



PROPOSAL NO: RFP CORP(ICT) 05/2021

PROSPECTIVE BIDDERS ARE INVITED FOR DETAILED PROPOSALS FOR THE SUPPLY, DELIVERY, SUPPORT AND MAINTENANCE OF AN INTEGRATED FINANCIAL SYSTEM THAT COMPLIES WITH MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA) FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

NAME OF TENDERER: _____
CENTRAL SUPPLIER _____
DATABASE (CSD) MAAA _____
TAX COMPLIANCE STATUS _____
(TCS) PIN ON: _____
TELEPHONE No: _____
TELEFAX No: _____
E-MAIL ADDRESS: _____
ADDRESS: _____

APRIL 2021

Issued by:
Municipal Manager
Mogale City Local Municipality
P O Box 94
KRUGERSDORP
1740

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PART A

INVITATION TO BID

MBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF MOGALE CITY LOCAL MUNICIPALITY

BID NUMBER:	RFP CORP(ICT) 05/2021	CLOSING DATE:	07 MAY 2021	CLOSING TIME:	11:00
DESCRIPTION	PROSPECTIVE BIDDERS ARE INVITED FOR DETAILED PROPOSALS FOR THE SUPPLY, DELIVERY, SUPPORT AND MAINTENANCE OF AN INTEGRATED FINANCIAL SYSTEM THAT COMPLIES WITH MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA) FOR A PERIOD OF THIRTY-SIX (36) MONTHS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX
SITUATED AT (STREET ADDRESS

CNR. COMMISSIONER & MARKET STREET

CIVIC CENTRE

MOGALE CITY

KRUGERSDORP

1740

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	

B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No
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[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
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TOTAL NUMBER OF ITEMS OFFERED	NOT APPLICABLE	TOTAL BID PRICE	NOT APPLICABLE
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SIGNATURE OF BIDDER	DATE	
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CAPACITY UNDER WHICH THIS BID IS SIGNED	
--	--

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:	TECHNICAL INFORMATION MAY BE DIRECTED TO:
--	--

DEPARTMENT/ DIVISION	Supply Chain Management Unit	CONTACT PERSON	Dorothy Diale/Ratha Ramatlhape
CONTACT PERSON	Ofentse Matsose	TELEPHONE NUMBER	Tel:(011) 951 – 2772/2056 /083 842 9283 Tel: 083 800 5577
TELEPHONE NUMBER	(011)951 2177/2014/2541	FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	dorothy.diale@mogalecity.gov.za / ratha.ramatlhape@mogalecity.gov.za
E-MAIL ADDRESS	ofentse.matsose@mogalecity.gov.za		

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE	
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.	
2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.	
2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.	
2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

ADVERTISED IN: The Star
PUBLISHING DATE: THURSDAY, 01 APRIL 2021
PROPOSAL NO: RFP CORP(ICT) 05/2021

MOGALE CITY LOCAL MUNICIPALITY

Proposals are hereby invited for the following Office: Corporate Support Services

PROPOSAL NO: RFP CORP(ICT) 05/2021

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Adjudication: 80/20/ 90/10

Proposals will be evaluated using functionality evaluation criteria of **100 points** of which the contractor is required to score the minimum of **70 points** in order to be considered for further evaluation. Bids will be evaluated using the 80/20 or 90/10 preference point system which awards 80/90 points for Price and 20/10 points for attaining the BBBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points(80/20 system)	Number of points(90/10 system)
1	20	10
2	18	9
3	14	6
4	12	5
5	8	4
6	6	3
7	4	2
8	2	1
Non-compliant contributor	0	0

Documents Collection: Documents can be downloaded from the e-portal or Mogale City Website.

Technical Enquiries: Dorothy Diale [Tel:\(011\) 951 – 2772/2056](tel:01195127722056)/083 842 9283
Ratha Ramathlape Tel: (011) 951 – 2449 / 060 350 9467

Proposal Documents: Ofentse Matsose Tel:(011) 951 2177/2541/2014/0718846958

Documents available: As from **Wednesday, 07 April 2021** on www.etenders.gov.za or www.mogalecity.gov.za

Closing date: Friday, 07 May 2021

Time: 11:00

Tender Box

Venue: Tender boxes are situated at the reception desk of the Supply Chain Management Unit, situated on the upper level of the West Wing of the Mogale City Civic Centre, Corner Commissioner and Market Streets in Krugersdorp.

