RLM BACKGROUND

1. **INTRODUCTION**

RLM: RLM …REQUEST FOR PROPOSAL FOR SUPPLY, DELIVERY AND MAINTENANCE OF AN INTEGRATED FINANCIAL SYSTEM

Rustenburg Local Municipality invites prospective bidders to submit detailed proposals for supply and delivery of an integrated financial system with support and maintenance for a period of thirty-six (36) months. The municipality is looking for well-experienced bidder who can demonstrate the understanding of financial management systems that is designed with effective and efficient interrelationships between software, hardware, personnel, procedures, controls, and data contained within the systems.

The financial management systems must have, as a minimum, the following four characteristics:
1.   Standard data classifications (definition and formats) established and used for recording and reporting financial events;
2.   Common processes used for processing similar kinds of transactions;
3.   Internal controls over data entry, transaction processing, and reporting applied consistently;
      And
4.   A design that eliminates unnecessary duplication of transaction entry.

Financial Management Systems required by Rustenburg Local Municipality should establish and maintain single, integrated and interactive functionalities that will ensure timely and accurate financial data, increase quality policy and decisions making and provide accurate or timely information.

The bidder should have proven capabilities to perform the required services with distinction no chancers would be accepted. The ideal service provider will be the one who can offer high quality of service, and has extensive and proven record of accomplishment of similar projects successfully implemented and maintained. The costs of such system should be

moderate and no quality should be compromised, standards compatibility should be maintained, ease of modification and upgrading should be of high importance.

The proposal should meet the following criteria:

- Improve data quality and credibility
- Analysis of sector comparison
- Uniform recording of transactions
- Uniform data sets
- Standardise key business processes
- Standardisation and alignment of government accountability cycle Standardisation of account classification

Standardise key business processes
Standardisation and alignment of government accountability cycle
Standardisation of account classification

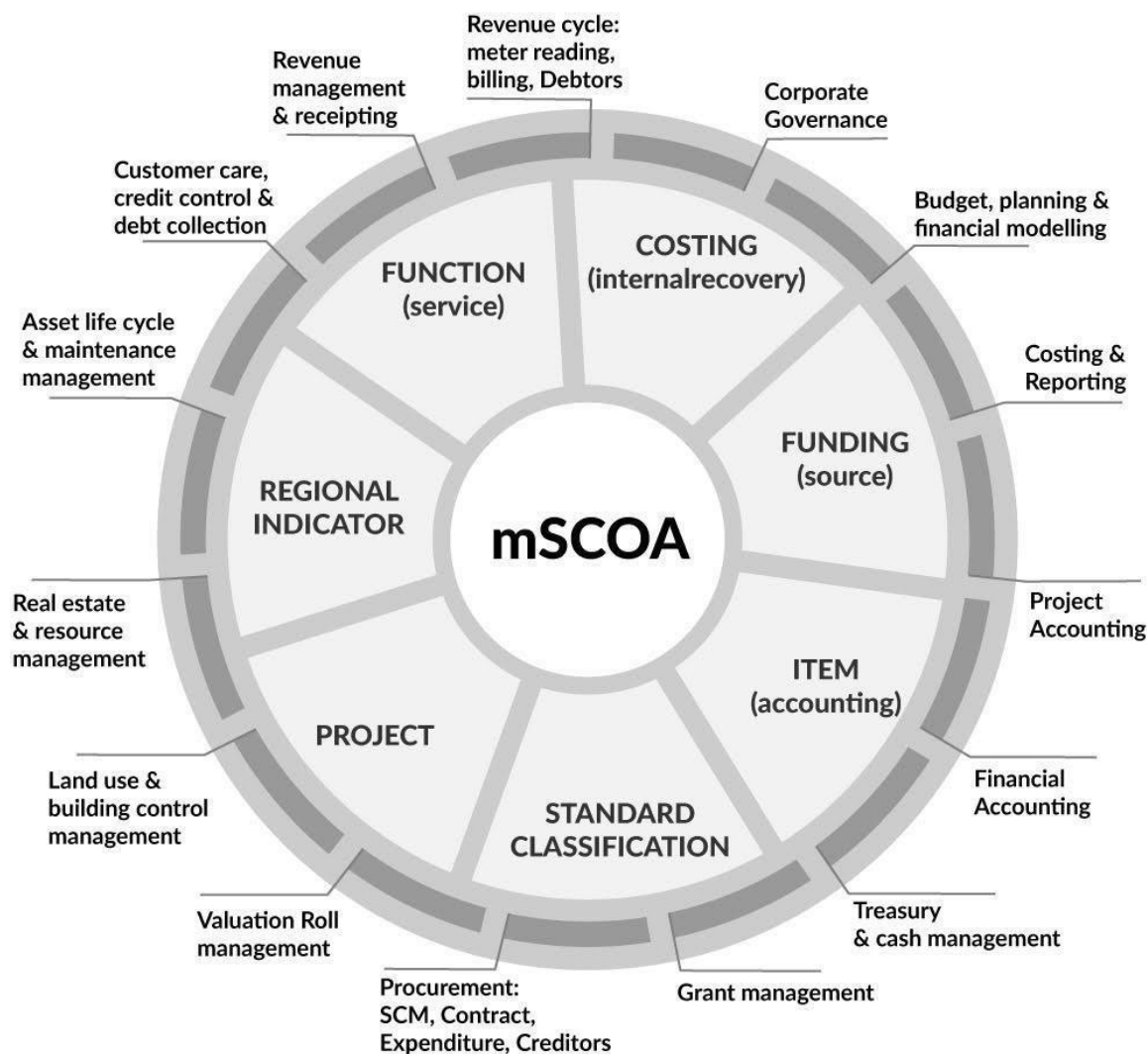The required system should comply with municipal Standard Charts of Accounts.

Revenue cycle: meter reading, billing, Debtors

Revenue management & receipting

Corporate Governance

Customer care, credit control & debt collection

Budget, planning & financial modelling

FUNCTION (service)

COSTING (internalrecovery)

Asset life cycle & maintenance management

Costing & Reporting

FUNDING (source)

REGIONAL INDICATOR

mSCOA

Real estate & resource management

Project Accounting

ITEM (accounting)

PROJECT

Land use & building control management

STANDARD CLASSIFICATION

Financial Accounting

Treasury & cash management

Valuation Roll management

Procurement: SCM, Contract, Expenditure, Creditors

Grant management

FIGURE 1

The municipality is therefore looking for a partner that will assist in ensuring that the project is successfully implemented.

2. SPECIAL CONDITIONS OF CONTRACT

2.1 The successful service provider must provide clearance from the municipality where they are based indicating that they are not in arrears with regard to their respective municipal services accounts.

2.2 Bidders must initial all the pages of the Bid document and sign the Bidder particulars page in full.

2.3 Bidders must complete the original Bid document in black ink, and notice must be taken that tip-ex may not be used in the document

2.4 The original Bid document must be submitted together with the cost proposals

2.5 The transaction shall be subject to any stipulations in any Act, Ordinance or Bylaw pertaining thereto.

2.6 No proposals by any person that is not competent to enter into an agreement will be considered and if it is established that it is the case, Council in this regard will consider the contract agreement null and void.

2.7 Disputes must be settled by means of mutual consultation, mediation (with or without legal representation) or when unsuccessful, in a South African court of law on an attorney and client scale.

2.8 Should any legal action be deemed necessary to determine any aspect arising out of these conditions; or to enforce any rights in terms of these conditions; then and in that event the parties hereto agree categorically to the jurisdiction of the Magistrate's Court to hear such action and to pass judgment notwithstanding the fact that the cause of action is beyond the jurisdiction of the Court: Provided always that Council shall have the right in its sole discretion to take action in any competent higher court in any matter exceeding the ordinary jurisdiction of the Magistrate's Court.

