



**Request for Proposals (RFP)**

**Appointment of a service provider to provide a Cloud-Based Finance System to Agrément South Africa for a Period of 3 years.**

<b>RFP Number</b>	ASA 08/2023
<b>Date of Issue</b>	24 October 2023
<b>Compulsory Briefing Session</b>	06 November 2023 @13:00pm <a href="#">Click here to join the meeting</a>
<b>Closing Date &amp; Time</b>	20 November 2023 @11:00am  <b>NO LATE SUBMISSIONS WILL BE ACCEPTED</b>
<b>Submissions</b>	<a href="mailto:procurement@agrement.co.za">procurement@agrement.co.za</a>

**All enquiries may be directed to:**

[procurement@agrement.co.za](mailto:procurement@agrement.co.za)

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## **1. BACKGROUND**

The Agrément South Africa Act was assented to by the Honourable President of the Republic of South Africa as Act No 11 of 2015 from 1 April 2017. Agrément South Africa was established as a Schedule 3A entity on 1 April 2017. The entity operates under a delegation of authority from the Minister of Public Works.

The main objectives are:

- To provide assurance of fitness-for-purpose of non-standard construction-related products and systems to specifiers and users.
- To support and promote the process of integrated socio-economic development in the Republic as it relates to the construction industry.
- To support and promote the introduction and use of certified non-standardized construction-related products or systems in the local or international market.
- To support policymakers in minimizing the risk associated with the use of non-standard construction-related products or systems; and
- To be an impartial and internationally acknowledged South African centre for assessment and confirmation of fitness-for-purpose of non-standard construction-related products or systems.

## **2. INVITATION FOR PROPOSALS**

These terms of reference are intended to provide a scope of work and deliverables to appoint a service provider to provide an efficient and fully functional cloud-based finance system that meets the criteria for 08 primary and 20 secondary users.

## **3. SPECIFICATIONS**

The outputs of the required system should include the following:

### **3.1. General Ledger**

- Chart of accounts
- Workflow /approval levels for transaction processing
- Workflow /approval levels for journals
- Month and Year-End Closing
- Basic Financial Statements

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- Sub-Ledgers (debtors and creditors/cashbook/and bank)
- Recurring Transactions
- Drill Down capability for analysis
- Detailed General Ledger.
- Grant funding management
- project accounting (Module to be available to 20 secondary users)
- Regulatory compliance support

### **3.2. Procure to Pay**

- 3-way matching of Purchase Order to Invoice to Payment

### **3.3. Supply Chain Management**

- Purchasing: Acquisition of goods & services as well as Bid Management
- Contract Management
- Travel Management (Budget, commitment, actual, variance)
- (requisition to purchase order)
- Supplier Database Management
- Supplier performance
- Exception reports

### **3.4. Bank and Cash**

- Cashbook module
- Bank Reconciliations
- Cash flow reporting

### **3.5. Accounts Payable Module**

- Vendor Master File
- Purchasing Controls
- Payable Analysis/ ageing
- Automated/recurring payments
- Invoices capture and payment matching
- Accruals
- Accounts Payable Reconciliation

### **3.6. Accounts Receivable Module**

- Customer Master File
- Cash receipts
- Debtors Age Analysis
- Debt collection
- Recurring Revenue Management
- Accounts Receivable Reconciliation
- Accounting for income received in advance

### **3.7. Budgeting**

- Review past budgets
- Create New Budgets (Monthly, quarterly and annually)
- Forecasting
- Make and track changes to budget
- Allow 3 to 5-year budgets for the Annual Performance Plan and medium-term expenditure framework.

### **3.8. Fixed Assets**

- Must have the basic information that is required in terms of GRAP
- (Date, description, serial number, asset number, useful life, amount, condition, location etc)
- Barcode/RFID Tracking
- Maintenance Tracking
- Depreciation Calculation taking into account residual values
- Fixed Asset summary report in line with GRAP standards (Cost, Accumulated depreciation, book value) (Depreciation, Write-off, additions, disposals, etc.)

### **3.9. Management Account and Quarter Reports**

- Balance sheet
- Income Statement
- Cash Flow Statements
- Statement of Changes in equity
- Basic Management Accounting Report
- Budget versus Actual Report (current month, quarter and year-to-date)
- Spent versus Future Forecast Reports
- Assets /Depreciation Reports
- Revenue Reports
- Cost centre reporting (4 levels) (Unit, Programme, Budget, etc)
- List of monthly payments

### **3.10 Processing of claims**

- An added advantage would be if the system had workflow for claims to be processed.

