

**PROVISION OF TREASURY MANAGEMENT SYSTEM, SUPPORT AND MAINTAINANCE OVER A PERIOD OF FIVE (5) YEARS FOR CEF SOC LTD.**

**TECHNICAL EVALUATION CRITERIA**

**1. EVALUATION CRITERIA**

**1.1 PHASE 1**

**Administrative Evaluation Criteria**

**Initial Screening Process:** At this phase bidder's response are reviewed to check if bidders have responded according to CEF (SOC) Ltd RFP document.

**1.2 PHASE 2**

**Mandatory Requirements**

Bidder must indicate their compliance/ non-compliance to the following requirements and substantiate their statement as required. The bidder must respond in the format below, where additional information is provided/ attached somewhere else; such information must be clearly referenced.

<b>1.2.1 CERTIFIED OWNERSHIP/PARTNERSHIP</b>	<b>Comply</b>	<b>Not Comply</b>
Bidder must be the owner or authorised reseller of the proposed solution.		
<b>Bidder must provide valid ownership or partnership letter.</b>		
<b>Substantiate / Comments</b>		

<b>1.2.2 ERP Integration</b>	<b>Comply</b>	<b>Not Comply</b>
The proposed solution should therefore be able to export transactions into the Sage 300 ERP to optimise the solution's functionality.		
<b>Please indicate how this will be done and provide the file format /database which your system can accommodate.</b>		
<b>Substantiate / Comments</b>		

1.2.3 Connection to External Market Databases	Comply	Not Comply
<p>The solution should be able to connect with external market databases (Refinitiv) and be able to import into the database.</p> <p><b>The bidder should provide the certified letter to confirm that the system can connect to the external database (Refinitiv)</b></p>		
<b>Substantiate / Comments</b>		

1.2.4 Commercial Availability and Local Presence	Comply	Not Comply
<p>The solution should be commercially available, and the bidder should provide the latest software version, including a roadmap on future updates.</p> <p><b>Bidder must have footprint and roadmap in South Africa.</b></p> <ul style="list-style-type: none"> <li>- Footprint – Submit a letter confirming the address in South Africa</li> <li>- Roadmap – provide solution roadmap</li> </ul>		
<b>Substantiate / Comments</b>		

1.2.5 System Integration	Comply	Not Comply
<p>The system must be compatible with other ERP systems</p> <p><b>Bidder must provide a list of ERP systems (minimum 3) that the proposed systems can integrate with.</b></p>		
<b>Substantiate / Comments</b>		

### 1.3 PHASE 3

#### Technical evaluation

Bidders will be evaluated according to the below technical evaluation criteria. Minimum Technical Threshold is **70%**. It must be noted that if the Bidder does not meet the **70%** minimum threshold, the bidder will be disqualified and not be evaluated further.

Minimum Technical Threshold 70%		
Technical Information	Proof of documents	Weighting Percentage
<b>1.3.1 Company Experience</b>		
<p>The company must have delivered a minimum 3 customer installations where the system actually supports <b>Treasury Management</b></p> <p><b>Please provide signed reference letters on Client Letterhead as proof that the proposed solution support treasury management</b></p>	<p>Signed reference letter on a client letterhead with a brief description of work done</p>	<p><b>10%</b></p>

Technical Information	Proof of documents	Weighting Percentage
<b>1.3.2 Front Office</b>		
<p>The proposed solution must meet the following required system capabilities:</p> <ol style="list-style-type: none"> <li>The Capital Markets module must provide comprehensive functionality for loans and bonds, including: <ul style="list-style-type: none"> <li>Short term, long term, pre-payable, perpetual etc.</li> <li>Multiple drawdowns in same/multiple currency with specific terms for each tranche.</li> <li>Fixed/Floating Rate and multiple 'switch' options over life.</li> <li>All interest calculation types, including zero-coupon.</li> <li>Floating rates assigned to variable rate debt at rollover.</li> <li>Margins – variable step up/down over life.</li> <li>All possible repayment terms including irregular and non-standard.</li> <li>Flexible prepayments including once-off repayments.</li> <li>Mark-to-Market and accounting revaluations.</li> </ul> </li> <li>Ability to capture Deal/Contract booking for Money Market: <ul style="list-style-type: none"> <li>Current/Call Accounts</li> <li>Deposits</li> <li>Deposit Rollover/Linking</li> <li>Interest Bearing Instruments</li> <li>Discounting Instruments</li> <li>Money Market Funds</li> <li>Repos</li> </ul> </li> <li>Ability to perform the following foreign exchange functions: <ul style="list-style-type: none"> <li>Spot</li> <li>Forward</li> </ul> </li> </ol>	<div></div> <div></div>	<div></div> <div> <p>Provide product brochure with the list of required system capabilities.</p> <p><b>15%</b></p> </div>