Council reserves the right to accept any cost proposal in a tender submitted or part thereof and will not be obliged to accept the highest tender price submitted in a tender OR any proposal submitted.

3. **GENERAL CONDITIONS OF CONTRACT**

The conditions contained in the General Conditions of Contract (GCC), and the attached bid forms, as well as any other conditions accompanying this invitation are applicable. See Annexure B- (General Conditions of Contract)

4. **SPECIAL REQUESTS BY BIDDER**

Any proposal, request or condition that should be taken into account during consideration of the Bid

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5. **FINANCIAL CONTRACT ARRANGEMENTS:**

Council sets the following financial conditions:

a) No payment of the milestones shall be made prior to an inspection to be done by Council to determine whether the work is complete and satisfactory
b) Payment will be made upon completion of milestones as agreed to in the tender.

6. PRICING GUIDELINES:

a) All tendered prices quoted by the contractor must be in South African Rands i.e. (Currency).
b) The Council is not bound to accept any of the bids submitted and reserve the right to call for Final Offers from short-listed bidders before final selection.
c) Bidder must provide a detailed pricing schedule indicating unit prices.
d) The Council reserves the right to negotiate price with preferred bidder.
e) Bidders must note that equity points will not be allocated if not claimed or properly claimed in the MBD 6.1

7. PAYMENT:

Tenderers shall note that payment shall be made in terms of RLM: General Conditions of Contract (Goods/Services).

8 CONDITIONS OF TENDER:

8.1 Validity of tender

Failure to adhere to tender specifications and regulations will render the bid document null and void. FACSIMILE AND E-MAIL TENDERS will not be considered.

8.2 Alterations to tender documents

This tender document is to be left intact in its original format and no pages are to be removed and or re-arranged. Should there be inadequate or no space for the Tenderer to enter a particular item, then such information shall be submitted in a covering letter and referred to as Annexure "B". Failure to comply with this clause shall result in rejection of the tender.

8.3 Qualifications of tenders

Tenders should be submitted on the unaltered official forms and should not be indiscriminately qualified by the Tenderer's own conditions of the tender. Failure to comply with these requirements, or to renounce the conditions of the tender, may invalidate or prejudice the Tender. Failure to comply with this clause shall result in rejection of the tender.

8.4 Interpretation of the tender documents

If the Tenderer has any doubt or uncertainty as to the meaning and interpretation of any part of this document or accompanying drawings, then such doubt or uncertainty shall be addressed with mr Masinga on o14 590 extension 3123.

8.5 Cost incurred by tenderer

The municipality will not be responsible to pay any expenses or losses that may be incurred by any Tenderer in the preparation and submission of the Tender or in visiting the site in connection therewith.

8.6 Interview with tenderers

The RLM reserves the right to have interviews with the lowest or any other tenderers to endeavour to resolve matters like those stated above. The purpose of the interview will solely be to clear up discrepancies in the tender as supplied by the tenderer. Under no circumstances will changes to documents be admitted.

8.7 Value added tax

After appointment of service provider all prices quoted should include Value Added Tax.

8.8 Authority of signatory Company

If the Tenderer is a company; a certified copy of the resolution of the board of directors (personally signed by the Chairman of the Board) authorizing the person who signs this tender to do so; as well as to sign any contract resulting from this tender and any other documents and correspondence in connection with this tender and/or contract on behalf of the company, must be submitted with their tender. Failure to comply with this clause shall render the tender document invalid.

Partnership

If the tenderer is a partnership, a certified copy of the resolution of the partners (personally signed by all partners) authorizing the person who signs this tender to do so, as well as to sign any contract resulting from the tender and any other documents and correspondence in connection with this tender and/or contract on behalf of the partnership, must be submitted with this tender. Failure to comply with this clause shall render the tender document invalid.

Sole Proprietor

Where the tender constitutes a one-man business, certified proof must be submitted that the person signing this tender as well as any contract resulting from this tender and any other documents and correspondence in connection with this tender and/or contract is the sole owner of the one-man business. Failure to comply with this clause shall render the tender document invalid.

9 BREACH AND TERMINATION:

If the service provider (the "defaulting party") commits any material breach of any of its obligations in terms of this Agreement, the other party (the "aggrieved party") shall be entitled to-

a) in writing describe the breach to the defaulting party and call on the defaulting party to remedy its breach within 7 (seven) days of the aggrieved party serving such notice on the defaulting party; and

b) If the defaulting party has not remedied the breach within the specified period, then the aggrieved party shall be entitled to cancel this Agreement forthwith.

10 RLM BACKGROUND

A. INFORMATION TECHNOLOGY

The municipality has several satellite offices, which connect to the head office to access all applications. The site information is as follows:

	SITE NAME	CIRCURT SPEED	NUMBER OF USERS
	BARSEBA LIBRARY		
	BEN MARAIS SPORT HALL RUSTENBURG		
	BOITEKONG COMMUNITY HALL		
	BOITEKONG LIBRARY		
	BOITEKONG REGIONAL COMMUNITY CENTRE		
	BUILDING CONTROL & REGULATION CAMP RUSTENBURG		
	CHARORA ADMINISTRATION OFFICE		
	CHARORA LIBRARY		
	CIVIC CENTRE COMMUNITY HALL RUSTENBURG		
	EAST END LIBRARY RUSTENBURG		
	ELECTRICAL BUILDING RUSTENBURG		
	FIRE STATION RUSTENBURG		
	IKAGENG REGIONAL COMMUNITY CENTRE		
	INFORMATION CENTRE RUSTENBURG		
	KARLIENPARK LIBRARY RUSTENBURG		

	KARLIENPARK SWIMMING POOL RUSTENBURG		
	LETHABONG COMMUNITY HALL		
	LETHABONG LIBRARY		
	LETHABONG REGIONAL COMMUNITY CENTRE		
	MAIN BUILDING MPHENI		
	MAIN LIBRARY HEYSTECKRD RUSTENBURG		
	MAMEROTSE LIBRARY		
	MANAKAT0 COMMUNITY HALL		
	MANAKAT0 REGIONAL COMMUNITY CENTRE		
	MANAKATO LIBRARY		
	MARAIS STREET SWIMMING POOL RUSTENBURG		
	MARIKANA FIRE STATION		
	MARIKANA LIBRARY		
	MARIKANA REGIONAL COMMUNITY CENTRE		
	MATHOPESTAD LIBRARY		
	MECHANICAL WORKSHOP RUSTENBURG		
	MERITING COMMUNITY HALL		
	MONAKATO SWIMMING POOL		
	MUNICIPAL STORES RUSTENBURG		
	OLD AGE FLATS GEELHOUTPARK RUSTENBURG		
	OLD AGE FLATS KERK STREET RUSTENBURG		
	OLD TOWN HALL RUSTENBURG		
	OLYMPIA PARK STADIUM RUSTENBURG		
	PAARDEKRAAL COMMUNITY HALL		
	PARKS AND NURSERY RUSTENBURG		
	PHATSIMA COMMUNITY HALL		
	PHATSIMA COMMUNITY CENTRE		
	PHATSIMA LIBRARY		
	PHOKENG LIBRARY		
	PREPAID ELECTRICITY OFFICES RUSTENBURG		
	RIETVLEI CEMETERY RUSTENBURG		
	ROADS OFFICES RUSTENBURG		
	RUSTENBURG SHOW GROUNDS		

	RUSTENBURG WATER & SANITATION TREATMENT PLANT (BOOSTER PUMP)		
	SITA WALK IN CENTRE RUSTENBURG		
	RUSTENBURG LOCAL MUNICIPALITY MAIN STORES		
	TLHABANE ADMIN OFFICE		
	TLHABANE COMMUNITY HALL		
	TLHABANE LIBRARY		
	TRAFFIC DEPARTMENT		
	VAN ZYL COMMUNITY HALL		
	WASTE MANAGEMENT SITE AND RRT		
	ZINNIAVILLE COMMUNITY HALL		
	ZINNIAVILLE SWIMMING POOL RUSTENBURG		

VMware ESXi hardware running in the IT environment has the following:

- 383.61 (3B of memory and 32 Logical Processors,
- Two Sockets with eight Cores per socket (Intel(R) Xeon (R) CPU E5-2620 v4 @ 2.10GHz).
- We have QNAP Storage with 25TB of capacity as data store.

