No	Yes	No
3.2.12	Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems.	Yes	No	Yes	No
3.2.13	Integration to Traffic Fines Management system	Yes	No	Yes	No
3.3 Accounts payable					
No.	Functionality	Available within core system		Available through third party integration	
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	Make payments and part payments. Allow for future and scheduled payments	Yes	No	Yes	No
3.3.5	Align suppliers with debtors and HR modules.	Yes	No	Yes	No
3.3.6	Selection of invoice payments on varied platforms. Bulk payment of invoices including direct linking to the banking sector. Producing of electronic remittance statements with automated distribution	Yes	No	Yes	No
3.3.7	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
3.3.8	Invoicing for goods received notes as partial or multiples invoice payments. Settlement discounts as allowed by suppliers	Yes	No	Yes	No
3.3.9	Allow for Direct invoice payment	Yes	No	Yes	No
3.3.10	Sundry payments generated from payroll, billing or manual S&T transactions	Yes	No	Yes	No

3.3.11	Re-occurring and scheduled payment such as lease amounts or quarterly loan repayments	Yes	No	Yes	No
3.3.12	Retention register with auto mated update, pay-out and balancing	Yes	No	Yes	No
3.3.13	A cession register linked to the PMU with automated allocations	Yes	No	Yes	No
3.3.14	Age analysis of creditors with supporting reports	Yes	No	Yes	No
3.3.15	Must be able to calculate accounts payable VAT reconciliations (including calculations on returns and discounts)	Yes	No	Yes	No
3.3.16	Automated receipting of bank deposits received	Yes	No	Yes	No
3.3.17	Automated passing of journals for interest and other bank charges	Yes	No	Yes	No
3.3.18	Electronic payment of creditors and salaries	Yes	No	Yes	No
3.3.19	Fully integrated and approved VAT handling capabilities incorporating all statutory required documentation	Yes	No	Yes	No
3.3.20	Interface to SARS eFiling for automated reconciliations and submissions of disclosures	Yes	No	Yes	No
3.3.21	Trace all financial asset transactions to the asset level	Yes	No	Yes	No
3.3.22	Ensure that all asset transactions are aligned with mSCOA Regulations	Yes	No	Yes	No
3.4 Insurance claims					
No.	Functionality	Available within core system		Available through third party integration	
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
3.4.2	Provide an insurance claims register with direct linking to the assets module	Yes	No	Yes	No
3.4.3	Derive valuation of assets to calculate insurance premiums from the asset register	Yes	No	Yes	No

3.4.5	Write-off of assets from the insurance module must update and transact on the asset register as well as the GL	Yes	No	Yes	No
3.4.6	Workflow with document management and reporting must be available	Yes	No	Yes	No

4. COSTING AND REPORTING					
4.1 Cost Planning					
No.	Functionality	Available within core system		Available through third party integration	
4.1.1	The system should allow for costing per project, with resource allocation.	Yes	No	Yes	No
4.1.2	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
4.1.3	A full costing module aligned to the mSCOA costing segment to assist in calculation of tariffs and real costs. Charges must have a direct effect on tariffs. Therefore it will be necessary to ensure direct link to Provisioning and payroll modules exist etc. through the application of internal billing departmental charges or activity based recoveries	Yes	No	Yes	No
4.1.4	Management reporting on all charges should be available for reports as well as dashboard information	Yes	No	Yes	No

5. PROJECT ACCOUNTING					
5.1 Project Creation and Planning					
No.	Functionality	Available within core system		Available through third party integration	
5.1.1	A comprehensive project module that allows for integrated development plan (IDP) objectives to be transferred into the project module for planning, budgeting and ultimately reporting purposes.	Yes	No	Yes	No
5.1.2	The municipal budget module must be aligned to the project module.	Yes	No	Yes	No
5.1.3	Projects registered in the project module must be aligned to the mSCOA Project segment.	Yes	No	Yes	No
5.1.4	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
5.1.5	Capital acquisition, maintenance and replacements must be driven from the project module	Yes	No	Yes	No
5.1.6	Operating budget items such as operating expenditure on repairs and maintenance, operational costs and typical work streams must originate from the project module	Yes	No	Yes	No
5.2 Project Management					
5.2.1	Project management and stakeholder inputs must be controlled by clear business processes and user access controls	Yes	No	Yes	No
5.2.3	Projects not completed within a financial year must be carried over and work-in-progress (WIP) items registered	Yes	No	Yes	No
5.2.4	Project managers should have full access to their projects within the limitations of the budget and internal policies	Yes	No	Yes	No
5.2.5	Workflow processes must assist in project maintenance	Yes	No	Yes	No

5.2.6	Strict budget control as per the approved integrated development plan (IDP) must be maintained	Yes	No	Yes	No
5.2.7	A Safety, Health and Environmental (SHE) module to comply with general Health and Safety Regulations should be incorporated within the system. (For example the Construction Regulations, the Occupational Health and Safety (OHS) Act, 1993, General Administrative Regulations, General Safety Regulations and the National Environmental Management Act, 1998)	Yes	No	Yes	No
5.2.8	Regulatory Safety, Health and Environmental (SHE) documentation must be available in a document management tool with defined check lists and milestones	Yes	No	Yes	No
5.2.9	Health and safety incidents must be recorded and managed on the system and reported as per legislation	Yes	No	Yes	No