### **3.11 General**

For all the modules, the system shall provide for the following:

- Different access for different groups of users (Master User, Administrators, Management Committee, Supervisors, Staff).
- Autosave and logout after a period of inactivity

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- Audit trail availability to capture all actions performed by users
- Auto backup of data on the server daily (a full cloud hosted solution is preferred)
- Allow users to generate reports using standard reports or ad-hoc queries.
- All reports to be available for export to Word, Excel, PDF, or other formats.
- Able to generate graphical charts on the report data.
- The solution platform should have an open API capability, to facilitate any future interfaces or integration requirements with other application systems.

### **3.12. Change Management and Training**

The following materials and information are to be provided to assist with training of users and ensure smooth adoption of the system. The Gallery shall have the right to reproduce unlimited copies of such document for internal use without any additional cost.

- Digital training guides
- Interactive training guides/Training videos
- Change Framework and Change Project Plan
- Advanced comprehensive training must be provided.
- The tenderer shall conduct a minimum of two (2) mass presentation briefings and training to all staff on the usage of the system.
- The Gallery can request for more training sessions with the aim to ensure adequate training are provided to all the relevant staff using the system.

### **3.13. Technical Requirements**

- The application must be a cloud-based solution.
- The application must have as its underlying database Microsoft SQL Server. File based databases will not be accepted.
- The application must have a supported Windows-compatible installation.
- The application must be web-based with support for the latest SSL encryption standards (e.g., TLS 1.2 and 1.3) as well as secure cipher suites.
- The application must support a highly available presentation and database layer.
- The application must support customizable role-based access control as a minimum.

- The application must have password complexity and expiry for built-in accounts and support for Active Directory (Native AD or LDAPS) integration for login accounts.
- Passwords in the database should be encrypted when stored.
- Technical support must include application and security updates and alerts for known vulnerabilities on a regular basis.
- The application must have built-in audit trail functionality for all transactions.
- The application must have an alerts and reminders function for critical events that must go to targeted users.
- The application must have a seamless electronic interface for exchanging information between the finance functions and HR system (e.g., payroll)
- The application must have an easy-to-use and user-friendly administration function for allowing ASA to perform tasks such as creation/modification/deletion of user accounts, defining access rights, initiation of application-level backup and restore and performing of batch updates.

### **3.14. User requirements**

- Migration of existing finance system (current systems will be provided upon request for security reasons)
- User and Administrative training
- Technical Training

## **4. SUBMISSION OF PROPOSALS AND EVALUATION CRITERIA**

### **4.1 Submission of procurement documents.**

- Latest National Treasury's Central Supplier Database (CSD) report. It must be noted that no contract with a service provider will be entered if such a service provider is not registered on the CSD,
- Completed and signed standard bidding documents, **SBD 1, SBD 3.1, SBD 4 and 6.1 forms.**
- Signed General Conditions of Contract.

#### 4.2. Mandatory Requirements:

- Completed price schedule.

**NB: FAILURE TO MEET ANY OF THE MANDATORY REQUIREMENT ON 4.2 ABOVE WILL LEAD THE BIDDER TO BE DISQUALIFIED.**

#### 4.3. Evaluation

##### 4.3.1. Phase 1: Technical Specification and Functionality Evaluation

The bids shall first be evaluated for functionality. A **minimum score of 65%** must be obtained on functionality before a proposal is considered for further evaluation. Details of the functionality scoring and how the points shall be allocated are as follows:

	<b>Description</b>	<b>Weight (%)</b>
1	<b>Company Experience</b>  Number of years the company has been in business.  <b>Minimum 3 years' experience in providing finance system or similar solutions.</b>  <b>A company profile clearly indicating the number of years in providing finance system or similar solutions must be submitted as evidence.</b>  <ul style="list-style-type: none"><li>Has less than 3 years' experience = 0 points</li><li>Has 3 – 5 years' experience = 3 points</li><li>Has more than 5 years = 5 points</li></ul>	20
2	<b>Methodology and Approach</b>  Information containing the specific steps, resources and timing associated with the approach for the delivery of the services should be detailed in the proposal. Detail regarding the migration process should be explained. The proposal should include a <b>list</b> of deliverables and the associated turnaround times that are aligned to the services required as set out in paragraph 3 above.	30