Hyper-V hardware running in the IT environment has the following:

- 384 GB of Ram, 8 Physical processors 2.2 GHz.
- This hardware is running on cluster with four physical blade servers and storage capacity of 10TB.

Please note that the above-mentioned Specification is on a live environment and the current usage on the VMware platform is 80% and on the Hyper-V platform is 75%. As a result, a new Server will be required to deploy a new Financial system with the following specification: 768 (3B of memory and 32 Logical Processors, 2 Sockets with 8 Cores per socket (Intel(R) Xeon (R) CPU E5-2620 v4 @ 2.10GHz). 100TB of storage. Interface to (ACB, Bank Statement, Meter Readers, MadTronics, SAPO, Easy Pay, Assets, Payroll System, Electricity Prepaid Vending, Valuation roll)

B. DEPLOYED MODULES

a) Supply Chain Management (procurement and logistics) (Sage Evolution)

b) Budget Planning and Financial modelling (Sage Evolution)

c) Treasury and Cash Management (Sage Evolution)

d) Creditors and Expenditure (Sage Evolution)

e) Credit Control and Debt Collection (Ntiyiso)

f) Valuation Roll Management (Prims)

g) Asset Management

h) Revenue Management and Receipting (Sage Evolution)

i) Meter reading, billing and debtors management (Ntiyiso)

j) Payroll (Sage 300)

k) Pre-paid management

l) Document Management (DataStor)

m) Fleet management

C. LIST OF CURRENT SERVICE PROVIDERS

n) Sage Financial Solutions (SAGE JV CCG Systems)

o) Sage 300 (Payroll management)

p) ABSA (BIOnline)

q) Cigicell (Pre-paid vending)

r) DataStore (Document Management)

s) Prims (Valuation management)

t) Market Demand (Asset Management)

u) Ntiyiso (Meter reading)

v) EasyPay, SAPO (account payments)

j) Adapt IT (CaseWare)

k) Barnowl (risk management)

D. CUSTOMER OVERVIEW

Rustenburg Local Municipality has approximately 100 000 customers with registered properties. The breakdown is as follows.

4.1 Number of Properties approximately 100 000,

4.2 Electricity Prepaid meters approximately 46 000,

4.3 Conventional electricity approximately 10 000

4.4 water meters approximately 62 000

11 GENERAL CONCEPT OF TENDER

Rustenburg Local Municipality invites prospective bidders to submit detailed proposals for an integrated financial system with support and maintenance for a period of thirty six (36) months.

The municipality is looking for well-experienced bidder who can demonstrate the understanding of financial management systems, which is designed with effective and efficient interrelationships between software, hardware, personnel, procedures, controls, and data contained within the systems.

The system should conform to Municipal Regulations on Standard Chart of Accounts, and provided for the following key objectives.

a. Improved data quality and credibility
b. The achievement of a greater level of standardization;
c. The development of uniform data sets critical for government reporting;
d. The standardization and alignment of the local government accounting cycle by the regulation of not only the budget in — year reporting formats but also the annual report and annual financial statement formats;
e. The creation of the opportunity to standardize key business processes with the consequential introduction of further consistency in the management of municipal finance.
f. Improved transparency, accountability and governance through uniform recording of transactions at posting account level detail:
g. Enabling deeper data analysis and sector comparisons to improve financial performance• and
h. The standardization of the account classification to facilitate mobility in financial skills within local government, other spheres of government to attract and retain skilled personnel

The prospective bidders are required to ensure that they provide for the following in their bid documents:

NUMBER	DESCRIPTION
1	System provision and licenses(detailed breakdown per available module)
2	Project planning and implementation (detailed In phases)
3	Data migration
4	Data integration with the pre-paid system
5	Customization
6	Testing
7	Specialized hardware (e g. scanners, fingerprint readers, printers etc.)
8	Intention for partnership with 3rd parties (list of all third parties)

12. FEE STRUCTURE:

12.1   Annual license fees of all systems are to be quoted as once off fees payable every twelve (12) months. All fees must be Identified in the bid document this should Include all licenses such as (database, report writer etc.). No additional fees should be quoted after signing the contract. The license fees for all the required modules must be included in the costing.

13   HARDWARE REQUIREMENTS

The municipality has sufficient hardware to cater for the proposed software that will be hosted onsite at the head office. The prospective bidder can proposed a hosted solution that can be used as a secondary disaster recovery site Bidders are required to supply specialised equipment should there be such a requirement.

Bidders are advised that the municipality will offer three servers i.e. live environment, testing environment and the disaster recovery site.

Specialized hardware should form part of the bid proposal. If the system will require

E.g. scanners, fingerprint readers, printers etc. the quotation should be provided with returnable documents.

14. SOFTWARE REQUIREMENTS

The municipality requires an all-inclusive and integrated financial management system, and acknowledges that not all bidders will have an all-inclusive solution. Therefore bidders advised that the offering should be presented to the municipality as a one-stop system It is the responsibility of every bidder to contact other vendors for collaboration and negotiate the fees The municipality will enter into an agreement with one bidder and all licenses and costs will be paid to the successful bidder and not the 3rd party.

DETAILED BREAKDOWN OF THE REQUIRED MODULES ACCORDING TO MUNICIPAL NEEDS

1. EXPENDITURE MODULE

BUSINESS REQUIREMENT	MINIMUM SPECIFICATIONS
Integration	Sub-system(s) or ledgers must, without (manual) intervention or manipulation, integrate and constantly balance with the core financial system.
	Enable drill down from the general ledger (GL) to sub-system source transactions to transactional level.
	Integration and automation of the annual financial statements (AFS) as well as monthly MFMA section 71 reports (management accounts).
Reporting mechanisms	Ensure that mSCOA segmented reports can be produced on any level of the mSCOA chart with any combination of segments;
	Reflect budget versus actual performance of the votes / functions of the municipality.
	Trial Balance (TB) and GL with all relevant information. i.e. user who processed, audit trail number, transaction type, date, supplier, reference etc.
National Treasury Portal and other statutory submissions	Submission of budget, returns and any other documents to the National Treasury local government Database (LG Database);
Main Budget	Must have budgeting capabilities in that the budget are informed from the integrated development plan (IDP) and budget capturing occur across all the mSCOA segments as per the mSCOA Regulations, 2014.
	System must support budgeting cycles across the medium term revenue and expenditure framework (MTREF) (3-year budget) of the municipality.
	National Treasury A, B and C Schedules extracted directly from the system
	The statutory budget submission to the National Treasury local government Database (LG Database);
	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.

	Automate the virement process as per the virement policy.
General Ledger (Core Financials)	Contains all the accounts for recording transactions relating to municipalities assets, liabilities and net assets as per mSCOA segments.
	Is a central repository for accounting data transferred from all sub-ledgers e.g. supply chain, revenue, cash management, fixed assets, purchasing, debt control, billing, prepaid, and projects etc.
	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.
General Ledger (Core Financials)	Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems for an audit trail.
	Journal capturing capabilities (including reversible and recurring journals) including electronic approval.
	Reporting functionality for all financial reports in the full mSCOA segmented transactions.