6. TREASURY AND CASH MANAGEMENT

6.1 Cash management

No.	Functionality	Available within core system		Available through third party integration	
6.1.1	Automated receipting of debtor payments and other monies received	Yes	No	Yes	No
6.1.2	Automated passing of journals for interest and other bank charges	Yes	No	Yes	No
6.1.3	Automated clearing of system generated transactions such as payments	Yes	No	Yes	No
6.1.4	Automated clearing of cash received in the general ledger (GL) to the bank account	Yes	No	Yes	No
6.1.5	Automated reconciliation of bank statements to the ledger and supplying supporting documentation for management	Yes	No	Yes	No
6.1.6	Forecasting of cash must be available on a dashboard	Yes	No	Yes	No
6.1.7	Support mSCOA segmentation in the cashbook module	Yes	No	Yes	No
6.1.8	A petty cash module that would allow for accounting for petty cash transactions and subsequent budget allocations and control as per mSCOA	Yes	No	Yes	No

6.1.9	Internal cash receipt with drawdown of petty cash	Yes	No	Yes	No
6.1.10	Automated payment requests with user authorisation and access control	Yes	No	Yes	No
6.1.11	Interest Received and interest expense reconciliation	Yes	No	Yes	No
6.1.12	The cash book module must be able to automate the receipting and reconciliation of direct deposits from the bank statement.	Yes	No	Yes	No
6.1.13	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
6.1.14	The system must allow for seamless integration between the Petty Cash, Investment, Loan, Cashier and Payment module.	Yes	No	Yes	No
6.1.15	Receipting module allowing for all payment methods	Yes	No	Yes	No
6.1.16	Accommodate the processing of multiple receipting streams.	Yes	No	Yes	No
6.1.17	The system must allow for multiple bank accounts.	Yes	No	Yes	No
6.1.18	Processing of payments at supervisor-controlled cash offices to accommodate cashier opening, balancing, and closing.	Yes	No	Yes	No
6.1.19	Multiple daily and monthly online and automated reconciliations.	Yes	No	Yes	No
6.1.20	Accommodate receipt cancellation.	Yes	No	Yes	No
6.1.21	Facilitate debit orders, with automated reconciliation and recording against the account receivable/debtor.	Yes	No	Yes	No
6.1.22	Printing and re-printing (marked as 'Copy Receipt') of receipts.	Yes	No	Yes	No
6.2 Investment and loan management					
No.	Functionality	Available within core system		Available through third party integration	
6.2.1	Accommodate all investment and loan related transaction, adhering to all mSCOA segment allocation rules, ensuring successful cash flow alignment	Yes	No	Yes	No
6.2.2	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
6.2.3	The system's Treasury module must allow for seamless integration between the Petty Cash, Investments, Loans, Receipting, and Payment module.	Yes	No	Yes	No

7. PROCUREMENT – SUPPLY CHAIN MANAGEMENT, SUPPLIER MANAGEMENT AND CONTRACT MANAGEMENT					
7.1 Supply chain management (SCM)					
No.	Functionality	Available within core system		Available through third party integration	
7.1.1	Allow for requisition from the annual Procurement plan.	Yes	No	Yes	No
7.1.2	Requisitions must be project driven, with strict budget validation.	Yes	No	Yes	No
7.1.3	Supplier rotation management.	Yes	No	Yes	No
7.1.4	Supply chain deviation facility in terms of legislation.	Yes	No	Yes	No
7.1.5	All requisitions, orders invoices and payments must be subject to electronic authorisation aligned to the organogram	Yes	No	Yes	No
7.1.6	Adhere to the municipality's delegation of duties and authority levels	Yes	No	Yes	No
7.1.7	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
7.1.8	Electronically manage the invitation, bid closure and adjudication process with a full document management server unpinning the cycle	Yes	No	Yes	No
7.1.9	Record and electronically store the bid adjudication committee's meeting minutes and store the minutes on the document management server	Yes	No	Yes	No
7.1.10	Ensure the service level agreement (SLA) and allocation letters are electronically archived prior to any payment being made				
7.1.11	Enforce where applicable retention enforcement and manage retention registers.	Yes	No	Yes	No
7.1.12	Ensure tax clearance management for the duration of the contract	Yes	No	Yes	No
7.1.13	Integrate with the asset management system	Yes	No	Yes	No
7.1.14	Ensure that all payments are made within 30 days of receipt of an invoice therefore	Yes	No	Yes	No
7.1.15	Ensure that full accrual is done at month-end and year-end cut-off periods	Yes	No	Yes	No
7.2 Contract management					

No.	Functionality	Available within core system		Available through third party integration	
7.2.1	Contract management through workflow and audit trail	Yes	No	Yes	No
7.2.2	Contracts must be recorded with complete milestones and responsible parties.	Yes	No	Yes	No
7.2.3	The contract module must allow for the upload of original documentation for record keeping.	Yes	No	Yes	No
7.2.4	The module must fully integrate with the contract payment module with transactions reflecting on the contract module	Yes	No	Yes	No
7.2.5	The retention to each contract should be recorded within the register	Yes	No	Yes	No
7.2.6	The system should allow for Panel/Pool Contracts	Yes	No	Yes	No
7.3 Supplier Evaluation					
7.3.1	Evaluate supplier performance in accordance with contract deliverables	Yes	No	Yes	No
7.3.2	Update incentives and penalties to supplier database	Yes	No	Yes	No
7.3.3	Automate notification alerting relevant system users when a supplier's BEE certificate and tax certification reach expiry dates.	Yes	No	Yes	No
7.4 Request for quote, quotations and Request for proposals					
7.4.1	Maintain a Request for quote, quotations and proposals database linked to suppliers	Yes	No	Yes	No
7.4.2	Automated notification of price differences outside of approved variance	Yes	No	Yes	No
7.4.3	Automated evaluating of quotations with parameters	Yes	No	Yes	No
7.4.4	Comparative tables for allocation of bids	Yes	No	Yes	No
7.4.5	Automated notification and ordering system	Yes	No	Yes	No
7.4.6	Workflow and document management in quotation process	Yes	No	Yes	No
7.5 Purchase orders					
No.	Functionality	Available within core system		Available through third party integration	
7.5.1	Allow for automated purchase orders from approved requisitions.	Yes	No	Yes	No
7.5.2	Electronic authorising of purchase orders (PO's) through workflow process	Yes	No	Yes	No
7.5.3	Automated sending of purchase orders (PO's) to supplier through email	Yes	No	Yes	No
7.5.4	Processing of partial order deliveries with automated reminders of outstanding items	Yes	No	Yes	No