<ul style="list-style-type: none"> <li>• Mature/part-mature/roll FX Contracts</li> <li>• Swap</li> </ul> <p>4. System should have Instruments with various Interest Rates requirements, including:</p> <ul style="list-style-type: none"> <li>• Fixed Rate</li> <li>• Floating Rate</li> <li>• Zero Coupon</li> <li>• Discounted</li> <li>• Margins, including Step-Up/Down</li> </ul> <p>5. Ability to Revalue to Base Currency</p> <p>6. Multicurrency function</p> <p>7. System must have Instruments with various Fee requirements, including:</p> <ul style="list-style-type: none"> <li>• Commitment Fee</li> <li>• Utilization Fee</li> <li>• Annual Fee</li> </ul> <p>8. The system must have different calculation bases, including:</p> <ul style="list-style-type: none"> <li>• Flat Fee</li> <li>• % Based on Outstanding</li> <li>• % Based on Original</li> </ul> <p>9. Have all derivatives functions</p> <p>10. Ability to link Hedge Contracts to underlying Exposures and monitor hedge effectiveness</p> <p><b>Please provide product brochure with the list of required system capabilities.</b></p>			
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Technical Information	Proof of documents	Weighting Percentage
<b>1.3.3 Back Office</b>		
<p>The proposed solution must meet the following required system capabilities: Support a segregated, automated payment process with in-built controls and automated assignment of SSI's</p> <ul style="list-style-type: none"> <li>• By Counterparty</li> <li>• By Currency</li> <li>• By Contract type</li> </ul> <p><b>Please provide product brochure with the list of required system capabilities.</b></p>	<p>Provide product brochure with the list of required system capabilities.</p>	<p><b>10%</b></p>

Technical Information	Proof of documents	Weighting Percentage
<b>1.3.4 Middle Office</b>		
<p>The proposed solution must meet the following required system capabilities:</p> <ol style="list-style-type: none"> <li>1. The system should have the ability to set and Monitor Various Limits, including: <ul style="list-style-type: none"> <li>• Counterparty Limit</li> <li>• Contract Type Limit</li> <li>• Tenor Limit</li> <li>• Daily settlement</li> </ul> </li> <li>2. The system should have the ability to adjust for Currency Volatility on Limit Consumption.</li> <li>3. The system should have the ability to upload all relevant Market Rates/Prices including: <ul style="list-style-type: none"> <li>• FX</li> <li>• Interest Rate</li> <li>• Bond</li> <li>• Index Value</li> </ul> </li> <li>4. Ability to Mark-to-Market all contracts/transactions in real time based on latest market rates</li> <li>5. Have segregated confirmation capabilities for all contract types: <ul style="list-style-type: none"> <li>• By hardcopy</li> <li>• Electronic</li> <li>• By Phone</li> </ul> </li> <li>6. Allow Multi-curve functionality with configurable yield curve build</li> <li>7. Allow flexibility to assign different curves to different types of contracts</li> <li>8. Ability to add 'what-if' transactions</li> <li>9. Ability to add 'what-if' market rates</li> <li>10. Have reporting capabilities to analyse scenarios</li> </ol> <p><b>Please provide product brochure with the list of required system capabilities.</b></p>	<p>Provide product brochure with the list of required system capabilities</p>	<p><b>10%</b></p>

Technical Information	Proof of documents	Weighting Percentage
<b>1.3.5 Cash Management</b> <p>The proposed solution must meet the following required system capabilities:</p> <ol style="list-style-type: none"> <li>1. The system should allow multi-entity, multi-currency cashflow forecasting with: <ul style="list-style-type: none"> <li>• automated presentation of treasury cashflows</li> <li>• ease of upload of non-treasury flows</li> <li>• remote user access/input</li> <li>• ability to 'lock' forecasts</li> <li>• actual vs forecast comparison and tracking</li> </ul> </li> <li>2. Allow retention of cashflow history and ability to modify and use as new projection.</li> <li>3. Allow automated upload of bank account balances and current view/presentation of cash position.</li> <li>4. Allow automated upload of bank account cash movements and reconciliation for treasury flows.</li> <li>5. Allow users to configure reconciliation rules.</li> <li>6. Have cash Pooling facility to mirror bank account configuration</li> </ol> <p><b>Please provide product brochure with the list of required system capabilities</b></p>		
	<p>Provide product brochure with the list of required system capabilities</p>	<p><b>12.5%</b></p>