2. **THE SPECIFICATIONS FOR THE DOCUMENT MANAGEMENT SYSTEM**

Ref: 2/8/2/2
THE SPECIFICATIONS FOR THE DOCUMENT MANAGEMENT SYSTEM
·   A system that caters for the needs of its users and not a one size fits all kind of system.
·   Incorporate the documents in the previous systems with the new without losing any information during migration
·   Incorporate information on the folders without users having to rescan and capture in the new system
·   Enough space / capacity be allocated to accommodate the large volume of records created and their colourings like maps and large MTREF documents

·   The system must not limit the number of officials to be allocated usernames and access, it has to be flexible and allow as much users as possible. DataSTOR only allows a certain number of officials to access the system because SAGE did not give Metrofile the number of officials to be allowed to work on the system
·   Allow for the creation of the indexing formats for respective directorates / units / sections
·   The documents on the same subject / control sheet must be arranged and grouped together for easy identification.
·   The system must be able to give the history of the document (tracking), that is, when was it created, who attended to it, for how long was the document kept at a particular directorate / official.
·   Enable the users to search using keywords, dates, sender names, etc. to reduce the turnaround time for searching of documents and also documents captured during a particular period, e.g. month, week, quarter, etc.
·   Enable users to see who is / was responsible for the capturing and scanning of a particular document.

3. REVENUE

Accounts Receivable	1. Transactions in debtors must reflect in the AR in mSCOA segmentation	Provide a debtor master record that contains debtor categories in line with tariff policy, rebate categories. 2. Receipting of AR in the correct segmentation and in line with the CCDC policy 3. Daily balancing of cash collections 4. Month-end and year-end procedures to ensure correct disclosure of cash in hand and age analysis 5. Automated receipting of direct deposits received
Credit control	A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000	The system should enable the municipality to manage an end-to-end debt collection process and must: Provide for SMS, email and hand delivered late payment notifications; Provide for parameter based disconnection list generation; Manage re-connection and arrangements with integrated notes on the debtor master file and workflow with technical services; Final demand and summons issuing; and management of legal actions on an integrated level; seamless integration to 3rd party solutions;
	Debtor classification and categorisation	Indigent Management. The indigent register must be incorporated in the work flow of various administrative processes; including : online applications, house visits, capturing of details, and verification thereof, authorisation of applications, automated subsidy, write off, and reversals thereof
	Arrear arrangements	Arrear arrangement must be incorporated in the work flow of various administrative processes including: online applications; authorisation of application, automated arrangement financials, automated default processes, irrecoverable debt write off process, Councillors and employees arrear management
Customer Relations Management	Customer portals to give effect to Section 95 of the Municipal Systems Act, 2000 which (amongst other) requires the following:	a sound customer management system, that provides for a consumer portal for online query management, bill presentment module which allows inline registrations/applications
Billing		
Reporting mechanism	Business intelligence	Report writer for both standard reports and user configurable reports using data sets

Revenue	A revenue sub-ledger budget module	1. Measure and flag anomalies of the current database history against alternative information sources such as the Surveyor General (SG), Deeds Office and valuation rolls to ensure completeness of budgeting and actual billing. 2. Provide functionality for town ship development and populate amounts and consumption on average per type of connection in this development. 3. Create projected growth and tariff calculations taking into account the provision for bad debt and material losses. (In this regard transacting on the "Regional" segment is crucial for GRAP 104 type calculations). 4. Review sundry tariffs
General Ledger	Sub-ledgers	Reflect all transactions posted in the sub-ledger to the main ledger to ensure financial integrity of the entire system without a need for manual reconciliations 2. Journal capturing capabilities which includes electronic approvals

4. INTERNAL AUDIT

SUPPLY AND INSTALLLATION OF AUDIT SOFTWARE
SPECIFICATIONS
The software must enable the municipality to, without additional cost:
*   Simplify the workflow, by increasing the economy, efficiency, and effectiveness of the audit process and make sense of it all for consistent, high performance audits;
*   Provide a structured framework for performing organised, efficient, and reliable audits that meet professional standards;
*   Simple yet comprehensive methodology accommodates every aspect of data analysis, from importing raw data to reporting actionable results
The precise request is as follows:
Year 1
*   1 Year License Fee for minimum of 8 Users and be able to increase in due course.
*   2 Day User training course.
*   2 Day On-Site Implementation and Installation Assistance.
*   Continuous support and updates
Year 2 onwards
*   Annual Maintenance Fee for minimum of 8 Users.
*   Continuous support and updates
The offered product must also comply with the following specifications:

NO.
DESCRIPTION
Importing infinite number of records
- Convert PDF, plain text (.txt), and print report (.rpn) into databases from different sources
Analyse every transaction to run queries
- Assess internal controls
- Conduct operational audits
- Spotting potential fraud
Review and Report the results with reports, charts, pivot tables, and project overview graphics
Organise your work and easy to find in the Library
Automate tasks
Validate activity/ automatically document audit steps
Support risk and control based auditing
Based on universally accepted best practice
Operational online and offline
Provide risk dashboards, management and internal audit reporting at any level of the municipality on a user friendly way
Capture quality information into the system
Provide an early warning system of changing environment
Accessible to line management with notifications and reminders
Endorsement by the Office of the Accountant General as applicable to local government
Proven after sales service, training and updating of software

5. BANK AND CASH BOOK

BUSINESS REQUIREMENT	MINIMUM SPECIFICATIONS
General system integration	The fundamental activity in bank reconciliation involves the matching of individual transactions reported from the bank (via statement or detailed activity report) against relevant internal data (typically the GL) to ensure that all information recorded by the bank is accurate and accounted for in the business' finance system, most simply understood as "check book reconciliation."
	Although it seems simple on the surface, this process often challenges businesses due to the number of bank accounts, the volume of transactions, varied sources of data (e.g. every bank statement format is slightly different), and the inability to consistently maintain the reconciliation on a daily basis.
	All this creates large bottlenecks and cascading impacts at month-end. In some cases, other challenges arise such as the use of different currencies, check clearing, complicated transaction relationships (one-to-one, one-to-many, many-to-many), and exception management requirements. …
Requirements & Reporting	An effective system must be or have; 1. User friendly system, interactive system (Step to step guide 2. Comprehensive and fully configured system to integrate with the Banking Software 3. Able to supports various file formats involved in the Bank Reconciliation Process 4. Able to import and cleanse the data sets automatically 5. Automating the matching operation (First priority); one to one transactions, One too many transactions; as well as groupings. • Automation of data import and matching• All types of matching relationships supported (e.g. Bank Ref; Amounts, Accounts, etc.) • Fully configurable matching rules 6. Automate the process of creating journals, exporting and approval 7. Able to handle more than 50 000 thousand transactions in a month; 8. Able to export high volume transactions 9. Reflect all the Bank Statement information accurately and must not be editable. 10. Audit trails; (User, Transaction codes, Audit trial number, etc.) 11. Have user logins and passwords 12. Limited access of number of users and be able to work even if all users with Access have logged into the same bank account. 13. Be able to provide a report whereby one can filter according to the information need: for e.g. To be able to filter only data relating to transactions not posted. (Unallocated) 14. Ready-to-go reconciliation reports 15. Easy to identify fraudulent items and mis-postings 16. Minimized financial risks due to the detailed transactions reconciliation 17. Considerable reduction in the manual effort required for reconciliation