7.5.5	Automated transfers of outstanding orders to future periods with budget controls	Yes	No	Yes	No
7.5.6	Align purchase order (PO) deliverables to the annual service delivery- and budget implementation plan (SDBIP)	Yes	No	Yes	No
7.6 Inventory					
No.	Functionality	Available within core system		Available through third party integration	
7.6.1	All consumable items in terms of the classification framework is purchased via an inventory principal.	Yes	No	Yes	No
7.6.2	In terms of the above, the system 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
7.6.3	The stores module must seamlessly integrate and balance with the core financial system ledger.	Yes	No	Yes	No
7.6.4	High value items should annually be measured to establish whether any of these items should be capitalised as 'assets'	Yes	No	Yes	No
7.6.5	Normal functions should be included as standard best practice and should include but not be limited to: Warehouse management; Acquisitions; Stock Level Management; Disposals; Automated consumable stores stock count sheets	Yes	No	Yes	No
7.6.6	The system must support multiple stores, which is supported by tracking of stock and stock take.	Yes	No	Yes	No
7.6.7	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
7.6.8	The module must allow 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
7.6.9	The module must allow for detailed and summarised stock movement reports.	Yes	No	Yes	No

8. GRANT MANAGEMENT					
8.1 Grant management					
No.	Functionality	Available within core system		Available through third party integration	
8.1.1	Provide for a grant register linked to ledger accounts	Yes	No	Yes	No
8.1.2	Automate receipt allocation of grants by making use of the correct segments relevant to the grant	Yes	No	Yes	No
8.1.3	Automate payment allocation	Yes	No	Yes	No
8.1.4	Link mSCOA funding source with budget control.	Yes	No	Yes	No
8.1.5	Provide for reporting in accordance with the mSCOA Regulation and internal control	Yes	No	Yes	No
8.1.6	Grant recognition journal that is parameterised ensure correct recording against the required items and fund.	Yes	No	Yes	No

9. FULL ASSET LIFE CYCLE MANAGEMENT INCLUDING MAINTENANCE					
9.1 Asset management					
No.	Functionality	Available within core system		Available through third party integration	
9.1.1	Manage the full asset life cycle	Yes	No	Yes	No
9.1.2	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
9.1.3	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
9.1.4	Compile and monitor expenditure against the asset maintenance plans	Yes	No	Yes	No
9.1.5	Ensure that all asset transactions are recorded against the prescribed segments with	Yes	No	Yes	No
9.1.6	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
9.1.7	Utilise the billing system functionality to ensure ownership of land and buildings to the deeds register	Yes	No	Yes	No
9.1.8	Integration to billing systems to monitor investment properties and valuation inconsistencies	Yes	No	Yes	No

9.1.9	Enable table-to-floor inspection sheets (electronic devices are preferred) as well as floor-to-table look-up methodologies	Yes	No	Yes	No
9.1.10	Host the insurance register and constantly update the portfolio as new assets are purchased or if there is progress on the value of work-in-progress (WIP)	Yes	No	Yes	No
9.1.11	Allow for retrospective calculations such as depreciation	Yes	No	Yes	No
9.1.12	Report on maintenance done per asset, aligned with the maintenance project	Yes	No	Yes	No
9.1.13	Allow for criticality rating to be assignable to each asset via the risk assessment model	Yes	No	Yes	No
9.1.14	Any vehicle related expenses, maintenance, fuel must be recorded and reported	Yes	No	Yes	No

10. REAL ESTATE AND RESOURCE MANAGEMENT

10.1 Real Estate and Resource Management

No.	Functionality	Available within core system		Available through third party integration	
10.1.1	Facilities rental module updated from receipting with workflow refunds.	Yes	No	Yes	No
10.1.2	Maintain a register of all rental properties.	Yes	No	Yes	No
10.1.3	Link to debtors' system for collection of rent.	Yes	No	Yes	No
10.1.4	Automated rent renewals with workflow and document management	Yes	No	Yes	No
10.1.5	Link to valuation system	Yes	No	Yes	No
10.1.6	Link to asset register	Yes	No	Yes	No
10.1.7	Lease register with work flow and document management	Yes	No	Yes	No
10.1.8	Automated payment scheduling.	Yes	No	Yes	No

11. HUMAN CAPITAL AND PAYROLL MANAGEMENT

11.1 Human Capital Management

No.	Functionality	Available within core system		Available through third party integration	
11.1.1	Organogram budgeting, interfacing to the main budget system.	Yes	No	Yes	No
11.1.2	Employee Records Management	Yes	No	Yes	No
11.1.3	Leave Records Management	Yes	No	Yes	No
11.1.4	Leave Pay Accrual to be automated also to be retrieved on an ad hoc basis	Yes	No	Yes	No
11.1.5	E-Leave functionality – portal for employee self service	Yes	No	Yes	No