	<p>Methodology clearly explains detailed approach, migration process and turnaround times = 5 Points</p> <p>Methodology does not clearly explain detailed approach, migration process and turnaround times = 3 Points</p> <p>No methodology submitted = 0 Points</p>	
3	<p><b>Reference Letters</b></p> <p>References where similar work was done. The service provider must have dealt with various organizations from large to small-scale employees.</p> <p>The bidder must provide at least three signed and dated client/company references (with contact numbers) within the past 3 years (<b><i>Unsigned and undated letters will result in bidder scoring zero</i></b>)</p> <p>4 and above reference letters = 5 points</p> <p>3 reference letters = 3 points</p> <p>No reference letters = 0 points</p>	30
4	<p><b>Project Manager Experience</b></p> <p>The project manager must submit the detailed Curriculum Vitae.</p> <p>4 and above years' experience = 5 points</p> <p>2 – 3 years' experience = 3 points</p> <p>Less than 2 years' experience = 0 points</p>	20
	<b>Total</b>	<b>100 %</b>

The following formula will be used to convert the points scored against the weight:

$$Ps = \left( \frac{So}{Ms} \right) \times \text{weighting percentage for section under consideration}$$

Where:

Ps = Percentage scored for functionality by bid under consideration

So = Total score of bid under consideration

Ms = Maximum possible score

Service providers will be expected to achieve a minimum threshold score of 65% in order to proceed to Phase 2.

#### 4.2.2. Phase 2: Calculation of points

Please note for acquisitions below or equal to R50 Million, ASA evaluates these in terms of the 80/20 preference point system where:

80 points are allocated for price and 20 points will be awarded based on the specific goals.

Points for price will be calculated for all shortlisted service providers in accordance with the following formula:

$$Ps = 80 \left( 1 - \frac{Pt - P_{\min}}{P_{\min}} \right)$$

Where:

Ps = Points scored for the price of the quotation under consideration

Pt = Price of the quotation under consideration

Pmin = Price of lowest acceptable quotation

Preference points for the specific goals will be allocated as follows:

NO.	SPECIFIC GOALS ALLOCATED POINTS	PREFERENCE POINTS ALLOCATION	SUPPORTING EVIDENCE TO BE SUBMITTED
1.	SMMEs	10 points	<ul style="list-style-type: none"> <li>- A B-BBEE certificate /sworn affidavit as supporting evidence.</li> <li>- CSD report.</li> </ul>
2.	>50% Black female ownership	5 points	<ul style="list-style-type: none"> <li>- CSD report or,</li> <li>- Company registration certificate, as issued by the CIPC, clearly indicating the percentage shareholding of all owners</li> </ul>
3.	>50% Black youth ownership	5 points	<ul style="list-style-type: none"> <li>- CSD report,</li> <li>- Company registration certificate, as issued by the CIPC, clearly indicating the percentage shareholding of all owners, or</li> <li>- Identification Documentation of all owners</li> </ul>

The final points will be calculated as follows:

CRITERIA	WEIGHTING POINTS
Price	80
Specific goal	20
<b>TOTAL</b>	<b>100</b>

ASA also reserves the right to conduct an investigation of the bidder's financial position, previous contracts carried out, availability of skills or knowledge, existing workload, etc.

A recommendation for award will then be formulated for approval by the relevant delegated authority.

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## 5 TERMS OF CONTRACT AND SERVICE LEVEL AGREEMENT

Before the bid is awarded, the successful bidder shall be required to enter into a Service Level Agreement (SLA) with Agrément South Africa (ASA). The SLA shall form the contractual basis for the delivery of the service as well as how performance shall be measured. Contract extensions are at the sole discretion of ASA.

## 6 PRICE SCHEDULE

Item no	Item Description	Year 1 (R)	Year 2 (R)	Year 3 (R)	Total Price
01	Cost of the System (Annual Fee)				
02	Installation Cost				
02	Migration				
03	Support (Annual Fee)				
04	Advanced Training for 8 Primary users (Virtual)				
05	Advanced Training for 20 secondary users (Virtual)				
<b>TOTAL AMOUNT (EXCL VAT)</b>					
<b>15% VAT</b>					
<b>TOTAL AMOUNT (ALL INCLUSIVE)</b>					

## 7 COPYRIGHT AND INTELLECTUAL PROPERTY RIGHTS.

In consideration of the fees paid, the service provider expressly assigns to ASA any copyright arising from the works the consultant produces while executing this contract. The consultant may not use, reproduce or otherwise disseminate or authorise others to use, reproduce or disseminate such works without prior consent from ASA.

## 8 FINAL APPROVAL

ASA reserves the right not to accept the lowest bid. ASA also reserves the right to reject any or all of the proposals, and/or not to appoint any service provider.

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## **9 PROCEDURE FOR SUBMISSION OF PROPOSALS**

- 9.1 All proposals must be submitted electronically to [procurement@agrement.co.za](mailto:procurement@agrement.co.za).
- 9.2 Respondents must use the RFP number as the subject reference number when submitting their bids.
- 9.3 All documents submitted electronically via e-mail must be clear and visible.
- 9.4 All proposals, documents, and late submissions after the due date will not be evaluated.