Technical Information	Proof of documents	Weighting Percentage
<b>1.3.6 Liquidity Management</b>		
<p>The proposed solution must meet the following required system capabilities:</p> <ol style="list-style-type: none"> <li>1. Ability to define 'Liquidity Rank' per type of contract</li> <li>2. Ability to report liquidity ladders by Liquidity Rank</li> <li>3. Asset/Liability Gap Reporting</li> <li>4. Have facility undrawn balance reporting</li> </ol> <p><b>Please provide product brochure with the list of required system capabilities</b></p>	<p>Provide product brochure with the list of required system capabilities</p>	<p><b>10%</b></p>

Technical Information	Proof of documents	Weighting Percentage
<b>1.3.7 Accounting</b>		
<p>The proposed solution must meet the following required system capabilities:</p> <ol style="list-style-type: none"> <li>1. Ability to input/create Chart of Accounts</li> <li>2. Ability to define Accounting Rules in relation to FX Rates for Translation/Revaluation</li> <li>3. User flexibility to define all necessary rules e.g. <ul style="list-style-type: none"> <li>• Account from Deal Date or Cashflow Date</li> <li>• Reverse Accruals on First Day or Last Day of Next Period</li> </ul> </li> <li>4. Ability to automatically generate account postings for: <ul style="list-style-type: none"> <li>• Treasury Receipts/Payments for Interest, Fees and Principal</li> <li>• Accruals/Prepayments on booked treasury transactions</li> <li>• Revaluations of treasury contracts</li> </ul> </li> </ol> <p><b>Please provide product brochure with the list of required system capabilities</b></p>	<p>Provide product brochure with the list of required system capabilities</p>	<p><b>10%</b></p>

Technical Information	Proof of documents	Weighting Percentage
<b>1.3.8 Project Methodology/approach</b>		
<p>The Bidder should demonstrate their methodology/strategy in designing and implementing Treasury management system</p> <p><b>Please provide project methodology in designing and implementing treasury management system</b></p> <p><b>Project methodology should include the following</b></p> <ol style="list-style-type: none"> <li>1. Optimized project plan indicating deliverables with timelines.</li> <li>2. Breakdown of work structure showing activities &amp; key deliverables</li> <li>3. Project quality management plan</li> <li>4. Project risk management plan</li> <li>5. Project communication plan</li> <li>6. Submit structure or composition of team showing roles and responsibilities.</li> <li>7. Budget allocation for each key deliverable</li> <li>8. Submit a skills transfer plan.</li> </ol>	<p>Please provide project methodology in designing and implementing treasury management system</p>	<p><b>7.5%</b></p>

Technical Information	Proof of documents	Weighting Percentage
<b>1.3.9 Experience of the Project Manager</b>		
<p>The Project Manager that will be managing the project must have a minimum of five (5) years' experience in similar service:</p> <p><b>Please provide the C.V of the project manager demonstrating requisite experience.</b></p>	<p>Provide a copy of a C.V. of the Project Manager detailing the relevant years of experience in similar service.</p>	<p><b>2.5%</b></p>

Technical Information	Proof of documents	Weighting Percentage
<b>1.3.10 System Availability</b>		
<p>The system must be able to have guaranteed up-time of 99.5%.</p> <p>The bidder must provide a support proposal which must ensure the required system up-time of 99,5% which will be assessed on the appropriateness and applicability to the CEF SOC operating environment.</p>	<p>Provide a support proposal which must ensure the required system up-time of 99,5%</p>	<p><b>2.5%</b></p>

<b>1.3.11 Service Level Agreement</b> All service providers must provide a draft copy of the Service Level Agreement (SLA) in their response. The draft Service Level Agreement (SLA) must include the following requirements:		
Evaluation Criteria	Document as Evidence	Weighting %
<b>1.3.11.1 High Priority Incidents (Level 1)</b> Turnaround time for restoring Treasury management system when it is not accessible:	Draft SLA	2.5%
Evaluation Criteria	Document as Evidence	Weighting %
<b>1.3.11.2 Medium Priority Incidents (Level 2)</b> Turnaround time for restoring critical fault: a major function or component of the Treasury system is unusable	Draft SLA	2.5%

Evaluation Criteria	Document as Evidence	Weighting %
<b>1.3.11.3 Low Priority Incidents (Level 3)</b> Turnaround time for restoring non-critical system service that is down:	Draft SLA	2.5%
Evaluation Criteria	Document as Evidence	Weighting %
<b>1.3.11.4 Updates and Changes</b> Turnaround time for implementing enhancements and reporting requests	Draft SLA	2.5%

#### 1.4 PHASE 4

## COMMERCIAL EVALUATION

Bidders also will be evaluated on Price and B-BBEE

<b>Evaluation Criteria</b>	<b>Final Weighted Scores</b>
Price	80
B-BBEE - Scorecard	20
<b>TOTAL SCORE:</b>	<b>100</b>