11.1.6	Training and Development Management	Yes	No	Yes	No
11.1.7	Recruitment and Selection Management	Yes	No	Yes	No
11.1.8	Performance Management.	Yes	No	Yes	No
11.1.9	Human Resource Self Service	Yes	No	Yes	No
11.1.10	Travel claims Management	Yes	No	Yes	No
11.1.11	Payroll and Benefits Management	Yes	No	Yes	No
11.1.12	Automated reconciliation at predetermined intervals	Yes	No	Yes	No
11.1.13	Overtime claims Management/ Time off in lieu	Yes	No	Yes	No
11.1.14	Special Allowance Management (eg acting, secondments, etc)	Yes	No	Yes	No
11.1.15	Refunds to staff in respect of over-deductions and ad hoc payments	Yes	No	Yes	No
11.1.16	Deductions and payments to third parties (eg medical aids, SARS, union contributions, etc)	Yes	No	Yes	No
11.1.17	Ad hoc payroll runs must reflect in the Financial Management System	Yes	No	Yes	No
11.1.18	Must cater for pensioners' benefits	Yes	No	Yes	No
11.1.19	Provision to record allowance details against a post and employee (eg Telephone Allowance, categories, amounts, telephone number etc.).	Yes	No	Yes	No
11.1.20	Employee Relations	Yes	No	Yes	No
11.1.21	The system must cater for all requirements of the South African Revenue Services (SARS)	Yes	No	Yes	No
11.1.22	Must provide a facility to automate the update of tax tables whenever changes occur	Yes	No	Yes	No
11.1.23	History of previous tax tables must be retained on the system for an indefinite period	Yes	No	Yes	No
11.1.24	The system must be flexible to cater for any legislative changes to UIF, Workman's Compensation, Unions, etc.	Yes	No	Yes	No
11.1.25	The system must be able to cater for more than one payroll type (eg Staff, Pensioners, etc)	Yes	No	Yes	No
11.1.26	Narrative type pay slips must be provided (Hard copy and electronically)	Yes	No	Yes	No
11.1.27	Accumulations of all deductions to be printed on pay slip if required (Pension, tax, housing allowance, motor car allowance, etc.).	Yes	No	Yes	No
11.1.28	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
11.1.29	Provide a payment hold facility	Yes	No	Yes	No
11.1.30	Third Party deduction and payments in terms of schedules or ad hoc basis	Yes	No	Yes	No
11.1.31	Variance reporting	Yes	No	Yes	No

11.1.32	The ability to calculate back pay across tax periods and increment periods must be provided for.	Yes	No	Yes	No
11.1.33	The system must allow for dummy validation pay runs to be carried out prior to running the final run.	Yes	No	Yes	No
11.1.34	All temporary staff (eg seasonal workers, learner ship programs, contract workers, etc) to be controlled via Budget availability.	Yes	No	Yes	No
11.1.35	Provision to maintain (add, amend, delete) conditions of service pertaining to specific posts	Yes	No	Yes	No
11.1.36	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
11.1.37	Budget control and management of virement requirements	Yes	No	Yes	No
11.1.38	Ensure that all employees' and councillors' declaration of interest and related parties are captured on the master files	Yes	No	Yes	No
11.1.39	Report and create the workflow for collection of all employees and councillors with arrear accounts.	Yes	No	Yes	No
11.1.40	Test against the central database for contracts with any 'organs of state'/ "persons in the service of state" and supply the central database with employees' and related parties' details	Yes	No	Yes	No
11.1.41	Supply the central database with the identification (ID) numbers of employees, councillors and related parties	Yes	No	Yes	No
11.1.42	Report and create the workflow for collection of all employees and councillors with arrear accounts	Yes	No	Yes	No
11.1.43	Provide the financial statements with regulated reporting requirements regarding the municipal councillors' outstanding debtor account details.	Yes	No	Yes	No
11.1.44	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
11.1.45	Manage seamless third-party payment integration	Yes	No	Yes	No
11.1.46	Electronic funds transfer (EFT) to employee's bank accounts into the core financial systems cashbook awaiting approval	Yes	No	Yes	No

11.1.47	Creation of "invoices" for 3rd parties, SARS (PAYE, VAT, etc.), UIF, Medical aid and pension funds	Yes	No	Yes	No
11.1.48	The system must support a disciplinary module which should allow for (not complete list): - Grievances created (bottom up workflow) - System should recommend action to be performed based on type of grievance - Allow for exception reporting (when a grievance is not being addressed in correct time frame)	Yes	No	Yes	No
11.2 Time Management					
11.2.2	Work schedule and shift planning	Yes	No	Yes	No
11.2.3	Time data recording and administration	Yes	No	Yes	No
11.2.4	Align with Safety Health and Environmental (SHE) module	Yes	No	Yes	No
11.3 Payroll					
No.	Functionality	Available within core system		Available through third party integration	
11.3.1	Must be able to easily integrate with banks. Seamless upload of payroll information	Yes	No	Yes	No
11.3.2	Support multiple payrolls with different pay structures	Yes	No	Yes	No
11.3.3	Produce, in conjunction with the Human Capital Management system, a multi-year budget in the mSCOA segmentation with integration to the main budget module.	Yes	No	Yes	No
11.3.4	Integrate with the time management system	Yes	No	Yes	No
11.3.5	Ability to submit statutory reporting to SARS for all taxes	Yes	No	Yes	No

12. CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION

12.1 Customer care

No.	Functionality	Available within core system		Available through third party integration	
12.1.1	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
12.1.2	Consumers should be able to register a profile on the Consumer Portal and/or App with either their email address or mobile	Yes	No	Yes	No

	phone number, which should be verified on registration.				
12.1.3	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
12.1.4	The municipality should be able to send communication to Consumers on Email and SMS.	Yes	No	Yes	No
12.1.5	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
12.1.6	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
12.1.7	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
12.1.8	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
12.1.9	Consumers with linked accounts should be able to view and print of historic statements.	Yes	No	Yes	No
12.1.10	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
12.1.11	Consumers with linked accounts should be able to pay outstanding balances online from the Portal or Mobile App.	Yes	No	Yes	No
12.2 Credit control					
No.	Functionality	Available within core system		Available through third party integration	
12.2.1	The system must be able to communicate late payment notifications via SMS, e-mail and/or hand delivered.	Yes	No	Yes	No
12.2.2	The list for meter disconnection must be driven by parameter settings.	Yes	No	Yes	No
12.2.3	Manage re-connection and arrangements with integrated notes on the debtor master file and workflow with technical services	Yes	No	Yes	No
12.2.4	Integrated clearance applications and calculations	Yes	No	Yes	No
12.2.5	Final demand and summons issuing	Yes	No	Yes	No