**NB: NO HARD COPIES OR PHYSICAL SUBMISSIONS WILL BE ACCEPTED**

## **10 VALIDITY PERIOD OF PROPOSAL**

Each proposal shall be valid for a minimum period of **120 days** calculated from the closing date.

## **11 APPOINTMENT OF SERVICE PROVIDER**

- 11.1 The contract will be awarded to the bidder who scores the highest total number of points during the evaluation process, except where the law permits otherwise.
- 11.2 Appointment as a successful service provider shall be subject to the parties agreeing to mutually acceptable contractual terms and conditions. In the event of the parties failing to reach such agreement, ASA reserves the right to appoint an alternative supplier.
- 11.3. Awarding of contracts will be announced on the National Treasury website, and no regret letters will be sent to unsuccessful bidders.

## **12 ENQUIRIES AND CONTACT WITH ASA**

- 12.1 Any enquiry regarding this RFP shall be submitted in writing to ASA at [procurement@agrement.co.za](mailto:procurement@agrement.co.za) with RFP No: ASA 08/2023 "Appointment of a service provider to provide a Cloud-Based finance system for Agrément South Africa.
- 12.2 Any other contact with ASA personnel involved in this Proposal is not permitted during the RFP process other than as required through existing service arrangements or as requested by ASA as part of the RFP process.

## **13 MEDIUM OF COMMUNICATION**

All documentation submitted in response to this RFP must be in English.

## **14 COST OF PROPOSAL**

Bidders are expected to fully acquaint themselves with the conditions, requirements, and specifications of this RFP before submitting proposals. Each bidder assumes all risks for resource commitment and expenses, direct or indirect, of proposal preparation and participation throughout the RFP process. ASA is not responsible directly or indirectly for any costs incurred by tenderers.

## **15 CORRECTNESS OF RESPONSES**

- 15.1 The bidder must confirm satisfaction regarding the correctness and validity of their proposal and that all prices and rates quoted cover all the work/items specified in the RFP. The prices and rates quoted must cover all obligations under any resulting contract.
- 15.2. The bidder accepts that any mistakes regarding prices and calculations will be at their own risk.

## **16 VERIFICATION OF DOCUMENTS**

- 16.1 Bidders should check the numbers of the pages to satisfy themselves that none are missing or duplicated. ASA will accept no liability concerning anything arising from the fact that pages are missing or duplicated.
- 16.2 Only one electronic copy of the proposal must be submitted via email to [procurement@agreement.co.za](mailto:procurement@agreement.co.za). If the bidder sends more than one proposal, the first submission shall take precedence should it not have been recalled/withdrawn in writing by the bidder.

## **17 ADDITIONAL TERMS AND CONDITIONS**

- 17.1 A tenderer shall not assume that information and/or documents supplied to ASA, at any time prior to this request, are still available to ASA, and shall consequently not make any reference to such information document in its response to this request.

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- 17.2 Copies of any affiliations, memberships and/or accreditations that support your submission must be included in the tender.
- 17.3 An omission to disclose material information, a factual inaccuracy, and/or a misrepresentation of fact may result in the disqualification of a tender, or cancellation of any subsequent contract.
- 17.4 Failure to comply with any of the terms and conditions as set out in this document will invalidate the proposal.

## **18 ASA RESERVES THE RIGHT TO:**

- 18.1 Extend the closing date.
- 18.2 Verify any information contained in a proposal.
- 18.3 Request documentary proof regarding any tendering issue.
- 18.4 Appoint one or more service providers, separately or jointly (whether or not they submitted a joint proposal).
- 18.5 Award this RFP as a whole or in part.
- 18.6 Cancel or withdraw this RFP as a whole or in part

## **19 DISCLAIMER**

This document is only a RFP is a request for proposals only and not an offer document. Answers to this RFP must not be construed as acceptance of an offer or imply the existence of a contract between the parties. By submission of this proposal, tenderers shall be deemed to have satisfied themselves with and to have accepted all Terms & Conditions of this RFP. ASA makes no representation, warranty, assurance, guarantee or endorsements to tenderer concerning the RFP, whether with regard to its accuracy, completeness or otherwise and ASA shall have no liability towards the tenderer or any other party in connection therewith.

## **20 POPIA.**

Protection of Personal Information - All bidders agree that personal information of persons related to or linked with bidders or respondents to this request for proposals may be required to fulfil the requirements for submitting a bid. All bidders agree that the ASA may collect, keep and process such information provided that the aforesaid uses shall be for purposes of evaluating the bid submitted. Where the information is sought to be used for other purposes, further and specific consent shall be obtained.

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