

**REQUEST FOR QUOTATION (RFQ) FOR APPOINTMENT OF A PAYROLL SERVICE PROVIDER  
TO DELIVER IZIKO'S PAYROLL FUNCTION**

<b>Reference Number</b>	<b>IZIKO_HR PAYROLL_RFQ_202310/16</b>
<b>Description</b>	Request For Quotation (RFQ) for appointment of a payroll service provider – outsourcing of payroll function for Iziko Museums of South Africa
<b>Address</b>	Iziko South African Museum, 25 Queen Victoria Street, Cape Town, 8001
<b>Attention</b>	Noleen Donson and Siphamandla Oupa
<b>Closing date and time for submission</b>	25 October 2023 at 11:30am
<b>Method of delivery</b>	Quotes / Proposals, and accompanying documentation, <b>must be emailed</b> to (SCM) 021 481 3917: <a href="mailto:ndonson@iziko.org.za">ndonson@iziko.org.za</a> and <a href="mailto:soupa@iziko.org.za">soupa@iziko.org.za</a>
<b>Technical enquiries</b>	Lucinda Rudolph (Director Human Resources) Direct Line: +27 (0) 21 481 3986 <a href="mailto:lrudolph@iziko.org.za">lrudolph@iziko.org.za</a>
<b>Name of Company</b>	
<b>CSD Supplier Number (MA.....Number)</b>	
<b>B-BBEE Status Level of Contribution</b>	
<b>Quote Price (Incl Vat)</b>	
<b>Signature</b>	

## BIDDER'S DISCLOSURE (SBD 4)

### 1. PURPOSE OF THE FORM (SBD 4)

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

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<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.2.1 If so, furnish particulars:

.....  
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 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 consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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<sup>2</sup> 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.

3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.  
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature Date

.....  
Position Name of bidder (Company Name)

(SBD 6.1)

**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**

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**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**

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

- 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
<b>PRICE</b>	80
<b>SPECIFIC GOALS</b>	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

- 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:

$$P_s = 80 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where

$P_s$  = 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:

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

Where

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

**4. POINTS AWARDED FOR SPECIFIC GOALS**

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

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

		the organ of state)	
Persons, or categories of persons, historically disadvantaged- (HDI) by unfair discrimination on the basis of	<ul style="list-style-type: none"> <li>• Proof of B-BBEE certificate;</li> <li>• Company Registration Certification</li> <li>• Identification Documentation.</li> <li>• CSD report</li> </ul>		
<b>Race: Black persons (ownership)*</b> 50% or more black ownership = 20 points  Less than 50% black ownership = 10 points  0% black ownership = 0 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

<p>.....</p> <p><b>SIGNATURE(S) OF TENDERER(S)</b></p>
<p><b>SURNAME AND NAME:</b> .....</p>
<p><b>DATE:</b> .....</p>
<p><b>ADDRESS:</b> .....</p> <p>.....</p> <p>.....</p>

**REQUEST FOR QUOTATION (RFQ) FOR APPOINTMENT OF A PAYROLL SERVICE PROVIDER TO DELIVER IZIKO’S PAYROLL FUNCTION**

**1. Background**

Iziko Museums of South Africa (Iziko) is a schedule 3A public entity and non-profit organisation, partly subsidised by the National Department of Sport, Arts & Culture (DSAC), bringing together 11 national museums and a Social History Centre situated in the Western Cape under a single governance and leadership structure. Iziko was established in terms of the Cultural Institutions Act, 1998 (Act No. 119 of 1998) and is required to comply with the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999, as amended) and its concomitant Regulations.

**2. Overview**

Iziko Museums is a public entity which operates within a strict and defined compliance framework. The payroll function is currently provided by the Human Resources department using the SAGE VIP payroll system and managed in-house. A legally compliant payroll department is both a difficult and time-consuming task as legal requirements continually increase and is contained in multiple pieces of legislation governing tax, HR and payroll. In addition, changes to payroll systems adds to the workload further resulting in the payroll function becoming unmanageable.

It is against this background that Iziko extends a call for the submission of a proposal from suitably qualified and experienced SAGE partnered service providers, for the provision of a fully outsourced payroll function.