12.2.6	Management of attorney actions on an integrated level	Yes	No	Yes	No
12.2.7	If the module is a 3rd party solution – it must as a minimum integrate the fees as well as the action history to the billing sub-ledger. This integration must be seamless	Yes	No	Yes	No
12.2.8	Pre-legal actions defined below are inter alia at a minimum:	Yes	No	Yes	No
	- SMS (two-way communication)				
	- Final Reminders				
	- Electricity Disconnections				
	- Water Restrictions / Disconnections				
	- Illegal consumption inspections				
	- Reconnection / Unrestricting				
12.2.9	Legal process defined below are inter alia at a minimum:	Yes	No	Yes	No
	- Final Demands (Section 129)				
	- Summons				
	- Judgement				
	- Warrant of Execution				
	- Sale in Execution				
	- Handed Over to Attorney				
12.2.10	The system must cater for reporting various statistical reporting, for both monetary as well as field operations, for example:	Yes	No	Yes	No
	- 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				
12.3 Indigent management					
No.	Functionality	Available within core system		Available through third party integration	
12.3.1	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
12.3.2	Indigent Register must be accommodated in a work flow of various administration processes including, but not limited to: House visit Capturing of details	Yes	No	Yes	No

	Verification of details, Test against Central Supplier Database Authorisation of application Automated Subsidy, Write Off and reversals thereof				
12.4 Legal Process					
12.4.1	Councillor Arrear Management	Yes	No	Yes	No
12.4.2	Specialised Functionality for Third Party Interfaces (e.g. Staff Arrear Set Offs, Prepaid Vending Arrear Set Offs, Prepaid meter blocking/set offs, etc.)	Yes	No	Yes	No
12.5 Arrangements					
No.	Functionality	Available within core system		Available through third party integration	
12.5.1	Arrear arrangement functionality must be accommodated in a work flow of various administration processes including, but not limited to: - Review of application - Authorisation of applications - Restriction and reinstatement of credit and prepaid meters - Meter Tampering Management - Irrecoverable Debt Write Off process - Comprehensive reporting - Parameter driven cut-off process, overlooking valid arrangements which have not defaulted. - Automated canceling of arrangements once defaulted.	Yes	No	Yes	No
13. VALUATION ROLL MANAGEMENT					
13.1 Valuation roll management					
No.	Functionality	Available within core system		Available through third party integration	
	Seamlessly integrate with the revenue management module	Yes	No	Yes	No
13.1.1	Integrate information for spatial analysis in a Geographical Information System (GIS).	Yes	No	Yes	No
13.1.2	Integrate with the building control system ensuring additions as well as new buildings updates the billing module.	Yes	No	Yes	No
13.1.3	Integrate with the land use system to ensure appropriate tariffs is timeously applied	Yes	No	Yes	No
13.1.4	Integrate with the Surveyor General (SG) database and town planning systems in use at the municipality.	Yes	No	Yes	No

13.1.5	Integrate with the deeds registry and monitor actual sales with current valuations as well as ownership against the billing system.	Yes	No	Yes	No
13.1.6	Validate and report anomalies in the asset register on municipal owned properties	Yes	No	Yes	No
13.1.7	The GV (General Valuation) and SG (Supplementary Valuation) roll seamlessly updates the billing module for correct billing per category.	Yes	No	Yes	No
13.1.8	The system allows to extract the Circular 93 reconciliation report which adheres to the prescribed template for required uploads.	Yes	No	Yes	No
13.1.9	Allows for the printing of exception reports, indicating properties where there is a misalignment between valuator and billing module category.	Yes	No	Yes	No
13.1.10	The valuation of property will be performed in the separate (Computer Assisted Mass Appraisal) system and the individual property values and relevant property attributes passed to the Solution via an interface with valuation module. Data to be validated and managed within the Solution in compliance with legislation policies and business rules to enable calculation of property rates.	Yes	No	Yes	No
13.1.11	Property Rates and service charges are calculated at different tariffs depending on various criteria such as the category of the property.	Yes	No	Yes	No
13.1.12	Functionality is required to exempt certain categories of property and/ or certain categories of property owners from rates	Yes	No	Yes	No
13.1.13	Functionality is required for the phasing in of rates in compliance with legislation	Yes	No	Yes	No
13.1.14	Clearance Certificate Management to be online and comply with Section 118 of the Municipal Systems Act, 2000	Yes	No	Yes	No
13.1.15					

14. LAND USE AND BUILDING CONTROL MANAGEMENT

14.1 Land use and building control management.

No.	Functionality	Available within core system		Available through third party integration	
14.1.1	Property register providing for all land in the municipal area.	Yes	No	Yes	No
14.1.2	Town, township, suburb, street, erf, subdivision and sectional title detail must	Yes	No	Yes	No

	be aligned to the deeds office and Demarcation Board specifications				
14.1.3	Integrate with cashier, billing, and valuation system.	Yes	No	Yes	No
14.1.4	Integration with asset register for municipal owned properties.	Yes	No	Yes	No
14.1.5	Alignment of ownership must be verifiable with the deeds office	Yes	No	Yes	No
14.1.6	Property transfers, subdivisions, consolidations and zoning changes must be system process with work flow and document management driven	Yes	No	Yes	No
14.1.7	Building plan submission and approval	Yes	No	Yes	No
14.1.8	Document management for building plans and zoning certificates	Yes	No	Yes	No