Compliance	Be in line with the prescribed legislative requirements and or standards. (policies, Acts , Rules and Regulations of South Africa)
Empowerment	Training and ongoing support be provided
General Ledger (Core Financials)	Training manuals;
	User Help Guides on the system; Printable; Easy to read ;
	Be able to reconcile from transaction level to GL level
	Be able to extract or export any file format according to the User requirement.
	Be able to handle more than one-year financial information.
	Be able to integrate to the Accounting System (GL)

6. HUMAN RESOURCE

BUSINESS REQUIREMENT	MINIMUM SPECIFICATIONS
Human Resource Module	Service provider must render a preventative maintenance programme and or repairs to the uninterruptable power supply
	Employees should be categorized or separated with company number: permanent, temporary and fixed term employees
	Employees data information must reflect employee full information (name, surname, job profile, qualifications, training, health & safety, industrial relations, employee benefits and career management all-inclusive per employee data storage
	System should have employee data files that allow for navigation through all available report menu
Equity Module	Create a report menu that will generate report on EEA & EEAA to achieve proportional distribution of workforce in line with Employment Equity Act 55 of 1988 by gender, race, age and occupational levels
Organisational Statistics	System Users must have an overview of the current staff complement at the moment

	Reports must indicate a detailed employee data on engagement, promotions, transfer, placement, termination with accurate reasons and indicate specific event dates
	Create a field that calculate a summarized workforce numbers and allocations to different directorates
Labour Budget	Create a report menu that with include all positions in the structure, filled, budgeted and vacancy rate as approved every financial year (total cost to company per position and expenditure occurred during filling of vacancy)
Leave Module	Create a comprehensive leave management tool report menu to address leave analysis
	Add extra field on leave report menu related to leave tracking, accruals, transactions and leave totals as approved and indicate balances
	Add menu for Employee Self Service for leaves taken and send it for approval to the supervisor
Protection or System Password	Each User is given access to the system relating to the functions that need to be performed
	User's employee code to be used as systems id or tracer and is recorded in an audit trail report
	Access status is allocated to all reports
	Each report can be setup to not allow access to change other than the system administrator
	Password must be reset by appointed system administrator at any time
	Report must be password protected

7. BILLING

BUSINESS REQUIREMENT	MINIMUM SPECIFICATIONS
Valuation roll	Have a property management system which will be used to maintain the valuation roll
	The property management system should be integrated to the financial system
	The financial system should identify any exceptions between the two systems
	Financial system should provide a report for all new properties that were created in a month
	The financial system should provide a report for any properties not under exempted categories which are not charged property rates
Finalisations/ property transfers	The property management system be able to identify transfers for the month.
	These transfers should be integrated to the financial system
	Clerks should just confirm if the information pulled correct
	As soon as unmetered services is done with their process, the system should channel the last process to the finalizations office to finalise the meter.
	When the finalization is done, the old client should not be billed anything, however, billing should be done on the new client
	The system should keep history of the previous client
	The system should not allow duplicate accounts on one stand.
	The system should provide a report of any hanging finalization not confirmed.
	The system should provide a report of all finalisations wherein services were not activated.
Clearances	The system should identify all the information in a stand when doing a clearance including consumer accounts
	The system should be able to do 4 months billing in advance.
	The system should be able to integrate with Rates clearance as well as G4 systems.

Meter reading	The system should be able to integrate information from SCADA (Business and Bulk consumers) and meter reading system for normal readings
	The system should be able to run estimates for all unread meters as the reading information is downloaded (this process should be automated)
	The system should determine clients averages after every three months
	The system should flag all zero consumptions after downloading reading data.
	The system must automatically reverse any estimates when actual readings are downloaded and captured.
	The system should be able to provide an exception report after readings have been downloaded (not meter listing)
	Any adjusted readings after billing should be approved by the supervisor
metered services	The system should keep an audit trail for changes done on meters
	The system should provide a report of all disconnected meters and indicate whether a new meter was installed to replace the disconnected meter
Post billing	The system should be able to generate post billing report (details and summaries)
	The system should provide a report of all the stands that did not bill per service
	The system should post to the billing information to the general ledger without any manual intervention
	The system should automatically run a meter reading export file immediately after billing.
	The system should automatically run the Post Office statements immediately after billing.
Tariffs	The system should be able to allocate tariffs to different categories as per the valuation roll
	The system should be able to apply exemptions where necessary
	The system should be able to apply an inclining tariff structure where applicable

	The system should be able to pro - rata tariffs when new tariffs are implemented and when seasons change (electricity charges).
	The system should not allow any finalisation/ meter installation to be finalised without selecting a tariff.
	The system should be able to print a tariff report for sign off when new tariffs are loaded.
Journals	The system should have an audit trail for all journals processed.
	The system should provide for any supporting documentation to be scanned to support the journal.
	The system should not allow one user to prepare and approve a journal.
	The system should have system approvals.
Interest	The system should correctly apply interest on accounts outstanding for more than 30 days.
	The system should be able to apply two interest rates applicable to the municipality for each account.

8. DPHS

	Sub-process	business requirements				system and application functionality		
Planning	Unit: Development Planning	Land Use application submission and management	A	B1	B2	Land use and property register for all properties in Rustenburg		
			A	B1	B2	Land use management and application submission process, integration with billing and valuation system.		
		GIS System	A	B1	B2	Integration with general surveyor general, deeds search, demarcation board (in terms of maps)		
			A	B1	B2	System integration with billing and valuation system, infrastructure.		
	Unit : Building Control	Building plans submissions and management	A	B1	B2	Building plan submission process flow with integration of Town Planning, Infrastructure and billing and valuation system.		

EXPENDITURE

BUSINESS REQUIREMENT	MINIMUM SPECIFICATIONS
Accounts Payable	Make payments and part payments. Allow for future and scheduled payments.
	System generated payment reference/number
	Goods received notes for full or partial deliveries aligned to authorised issued purchase orders. Goods return notes with debit and credit orders;
	Invoicing for goods received notes as partial or multiples invoice payments. Settlement discounts as allowed by suppliers;
	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;
	The system must be able indicate when the budget is depleted. SCM is the initiator and Expenditure should be secondary e to detect when the vote is depleted.
	Sundry payments generated from payroll, billing or manual S&T transactions;
	Retention and Surety register with auto mated update, pay-out and balancing;
	A cession register linked to the PMU with automated allocations;
	Must be able to calculate accounts payable VAT reconciliations (including calculations on returns and discounts);
	Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems for an audit trail.

	Segregation of duties in the journal passed, Journal capturing capabilities (including reversible and recurring journals) including electronic approval. Date stamped by the capturer and the authoriser	
	Must be able to perform project management from award of tender with all payments made, variation orders as well as retention provisions and payments	
	Must have a module for creditors statement reconciliation	
	Should be able to provide creditors aging indicating the number of days it took to make a payment for each invoice	
	Should be able to detect and prevent duplicate payment of the same invoice number for the same service provider even if it is processed in different financial years.	
	Should be able to enquire on outstanding orders using supplier name	
	Document control option, to scan and store invoices and other documents on the supplier;	
	A web portal for suppliers to enquire on payment status and uploading/submitting of invoices.	
	Must be able to provide expenditure report of all payments made within a specified period, i.e. daily, monthly annually, etc. and indicating how much was spent &the available budget	
Loan Register	A loan register capable of calculating repayments and schedule payments within the workflow.	
	A petty cash module that would allow for accounting for petty cash transactions and subsequent budget allocations and control as per mSCOA.	