**3. Scope of Services**

To fully administer and process Iziko’s payroll function by ensuring that employees and 3<sup>rd</sup> party payments



are paid on time. The successful service provider shall be responsible for:

- Processing of all payrolls including the creation of payslips for employees
- All payroll reports
- Employee and third-party payments including Medical Aids, Pension Funds, Garnishees, etc
- Third party payment reconciliations
- Completion of third party schedules
- Submission of returns to SARS and other regulatory authorities
- Mid-year submissions (IRP 5 and EMP501)
- End of year submissions (IRP5 and EMP501)
- Returns for PAYE, UIF and SDL
- Pre-warning of company filing deadlines
- End of year returns to COIDA (return of earnings)
- Submissions to the Department of Labour
- Management of Garnishee Orders and A88 forms
- Applications for Letters of Good Standing
- Uploading of all payments into the bank

#### **4. Additional Information**

##### 4.1 System in use

###### a) Payroll

Application Name: VIP Premier- Payroll & HR,

Version: Premier 6.0b

Data location: on premises hosted

###### b) Finance Management System

Application Name: Sage 300

Version: 2021

Data location: hosted on premises

##### 4.2 The payroll is split into three payment runs:

- Indefinite Payroll (24<sup>th</sup> of each month)
- Fixed-term and Interns payroll (30<sup>th</sup> of each month)
- Disability payment (30<sup>th</sup> of each month)

#### **5. Competency and expertise requirements**

The service provider should be able to demonstrate their success in running the payroll function on behalf of companies with more than 200 employees. The resources assigned to the project should be fully equipped to run the project with no supervision from Iziko Museums.

#### **6. Duration of contract**

The contract will be for 12 months.

#### **7. Mandatory Requirements**

Bidders must comply with all the mandatory requirements outlined below, in order to be able to proceed further to price and preference evaluation.

#### **Evaluation Criteria**

Iziko promotes the concept of “best value” in the award of contracts, as opposed to merely looking for the cheapest price, which does not necessarily provide the best value. Best value incorporates the expertise, experience and technical proposal of the organisation and individuals who will be providing the service and the organisational capacity supporting the project team.

Iziko is committed to achieving Government’s transformation objectives in terms of the Preferential Procurement Policy Framework Act.

- Thereafter assessment of quality will be done in terms of the evaluation criteria (Table 3) and the minimum threshold of **70** points. A bid will be disqualified if it fails to meet the minimum threshold for functionality as per the bid invitation.
- Proposals will be evaluated on the 80/20 preference points scoring system: that is, 80% of the points awarded will be based on price, as indicated in the table below; and 20% of the points awarded will be based on specific goals, allocated as indicated in the table below:

**Table 2 Preferential Points**

	<b>Specific goals allocated points</b>	<b>Price</b>
Total maximum points	<b>20</b>	<b>80</b>

The selected service provider shall be required to indicate their capacity to deliver the services required by Iziko as per the requirements below:

**Table 3: Functionality Criteria**

<b>1.Relevant skills and experience</b>	<b>Description</b>	<b>Weighting</b>
Registered with SAGE as a Business Partner specializing in payroll services		10
Track record of previous work done for clients' payroll. This must be demonstrated by 5 reference letters from five different clients. The reference letters must be on the client's letterhead and must be related to the outsourcing of payroll services and not older than 24 months.	• 5 and above reference letters from previous projects.	15
	• 3-4 reference letters from previous projects.	10
	• 1-2 reference letters from previous projects	5
Bidder's past experience in providing outsourced payroll services to organizations with a staff complement of 200+	• 5 years and more	15
	• 3-4 years' experience	10
	• 2 years' experience	5
Ability to provide payroll function for the period of twelve months as per scope of work.		10
<b>2. Proposed approach/ methodology:</b>		
Methodology for undertaking the deliverables and demonstrate an in depth understanding of the entire payroll function and ability to deliver on time for the duration of the 12 months.	• Excellent process outlined.	20
	• Average process outline	10
	• Poor process outline	5
<b>3. Internal capacity for the project</b>		