15. REVENUE CYCLE BILLING

15.1 Billing and consumer management.

No.	Functionality	Available within core system		Available through third party integration	
15.1.1	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
15.1.2	Calculate and account monthly for the provision of bad debt.	Yes	No	Yes	No
15.1.3	Integration of Prepaid at a minimum of a 'debtor per tariff 'code per region, monthly bill the consolidation sales amount and daily receipt the sales.	Yes	No	Yes	No
15.1.4	Provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for services.	Yes	No	Yes	No
15.1.5	Provide adequate information for spatial analysis in a Geographical Information System (GIS).	Yes	No	Yes	No
15.1.6	Create and Maintain Regional Structure.	Yes	No	Yes	No
15.1.7	Integrate with valuation and property systems.	Yes	No	Yes	No
15.1.8	Create and maintain a tariff structure to comply with mSCOA Regulations.	Yes	No	Yes	No
15.1.9	Produce monthly invoices to debtors and group accounts.	Yes	No	Yes	No
15.1.10	Allow for rebates and penalty levies.	Yes	No	Yes	No
15.1.11	Must have report writing capabilities for standard & Ad hoc reporting (daily, monthly & annual).	Yes	No	Yes	No
15.1.12	Maintenance of tariffs as per the tariffing section.	Yes	No	Yes	No
15.1.13	Integrate with debt collection for disconnections and reconnections	Yes	No	Yes	No

15.1.14	Integration into 3rd party software to receive readings taken.	Yes	No	Yes	No
15.1.15	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
15.1.16	Must have a full process and document flow for terminations and re-connections of services and the relevant documentation.	Yes	No	Yes	No
15.1.17	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
15.1.18	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
15.1.19	Generate statements at any point in time and consolidate at customer level.	Yes	No	Yes	No
15.1.20	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
15.1.21	Must allow for the maintenance of tariffs as per the tariffing section.	Yes	No	Yes	No
15.1.22	Customer must be able to nominate between mailing, MMS or e-mailing of monthly statement.	Yes	No	Yes	No
15.2 Revenue Receipting					
15.2.1	Must adhere to applicable legislation and by-laws.	Yes	No	Yes	No
15.2.2	Allow for all accepted payment methods at cashiers, including automated payment and clearing of card payments	Yes	No	Yes	No
15.2.3	To accommodate fully automated processing of multiple receipting streams including but not limited to: <ul style="list-style-type: none"> - Payroll - Third Party vendors (e.g. Absa, Easy Pay, Prepaid Vendor, etc.) - Cash Offices - Traffic - To cater for multiple bank accounts - Processing of payments at supervisor controlled cash offices to accommodate cashier opening, balancing and closing 	Yes	No	Yes	No

	<ul style="list-style-type: none"> - Multiple daily and monthly online and automated reconciliations - Receipting to be online - Cash payments must be able to be processed during database server and network downtime - All pay points and receipting streams to be uniquely identifiable in the sub ledger and general ledger - Receipting to also accommodate specialised payment types e.g. Rates Clearance, Arrear Debt arrangements, Assistance-to-the-Poor, Service Deposits, etc - To accommodate the correction of erroneous and/or rejected receipts - Facility to reverse "refer to drawer"(R/D) for Cheques, debit orders and IVR payments - To facilitate debit orders - Printing and re-printing (marked as "Copy Receipt") of receipts - Interface with barcode scanner to scan account numbers from the statements - Reversal of receipt and associated interest where applicable - While the billing process itself follows standard accounting practices for raising debit and credit transactions, the tariffs of charges and the business rules that govern the selection of the Appropriate tariff are complex. The Solution will provide functionality to calculate the amounts due for services and levies in accordance with the determined tariffs and business rules - Calculate the income due to the municipality for services and/ or products or property, on a regular, user defined and maintainable basis - Generate invoices and/or statements for the amounts payable to the municipality on a regular, user defined and maintainable basis - Group accounts into one or more 'billing cycles' based on user defined criteria 				
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	- Provides the facility to charge interest on arrears amount subject to certain user defined provisions and according to user maintainable rates				
15.2.4	Calculated transactions - these transactions will be the result of a calculation that is subject to user defined business rules to determine the tariff to be used, special conditions that may apply to be used, discounts or rebates to be applied etc.;	Yes	No	Yes	No
15.2.5	Manually Input transactions - these transactions are captured by a user and will reflect all the details of the transaction	Yes	No	Yes	No
15.2.6	Electronic transactions - these transactions are received electronically, which then must be identified and raised to the relevant Debtor account	Yes	No	Yes	No
15.2.7	Transactions will be classified by type e.g. billing transaction, receipt transaction, journal transaction etc. The definition of a transaction type must be user maintainable	Yes	No	Yes	No
15.2.8	All transactions, regardless of type and origin, must be date/time stamped and have the user/origin included in the record. A narration / description field must be available whereby a short description of the transaction can be recorded	Yes	No	Yes	No
15.2.9	Functionality is required to correct and recalculate incorrect accounts with full audit trail of actions taken to rectify the error. This could include the recalculation of interest over different financial periods at different rates. (MSA section 95f).	Yes	No	Yes	No
15.2.10	Account maintenance functionality is required to generate the necessary transactions to correct accounts which are in error by an authorised user with a full audit trail and maintenance report of actions taken to rectify the error. (MSA section 95f)	Yes	No	Yes	No
15.2.11	Account maintenance functionality must produce 'hard copy' of all transactions generated to rectify the account to enable the user to verify and 'sign off' the action taken	Yes	No	Yes	No
15.2.12	Functionality is required to categorise Debtors and Properties by a set of user defined parameters. The categories are used to create subsets of the Debtor Master for reporting, to establish appropriate tariffs and to determine billing cycles (MPRA section 3(3)c(i))	Yes	No	Yes	No