9. SCM DEMAND MANAGEMENT

MINIMUM SPECIFICATIONS
Proposed Procurement Plans need to be initiated in March (configurable date) of any year for the following financial year.
Reminders should be sent to User Directorate outset and at intervals alerting the need for compiling the Procurement Plan.
The RLM IDP budget (GL Accounts & Cost Centre) should be imported into the SCM information system.
The development of the Procurement Plan should have Workflow, Roles and Durations.
The Procurement Plan should enable capturing of Expenditure Item, Description, anticipated date of spend(start/end)
When creating a Procurement Plan line item, the user should be prompted as to whether the item is from the IDP. If yes, it should have an enforced link to the IDP line item.
If the Procurement Plan line item is not from the IDP then it will not be cross-referenced to a source line item.
The draft Procurement Plan needs to be submitted by Draft Completion date.
Procurement Plan Draft Completion and Finalisation dates should be configurable.
Alerts and reminders need to be sent at and during Plan Start, Draft Completion and Finalisation dates to both the assigned roles and the User Directorate.
Demand Planning Administrator will receive the Procurement Plan in their inbox.
DP Admin to perform their functions and submit to the Approver.
DP Approver validation is done and draft Procurement Plan is stored.
Draft Procurement Plans await Council approval and confirmation by User Directorate.
After User Directorate confirmation, of budget for the Plan, it is routed to Plan Creator for amendments.

After Plan Creator submission, it should be routed to the Plan Approver for verifications.
Once validated it should be forwarded to User Directorate for approval.
Once approved by the User Directorate, the Plan is then forwarded to the DP Admin.
DP Admin will validate the revised plan and it will be forwarded to DP Approver role.
DP Approver will validate and store the Finalised Plan.
Finalised Procurement Plans to be submitted to Demand Planning by Finalisation Date (31 July, configurable).
Procurement Plans are not to be updated after Finalisation Date.
In exceptional circumstances if a Finalised Plan needs to be amended, the request needs to be initiated by the User Directorate.
The Finalised Plan would be forwarded to the Dept. Plan Creator as new draft and follow the usual workflow.
The Finalised Plan should stored and will be reference during the Acquisition process.

10. ACQUISISTION MANAGEMENT

	MINIMUM SPECIFICATIONS
2000 AND R 30 000 QUOTES BETWEEN R	The Requisitions functionality on FINANCIAL SYSTEM should be disabled.
	Authorised Directorate al user will login.
	Requestor will choose between Product and Service.
	A further selection from a Dropdown list will be made of the Category/Group that the Service/Product belongs to.
	The actual Service or Product needed would be selected from a Dropdown list.

	The Region for which the Service/Product is needed will be selected from a Dropdown list.

QUOTES BETWEEN R 2000 AND R 30 000	Request should be forwarded to Directorate Requisition Approver.
	Once approved by Requisition Approver it should be assigned to the SCM Commodity Buyer for the Purchase group.
	If the Requisition is for a Specialised product then the Buyer will select the Vendor/s to quote.
	If the Requisition is for a Contracted item/service then the contracted Supplier/s will be requested to quote.
	The solution should automatically use its Vendor Rotation algorithm and determine to whom a request for quote should be sent to.
	The system should auto-generate a Request to Quote from a minimum of 6 (configurable) Suppliers, via email and sms.
	The Suppliers should be given a maximum of 2 days (configurable) to supply a quote.
	A reminder should be sent to supplier/s for submitting of quotes the next day.
	Quotes can only be supplied in an electronic format to the Vendor Portal. No hardcopy submissions will be accepted.
	After Day 2 (configurable), should an insufficient amount of quotes have been received, the solution should apply the vendor rotation algorithm again and request for further quotes. Suppliers who did not respond on the previous request should be prioritised lower.
	After the auto generated 2nd request for quotations, should the minimum number of quotes still not be met, the an intervention by the Buyer would be required to work with existing available quotes or have the solution request a quotes a 3rd time. The reasons should be auditable.
	Only properly verified Suppliers should appear for the Buyer to Accept/Reject.
	The Buyer will Accept/Reject the quote.
	Should the recommended price be above the original requisition price, the recommendation should be forwarded to the Directorate Approver for confirmation. Once confirmed, it would go to the Chief Buyer.

	The Accept/Reject of the quote should go to the Chief Buyer for release.

QUOTES BETWEEN R 2000 AND R 30 000	On Approval of the quote, the solution should auto-generate the Purchase Order.
	On Rejection of the quote, reason should be captured for audit purposes.
	If no valid quotes are received then a request for quotes is re-issued - to be decided by business
QUOTES BETWEEN R 2000 AND R 30 000	Directorate identifies need for product/service and conducts market analysis.
	Availability of budget is confirmed in the SCM solution - the actual account is identified.
	The SCM solution should manage the budget for GL accounts and earmarked approved and reduce GL funds accordingly.
	Quotation Advertisement Request and Specification is completed by Directorate QAR Creator and submits to Directorate Head for approval.
	On approval by the Directorate head, the Quotation Advertisement Request (QAR), indicating GL account is forwarded to Demand Management.
	Demand Management Administrator will receive the QAR and Specification.
	The Demand Management Administrator confirms the specification.
	Demand Management Approver verifies and approves the specification. The Specification is forwarded to the Quotation Specification Committee Secretariat.
	The Quotation Specification Committee review is scheduled.
	On approval by the Quotation Specification Committee, Demand Management administrator will facilitate placing of advertisements on RLM website, Public Board and SCM solution for period of 7 days.

QUOTES BETWEEN R 2000 AND R 30 000	Urgent needs should be accommodated for 4-day duration, if motivated. Provision should be made for upload of motivation letter, with a confirmation by user who verifies.
	Demand/ICT will load advertisement on RLM website and the SCM Solution.
	The public has access to the advertisement placed.
	The General Public can purchase hardcopies for +-R1 000 (configurable).
	Users with basic registrations details, on the SCM Solution, will be permitted to download advertisements.
	Dropping of proposals into the Tender Box should be allowed to continue. MFMA requires hardcopy quotes.
	Electronic submission of quotes should be catered for.
	Where an electronic submission is made, it should be accompanied by a hardcopy also.
	Where a difference between the electronic and hardcopy versions exist, SCM have the right to use their discretion as to which is being accepted.
	Late submissions should not be permitted.
	Briefing sessions can be mandatory.
	Query contact information is to be provided in order to Municipal Management Demand and Directorate staff.
	Responses to questions are sent only to the inquirer or all (configurable).
	Provision should be made for scheduled responses to questions and that it be sent to ALL or specific inquirers.
	An erratum is done for Advertisement mistakes or specification ambiguity. An addendum is published to resolve.
	Details of proposals and submissions should not be accessible and visible on the solution until after the cut-off time.
	Demand is responsible for opening quotes.

Demand Management records the opening of quotes in a Control List.
Demand Management verifies the Control list.
Demand Management will create the virtual Evaluation Committee specific to the quote.
Acquisitions checks for Administrative compliances
Only compliant Vendor's proposals are forwarded to the Evaluation Committee.
Suppliers are not informed of disqualifications.
Disqualifications are recorded with its reasons.
The Secretariat will schedule the Evaluation Committee sitting for review of proposals.
The Evaluation Committee will recommend a supplier to the Acquisitions Management head.
Acquisition verifies the recommendation and signs-off.
Acquisitions SCM verifies details and approves.
The Directorate Head approves.
A requisition is created in e-Procurement by the User Directorate & approved by the Requisition Approver.
FINANCIAL SYSTEM PO is auto generated from the Requisition.
Request can be cancelled at any time with auditable reasons.
Objections are led by the SCM UNIT HEAD and delegated to the relevant Director.
The Directorate may decide to execute an initiative in terms of its finalized Procurement Plan
If the expenditure is from the Procurement Plan, its line item should be selected.
If the expenditure is not from the Procurement Plan then Refer to Exceptions.