<ul style="list-style-type: none"> <li>• Proposal should clearly indicate whether or not the bidder have the internal capacity or Qualification of the Project Lead:</li> <li>• The Project Lead must have an NQF 7 Qualification in Human Resources/Finance or related field with minimum eight years' experience in payroll in which three years should be at specialised level.</li> </ul>	<ul style="list-style-type: none"> <li>• Master's degree in business administration, Human Resources, Law, Public Administration, or related field.</li> <li>• Bachelor's degree in business administration, Human Resources, Law,</li> </ul>	<p>10</p> <p>5</p>
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	Public Administration, or related field. <ul style="list-style-type: none"> <li>National Diploma in Business Administration, Human Resources, Law, Public Administration, or related field.</li> <li>Certificate Business Administration, Human Resources, Law, Public Administration, or related field.</li> </ul>	3  2
1. Proposal should clearly indicate whether or not bid participants have the experience to meet the requirements to quote. 2. The bidder must give an indication of the proposed team, <ul style="list-style-type: none"> <li>Submit brief CV of each member.</li> <li>Team member must have a minimum of 5 years' relevant experience and</li> <li>understanding of the work required.</li> </ul>	All CV's of team Members  5 years' experience or more 3 – 4 years' experience 2 – 3 years' experience 1 – 0 years' experience	20  10 5 3 0
<b>Total Scoring</b>		100

**Bidders are required to achieve a score of 70 points in order to be considered for the BBEE and Price evaluations.**

### 7.1 Pricing

Price is an important factor as it ensures optimum value for money and should take into account the full duration of the contracting period. A cost schedule detailing, inclusive of VAT, any disbursements, including delivery costs, as well as escalations, if applicable, etc. must be provided in the table below.

**Table 4: Cost Schedule**

<b>No</b>	<b>Service Description</b>	<b>Costing per</b>
1	Payroll Services to be done monthly for the duration of 12 months for the following companies: <ul style="list-style-type: none"><li>• Indefinite Payroll –by the 15<sup>th</sup> of each month</li><li>• Fixed term and Interns payroll –by the 20<sup>th</sup> of each month.</li><li>• Disability payment –by the 28<sup>th</sup> of each month</li><li>• Third party payments to be completed by the 30<sup>th</sup> of each month including reconciliations.</li><li>• Prepare the files and load in the financial management system</li><li>• Close the payrun and perform backup procedures. Systems backups must be done before the start of the payrun</li><li>• Submit statutory requirements for Compensation Commission</li><li>• Perform tax reconciliations.</li><li>• Prepare IRP5 certificates</li><li>• UIF submission</li></ul>	
	<b>Disbursement's escalations if applicable for the duration of the contract</b>	
	<b>Total Excluding VAT</b>	
	<b>VAT 15%</b>	
	<b>Total including VAT</b>	

## 8. Compliance Documents

Service Providers must submit all documents as outlined in **Table 5 Compliance Documents** below.

**Table 5: Compliance Documents**

1	Central Supplier Database Report – with supplier number and company details ( <a href="http://www.csd.gov.za">www.csd.gov.za</a> ) and Tax Status Verification Pin together with tax registration number.
2	Detailed pricing structure: A cost schedule detailing full cost breakdown, inclusive of VAT, any disbursement, and escalations, if applicable, etc. for the entire duration of the proposed contract must be provided.
3	A Valid B-BBEE Certificate or Sworn Affidavit to determine the Service provider's status level.
4	Annexure C - Confidentiality and Non-Disclosure Agreement.
5	SBD 4 – Bidders Disclosure.
6	Sb 6.1 Preference Points Claim Form In Terms Of The Preferential Procurement Regulations 2022

**Note: Failure to supply any of the compliance documents stipulated may lead to the quote not being considered.**

## 10. Formal Contract

- a) The proposal and appended documentation read together form the basis for an agreement to be negotiated and concluded in a formal contract between Iziko and the preferred Service Provider.
- b) A mere offer and acceptance shall not constitute a formal contract of any nature for any purpose between Iziko and the preferred Service Provider/s.

## 11. General Principles

- a) The lowest or only quotation received will not necessarily be accepted.
- b) Iziko and its Council reserves the right to accept or reject any quotation in response to the Request to Quote and to withdraw its decision to seek the provision of these services at any time.