15.2.13	Functionality is required to process different Debtor and property categories according to different business rule or time frames	Yes	No	Yes	No
15.2.14	Tariffs are stored by effective date from inception and all history is retained to enable recalculation of accounts even over different tariff periods	Yes	No	Yes	No
15.2.15	Functionality is required for the system to automatically apply new tariffs from the effective date specified in the tariff record. At this time the 'current' tariff will receive a status of 'expired' and the 'new' tariff becomes 'current'.	Yes	No	Yes	No
15.2.16	It is important to note that in all areas of revenue calculation, rebates and/ or exemptions may be applied based on a single or on multiple criteria which may be applied to the Debtor account in an 'and/ or' context. The Solution must provide the required level of flexibility to cater for these variations	Yes	No	Yes	No
15.2.17	Miscellaneous Charges: Certain miscellaneous charges may be raised at regular intervals (monthly, quarterly, annually) and fixed periods whilst others are raised on an ad hoc basis with automated escalation dates and percentages.	Yes	No	Yes	No
15.3 Meter Management					
No.	Functionality	Available within core system		Available through third party integration	
15.3.1	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
15.3.2	Functionality is required to categorise meters.	Yes	No	Yes	No
15.3.3	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
15.3.4	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
15.3.5	Functionality is required to create and maintain practical and efficient meter reading routes.	Yes	No	Yes	No

15.3.6	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.				
15.3.7	Meter readings must be retained at a transaction level and may not be overwritten, deleted or adjusted. Errors must be rectified by entering a cancelling entry and entering the correct reading	Yes	No	Yes	No
15.3.8	Functionality is required to calculate charges for services consumed according to user defined algorithm which may contain a number of variable factors in order to determine the correct tariffs to apply	Yes	No	Yes	No
15.3.9	Functionality is required to raise the charges against a debtor's account according to a user defined billing cycle (which may coincide with the meter reading cycle for an area).	Yes	No	Yes	No
15.3.10	In the event of a meter being read 'out of cycle' the charges may be raised to the debtors account on an 'ad hoc' basis. These charges raised must be visible on the debtor's account immediately, but will not generate an invoice immediately as it will be included on the standard invoice/ statement generated during the next billing cycle	Yes	No	Yes	No
15.3.11	If a meter reading is not received, functionality is required to calculate an estimated consumption, according to pre-set parameter.	Yes	No	Yes	No
15.3.12	Meter management system must be integrated/ interfaced with the Billing Component	Yes	No	Yes	No
15.3.13	The system must support pre-paid vending integration.	Yes	No	Yes	No
15.3.14	The system must allow for blocking rules on pre-paid sales.	Yes	No	Yes	No
15.3.15	System must be able to extract various statistical extracts and reports	Yes	No	Yes	No

5. SUMMARY OF CURRENT ENVIROMENT

- a. The municipal environment currently consists of approximately 200 users.

- b. There are 9 sites connected through MPLS with connections speeds of 50 Mbps fibre and microwave for the head office, 10 Mbps microwave for the Glencoe office and 6Mbps microwave for the remaining sites.
- c. The municipality will provide the server hardware and Azure cloud platform where the system will be hosted.
- d. The application will be installed on municipal devices which are currently on Windows 7, 10 and 11.

6. ADDITIONAL REQUIREMENTS

6.1 MIGRATION OF DATA

- 6.1.1** The successful Bidder shall be responsible for migration of all existing data from the existing Systems being currently used by Endumeni Local Municipality to the new system.
- 6.1.2** Bidder will perform a data cleanse of the data migrated.
- 6.1.3** A project plan showing the proposed stages for the commissioning of the new systems shall be provided as part of the bid documents.
- 6.1.4** The Bidder shall specify their full commissioning schedule from the setting up to the final handover of the Systems.

6.2 TRAINING

- 6.2.1** The scope and cost of the training for the staff of the Endumeni Local Municipality shall form part of the bid.
- 6.2.2** A full training schedule indicating what type and level of training shall be provided must be submitted.
- 6.2.3** The Endumeni Local Municipality staff must be fully trained and proficient before the system is finally handed over.
- 6.2.4** The training shall include, but not limited to:
 - 6.2.4.1** Full system administration
 - 6.2.4.2** Full system normal user training
 - 6.2.4.3** Annual refresher training for the duration of the contract.

6.3 SUPPORT AND MAINTENANCE

- 6.3.1** The successful bidder will be required to provide support and maintenance for any queries the municipality may have regarding the provided solution for the duration of the contract. This refers to all modules and applications provided with the solution.
- 6.3.2** The successful bidder will be required to provide technical maintenance of the system and ensure that the system is working efficiently throughout the duration of the contract.

6.3.3 Provide Handholding to ensure all processes have been tested and users are proficient with the use of the solution. First billing cycle completed, salary run done, assets, financial transactions integrated, general ledger month-end done, and statutory reporting submitted.

7. BIDDER FUNCTIONALITY TEST

The functionality calculation will be done based on the defined criteria and weighting thereof as stated below, a bidder who scores less than 75% will not proceed to the next stage of evaluation.

A bidder who scores 75 points and above will be invited to do a compulsory technical demonstration where they will demonstrate each required system functionality outlined in section 4.