If the expenditure is a Deviation from regular SCM practice/policy then Refer to Deviations.
Directorate completes TAR (Tender Advertisement Request
The SCM solution should manage the budget for GL accounts, earmarked, approved and reduce GL funds accordingly for Procurement Plan expenditures.
TAR and Specifications are completed by Directorate TAR Creator and submits to Directorate Head for approval.
On approval by the Directorate head, the TAR plus Specification is forwarded to Demand Management.
Demand Management Administrator will receive the TAR and Specifications.
The Demand Management Administrator compiles the Tender document.
Demand Management Approver verifies and approves the draft Tender Document. The Tender Document is forwarded to the Bid Specification Committee Secretariat.
The Bid Specification Committee review is scheduled.
On approval by the Bid Specification Committee, Demand Management administrator will facilitate placing of advertisements on RLM website, Newspaper, Public Board and SCM solution for period of 30 days.
Regulations - Below R10m or contracts less than a year/once-off can be over a shorter period
14-Day period.
The price for Tender should be captured.
Demand/ICT will load advertisement on RLM website and the SCM Solution.
Published on 2 newspapers plus website by IT – Tick Box
The public has access to the advertisement placed.
The General Public can purchase hardcopies for the determined price

	Users with basic registrations details, on the SCM Solution, will be permitted to download advertisements after paying via the Electronic payments system.
	Dropping of proposals into the Tender Box is the only means of submission.
	Briefing sessions can sometimes be mandatory. Provision should be made for this.
	Query contact information is to be provided in order to Manage Demand and Directorate staff.
	Responses to questions are sent only to the inquirer or all (configurable).
	Provision should be made for scheduled responses to questions and that it be sent to ALL or specific inquirers.
	An erratum is done for Advertisement mistakes or specification ambiguity. An addendum is published to resolve.
	Demand is responsible for opening proposals.
	Late submissions should not be permitted.
	Demand Management captures the opening of proposals in a Control List system template.
	Demand Management verifies the Control list and thereafter it should not be open to edits.
	Acquisitions checks for Administrative compliances
	ALL Vendor's proposals are forwarded to the Bid Evaluation Committee.
	Suppliers are not informed of disqualifications.
	Disqualifications are recorded with its reasons.
	The Secretariat will schedule the Bid Evaluation Committee sitting for review of proposals.
	BEC Member declaration is signed and confirmed on the solution.
	It is confirmed on the solution whether a SLA is mandatory and is forwarded to the User Directorate to initiate.

	The Bid Evaluation Committee will recommend a supplier proposal to the as follows: If above R10m then to MUNICIPAL MANAGER, if below BAC.
	MUNICIPAL MANAGER/BAC verifies and approves/declines recommendation.
	If approved MUNICIPAL MANAGER/BAC Committee Secretariat will forward the resolution to Contracts.
	Contracts drafts Appointment Letters and are forwarded to the Municipal Manager role for signature.
	Municipal Manager signed Appointment Letters are sent to the SCM Contracts.
	Objections are handled by the Municipal Manager office.
	Cancellation of Tenders should be permitted at any stage by Municipal Manager & Chairman of Bid Spec Committee. An authorisation letter for cancellation should be uploaded.
	SCM solution should allow for the creation of different types of committees.
	The committees created should be allowed to link to SCM workflow and process.
	The committee secretariat would be assigned the role for workflow for Municipal Manager's committee created.
	Committees should be allowed to either assign or remove members
	Membership start and end dates should be catered for
	Committee meeting frequency should be provided for
	Based on committee frequencies, dates for committee meetings should be allowed e.g., Weekly frequency should allow for Day of Week.
	The committees to be provided to include, Quotation Specification Committee, Evaluation Committee, Objections Committee, Adjudication Committee, MUNICIPAL MANAGER

Admin Checks	Check completeness and validity of Company Documents based on company type as per SCM policy.
	Validity of Vendor Registration
	Whether Municipality accounts of Members/Directors are up-to-date
	Obtain Director Identity Documents from CIPC and validate.
	Check for mandatory briefing attendance.
	Check 14-Day grace period for expired SARS/BEE certificates.
	Confirm Tax certificate validity prior to award.
	Confirm BEE validity prior to award.
	Perform 80/20 Calculations.
	Calculate B-BBEE points
	Check whether members/directors/owners/proxy are employees of organs of State.
	Verify end date plus 1 year for RLM employees.
	Confirm Spec specific accreditations certifications.
	Check company and Directors/Members/Owners/Proxy against Treasury Blacklist.
	Confirm payment receipt of payment for Tender document.
Vendor Algorithm	Eliminate non-compliant Vendors
	Select Region\Supplier\Commodity group
	SMME
	BBBEE
	Contract value with RLM
Deviations	The Directorate may decide to execute an initiative that is a Deviation from regular SCM practice/policy.
	If the intended expenditure is a Deviation from regular SCM practice/policy, a report will be submitted to the MUNICIPAL MANAGER.

	The MUNICIPAL MANAGER deliberates. If approved, its decision is forwarded to both the requesting Directorate and to Contracts Management. If declined, the decision is forwarded to the user Directorate only.	
	On approval of the Deviation from the MUNICIPAL MANAGER, the user Directorate will create a Purchase Requisition.	
	On approval of the Deviation from the MUNICIPAL MANAGER, Contracts Management will amend the contract date/s on the FINANCIAL SYSTEM.	
	Since Deviations are based on existing contracts, no further documents need to be completed.	
	Once approval of the Deviation is completed, the solution must ensure that the Deviation type of expenditure can be identified for later reporting purposes.	
Exceptions	The Directorate may decide to execute an initiative in excess R200k that is not in the finalized Procurement Plan.	Role to be confirmed that would trigger the process.
	If the intended expenditure is an Exception, the GL account needs to be specified.	
	A Motivation letter for the Exception needs to be compiled. This is forwarded to the Directorate head for approval.	
		Comments required from Acquisition, Legal, Budget Officer – separate documents are required
	The Directorate head approves the Exception and it is forwarded directly to the MUNICIPAL MANAGER.	

	The MUNICIPAL MANAGER committee may either decline or approve the Exception. Whether declined or approved, the reply needs to be forwarded to SCM and the Directorate Head simultaneously. Once approval of the Exception is completed, the solution must ensure that the Exception type of expenditure can be identified for later reporting purposes.	Changing of Procurement Plan.

11. SCM CONTRACTS MANAGEMENT

MINIMUM SPECIFICATIONS
The decision from the Resolution minutes taken at either the BAC is forwarded to Contract Management.
Contracts send successful appointment letter to the SCM UNIT HEAD for approval.
Contracts sends successful approved appointment letter to the Supplier/s. Together with SLA and Contract.
Contracts send unsuccessful letters to Suppliers.
Suppliers written objections/complaints for Tenders are forwarded to Municipal Manager's office for handling.
Suppliers written objections/complaints for under R200k procurements are forwarded to Contracts Director for handling.
Confirm receipt for the Letter of Acceptance, signed Contract and signed SLA from Supplier.
Contracts Management loads the successful award onto the FINANACIAL SYSTEM.
User Directorate creates Purchase Requisition that is linked to the contract.
When contract price adjustment needs to be carried out, the Supplier writes to the user Directorate\Contracts.
Contracts send a Calculations report to MUNICIPAL MANAGER.

BAC recommends, approves, disapproves and forwards to Municipal Manager's office.
City Manager approves and forwards to SCM.
Contracts Section sends letter to Directorate/Vendor
The contract price adjustment is captured on Financial System.
Buyer creates Purchase Order and is automatically released.
Purchase Order information is sent to user Directorate.
Contract performance criteria are established and documented between Department and the Supplier.
The user does contract monitoring Directorate/ SCM Performance Management.
Should the supplier fail to perform, SCM/User Directorate/Legal consult and send warning letters to vendor
A Supplier may elect to withdraw from this contract
Supplier will send a letter to the User Directorate which gets forwarded to Contracts
Contracts discusses with the Supplier and sends a report to the BAC
Contracts could suggest Tender Company 2 on shortlist to BAC or have the contract cancelled.
Contract value is calculated pro-rata for balance on contract period.
This could also result in a re-tender.
When contract's funds are depleted, the user Directorate writes a report to the BAC.
A submission is first sent to the BAC for recommendations.
BAC forwards their recommendations to the Municipal Manager's office.
Municipal Manager's office sends a resolution to Contracts.

Contracts Management updates the value/date on FINANACIAL SYSTEM.

12. SCM SUPPLIER MANAGEMENT

A solution with a WEB interface is required for suppliers to register and manage their company registration with RLM.
The WEB solution should be designed to retain existing RLM 'look and feel' and standards.
The e-Procurement icon should be implemented on the main RLM WEB portal for access to the e-Procurement solution.
The landing page of e-Procurement will contain a Welcome message, followed by the Terms and Conditions that apply. Acceptance of the T& C's will be by means of a Tick/Check box. On declining acceptance, the solution will return the user to the RLM WEB portal home page. On acceptance, access to the e-Procurement solution is allowed.
The user of the e-Procurement WEB solution system will first need to be registered with basic information i.e. Name, Contact number, email address, ID Number.
When registering a company on the WEB solution, the user with basic information captured either will want to be linked with an existing FINANCIAL SYSTEM registered company or may want to register a brand new company.
If the supplier already exists on FINANCIAL SYSTEM, establishing the link between the users created and the company being registered will need to be supported.
A link will be sent in advance via sms/email for those vendors that already exist in FINANCIAL SYSTEM.
Vendors that receive their link in advance via email/sms should login to the e-Procurement solution; Select the option to capture the link details. Thereafter they will be prompted for their ID Number. The solution should validate that the ID number captured is a valid Director/Member/Owner/Proxy of the company, on the Vendor database.
Those WEB users that did not receive their link will be required to contact the Support Desk. The Support Desk will verify their identity number before disclosing the link details.
A single WEB user can be linked to multiple companies being registered or linked. A single company can be linked to multiple valid users.
The WEB solution should disable any "Remember my Password" option.

The user should be allowed to capture/update the following: Business Number, email address, contact person, mobile number, fax, alternative contact number, physical address, postal address.
The Supplier should NOT be allowed to capture/update the following: Company Name, Registration No
The user should be allowed to select between 1 -5 category of commodities.
Categories for commodities should be allowed to be changed only after 6-month intervals from the previous change. Relevant messages would need to be displayed if attempted.
The following MANDATORY documents would need to be uploaded: Sole Proprietorship ( ), Closed Corporations ( ), Limited Companies ( ), Public Companies ( ), Joint Venture ( ), Trust ( ), NGO ( ), Tax Certificate, BEE Certificate, Certified copy IDs (Check with Vendor Registration - max), Please refer to existing RLM Vendor Registration form for precise details.
The following OPTIONAL documents may be uploaded: Proof of Disability, PAYE, UIF, Workman's Compensation
Category of Commodity selected may require certain documents to be mandatory.eg Electrical Services (NERSA). Discuss with business.
The following documents require start and expiry dates: Tax Certificate, BEE Certificate, relevant affiliations.
The following documents, although uploaded, require to be handed in at the SCM Office: Tax Certificate, BEE Certificate.
Provision should be made for Suppliers to classify their registration as a Subcontracted type of business.
Province code needs to be selected on the web portal.
Municipality should be selected thereafter. Municipality selection is not compulsory if a non-Gauteng province is selected.
Region code 1-7 needs to be selected for example if Tshwane Municipality is selected.
Supplier payment status should be displayed for the logged-in Vendor i.e. History, status of payment.
Supplier payment status should only be available to Public User login profile and not to Administrator and Supervisor profiles.
Open Tenders should be available to users, regardless of having logged-in.
Awarded Tenders should be displayed, regardless of having logged-in.
Contact Us Page should display details for specific areas of concern e.g. Business-Related, Financial, ICT Technical, Vendor Portal.
The user should be issued with a unique Reference number when making an inquiry and inquiry progress should be traceable until resolved.

Any User accessing the portal should be allowed to make inquiries using the Contact Us page. Financial or sensitive information should require that the Inquirer report to the SCM offices in person with proof of company and Identity documents.
Registering of complaints would require that the user be logged-in.
The user should be issued with a unique Complaint Reference number and the complaint progress should be traceable.
Vendor registration form declaration details and its implications after verifications. Discrepancies should be blacklisted. What is the process to follow when blacklisting and communicating the information to Treasury?
Supplier should receive email/sms confirmation at different stages of submissions.
Recover lost passwords via company registration, company name, ID number and email
User Help documentation should be available on the portal.
Maximum incorrect login attempts should be 3. Use security questions and combination of email on current records to re-instate.
Credit Card Payment for tender download – get details and start Mygate discussions. Sponsor to be consulted.
When should deregistration be permitted? Business Rules.
Subcontracted company field to be added.
A company mandate letter should accompany the Authorised user for an entity on the VP to be linked to a company.
Only one member of a company can be linked to its VP account.
If a member who is assigned to a company is to be removed as link to the company, the necessary company mandate is required.
Enable/Disable a suppliers registration
Display information on status of bids he responded to.
Subcontracted companies need to be differentiated
Supplier Rotation Formula: Province Code, use Region code for captured in Requisitions, SMME, value of contracts awarded

13. PERFORMANCE MANAGEMENT

MANCO Objectives
Benchmarks
Sample Reports
SCM UNIT HEAD Expectations
SCM Monthly Performance Report
SCM Performance Report for 1st Quarter.
SCM Performance Report for 2nd Quarter.
SCM Performance Report for 3rd Quarter.
SCM Performance Report for 4th Quarter.
SCM Implementation Report for financial year.
Report on all Suppliers to be inactivated at month end for any Business Rule reasons
Report all Suppliers that took more than x number of days to be approved at back office after submitting their details.
Report all Suppliers with unanswered Tender Queries, Objections & General Inquires
Suppliers Tender/Quotation history should be reported on
A report of all FINANCIAL SYSTEM imported vendors that are still to have their details updated and be activated.
A report on vendor's auto removed for incomplete submissions after x number of days.
A report showing discrepancy in data between the Vendor Portal and Back Office.

Report on Supplier Commodity Type changes if within 6-month period.
Report on departmental status of their Procurement Plans in the workflow.
Report for 2k-30k, 30k-200k and above 200k thresholds expenditure by Commodity type & Region for status SMME, Disabled, Youth, Women, economic sector, -
Report where 2k-30k, 30k-200k and above 200k timelines have been exceeded at any stage in the workflow.
Report status in the workflow for all current 2k-30k, 30k-200k and above 200k acquisitions.
Report on Suppliers recommended by the system and who did not respond.
Report classifying above R200k expenditure by Exceptions, Deviations and those from the Procurement Plan.
All department expenditure that is over/under spent against their approved Procurement Plans.
Report payment of Tender documents i.e. Online or Manual payment.
Report all Vendors failing compliancy Checks
Report all Vendors earmarked for Treasury blacklisting.
Report on New, Price adjustment, Depleted funds and Withdrawn Contracts.
Report status in the workflow for all contracts
Report where Contracts timelines have been exceeded at any stage in the workflow.
Report on Contractor Performance.
Report on Contract scorecard updates that have not been done at the period's setup for the contract created.