CRITERIA	WEIGHT	RATING SCORES
Functionality	100	The rating is expressed in fixed numbers and there is no rounding off.
1. Experience of Bidder Proven experience providing an mSCOA ERP System to Local Government institutions within the past 5 years Detail of assignment , the bidder must provide appointment letter from the institution plus reference letters from contactable references. Reference Letter must include, but not limited to, the following: <ul style="list-style-type: none"> • Name of Reference • Current/Past Client • Contract Start & End date • Contract Scope • Contract Duration/period • Contract Value • Overall Performance in relation to Time, Budget and Quality • Contact Details (Full Names, Titles, Telephone Numbers & Email Address) 	Maximum 30 points	6 points for every appointment letter plus reference letter.
2. Technical Approach	Maximum 30 points	
▪ Methodology and Plan (Comprehensive proposal to deliver the scope of work required. The bidder must provide an implementation plan. The plan must be detailed and must include, but not limited to, the following requisites: <ul style="list-style-type: none"> • Project Objective and Requirements • Projects Stakeholders and Team • Deliverables • Timeframes • Risk Assessment • Project Initiation Document outlining millstones and tasks • Project Kick-Off Meeting • Project Reporting • Risk and Issue Register • Financial Plan • Communication Plan • Change Management Plan • Project Close-Out Report 		Methodology and plan are fully complete and detailed = 30 Points Methodology and plan provided some information = 15 Points Unclear or no methodology and plan = 0 Points
3. Capacity of Project Leader	Maximum 20 points	
▪ Designated Person (Detailed CV and certified copies of the following documents: <ul style="list-style-type: none"> • Qualification(s), • Certified Professional certificates • Certified ID)		Certified Project Leader with Diploma or Degree qualification with 5 or more years' experience in similar projects = 20 points Certified Project Leader with Diploma or Degree qualification with less than 5 years' experience in similar projects = 15 points Project Leader without certification but has 7 or

CRITERIA	WEIGHT	RATING SCORES
		more years' experience in similar projects = 10 points
		Project Leader without certification and has less than 7 years' experience in similar projects = 0 points
4. Capacity of Project Team	Maximum 20 points	
<ul style="list-style-type: none"> ▪ Bidder to provide Organogram mapping out required roles required for the implementation of the project. ▪ Designated Person (Detailed CV and certified copies of the following documents: <ul style="list-style-type: none"> • Qualification(s), • Certified Professional certificates • Certified ID 		Bidder has adequate staff with experience in 5 or more similar projects = 20 points
		Bidder has adequate staff with experience in less than 5 similar projects = 10 points
		Bidder does not have adequate staff to support and implement project = 0 points

ENDUMENI MUNICIPALITY

INVITATION TO BID

MBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)					
BID NUMBER:	B09/2023-24	CLOSING DATE:	04 OCTOBER 2023	CLOSING TIME:	14H00
DESCRIPTION	PROVISIONA AND AMAINTENANCE OF MSCOA COMPLIANT ERP SYSTEM FOR 36 MONTHS				
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)					
ENDUMENI MUNICIPALITY					
CIVIC CENTRE					
64 VICTORIA STREET					
DUNDEE					
3000					
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:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		<input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> 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	FINANCE		CONTACT PERSON	S BUTHELEZI	
CONTACT PERSON	V.G.SONPAL (SUNIL)		TELEPHONE NUMBER	034 212 2121- Ext 2323	
TELEPHONE NUMBER	034-4925012		FACSIMILE NUMBER	N/A	
FACSIMILE NUMBER	N/A		E-MAIL ADDRESS	buthlezis@endumeni.gov.za	
E-MAIL ADDRESS	sunil@endumeni.gov.za				

ENDUMENI MUNICIPALITY
INVITATION TO BID
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, 2017, 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:

ENDUMENI MUNICIPALITY

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder..... Bid Number:

Closing Time: 14H00

Closing Date

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID

Quantity	Description	Total	VAT. 15%	Price Including Vat
36 Months	Provision of mSCOA Compliant ERP System (as per specification)			
		TOTAL PRICE		

- Required by:

- At:

- Does offer comply with specification? YES/NO

- If not to specification, indicate deviation(s)

- Period required for delivery

 Delivery: Firm/not firm

- Delivery basis (all delivery costs must be included in the bid price)

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

*Delete if not applicable

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
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 positioning 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, shareholder²):.....

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 or any Directors/trustees/shareholders/ members presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.....

.....

¹MSCM 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	Are you employed by National/ Provincial/ Local Government? YES/NO	If YES, please give details

5. I duly confirm that the above information is correct until otherwise advised in writing AND the company undertakes to immediately, in writing on same day of appointment, advise the Municipality immediately if any of its directors/trustees/ members/shareholders assumes appointment as an employee in national, provincial and/or local government AND the company will deregister from the Municipality Supplier Database and cease forthwith from doing business with the Municipality AND the company shall be subject to a penalty of forfeiting all payments for services rendered or products delivered or installed if it fails to immediately disclose in writing the employment of any of its directors/trustees/ members/shareholders in national, provincial and/or local government.

.....
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) The **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	80
SPECIFIC GOALS	20
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:

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \\ \mathbf{Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)} \end{array}$$

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:

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \\ \mathbf{Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

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)
An EME or QSE or any entity that is at least 51% owned by black people (SANAS approved original certified BBBEE or sworn affidavit to be submitted in order to get Specific Goals points		15		
Locality (Bidder has offices within KZN (Proof of address or Utility bill of the		5		

company or Valid Lease agreement to be attached to get Specific Goals points				

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 - 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

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

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 <i>audi alteram partem</i> 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 <input type="checkbox"/>	No <input type="checkbox"/>
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 <input type="checkbox"/>	No <input type="checkbox"/>

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 <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
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 <input type="checkbox"/>	No <input type="checkbox"/>
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 <input type="checkbox"/>	No <input type="checkbox"/>
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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ 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