COMPULSORY PROPOSAL DOCUMENTS:

1. **Central Supplier Database (CSD) registration report**
2. **Tax Compliance Status documents with Pin.**
Each company within the Joint Venture / Consortium must submit a copy of Tax Compliance Status document with Pin
3. **Certified copies of directors ID.**
4. **Copy of latest municipal account which is not more than 3 months old at the time of closing.**
5. **The bidding entity as well as all its directors must submit Municipal account which is not more than three (3) months in arrears or valid lease agreement which is in the name of the business and or the directors stipulating the responsibility of payment of municipal services.**
 - 6.1 **If the responsibility of payment of municipal services is that of the tenant/lessee, please provide proof of payment of those services.**
 - 6.2 **If the business operates from the different address as per CIPC document, affidavit must be provided**
- 7 **Completed and Signed Schedule of Quantities**
- 8 **Authority of Signatory must be completed and signed in case of a business not sole proprietor or one-person business or board of director's resolution authorizing signature to sign off the bid documents.**
- 9 **MBD 1: Invitation to tender**
- 10 **MBD 4. Declaration of Interest.**
- 11 **MBD 5. Declaration of procurement above R10 million (VAT included)**
- 12 **MBD 6.1 Preferential Points**
- 13 **MBD 8: Declaration of bidders past supply chain management practices**
- 14 **MBD 9: Certificate of independent bid determination.**

BIDDING TENDER CONDITIONS:

1. All suppliers of good & services are urged to register in the National Treasury web based Central Suppliers Database with Effect from 1 July 2016 @ www.csd.gov.za
2. As per National Treasury Instruction No.4 A of 2016/2017 National Treasury Supplier Database, organs of state must ensure that suppliers awarded business with the State, excluding instances mentioned in paragraph 3.3, are registered on the CSD prior to award letter/purchase order/signed contract being issued.
3. According to the amended Codes of Good Practice, an *Exempted Micro Enterprise (EME)* is only required to obtain a sworn affidavit or a certificate issued by Companies Intellectual Property Commission (CIPC) confirming their annual turnover of R10 million or less and level of Black ownership to claim BEE points
4. According to the amended Codes of Good Practice, Qualifying Small Enterprise (QSE) is only required to obtain a sworn affidavit or a certificate issued by Companies Intellectual Property Commission (CIPC) confirming their annual turnover of R50 million or less and level of Black ownership to claim BEE points.
5. A trust, consortium or joint venture will qualify for points for the BBBEE status level as a legal entity, provided that the entity submits their consolidated BBBEE status level certificate. If a bidder does not submit a certificate substantiating the BBBEE status level of contribution/ and Affidavit or is a non-compliant contributor, such bidder will score 0 out of the maximum of 20 or 10 points for BBBEE.
6. Certified copies of their BEE certificates from an accredited BEE verification agency with their tender submission or sworn Affidavit.
7. Proposal by joint ventures are to be accompanied by the Document Formation of the joint venture, duly registered and authenticated by a Notary Public or other official deputized to

witness sworn statements. This document must define precisely the conditions under which the joint venture will function, the period for which it will function, the persons authorized to represent and obligate it, the address for correspondence, the participation of several firms forming the joint venture and any information necessary to permit a full appraisal of its functioning, including a clause to the effect that the members of the joint venture are jointly and severally bound.

8. Telefax or e-mail tenders will not be accepted.
9. Proposals may only be submitted on the bid documents as provided by Mogale City. The use of Tipp-ex is not allowed on the bid documents. Bids completed in pencil will be regarded as invalid bids. No page(s) may be removed from the original tender document
10. Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the tender document;
11. In the event of a mistake having been made it shall be crossed out in ink and be accompanied by a full signature at each and every alteration.
12. The Municipality reserves the right to reject the Bid if corrections are not made in accordance with the above.
13. The lowest or any tender will not necessarily be accepted, and Mogale City reserves the right to accept a tender in whole or in part.
14. The validity period for this tender is ninety (90) days.
15. A Corporate social responsibility contribution of one (1) percent inclusive of 15%VAT will be levied on all companies'/ service providers appointed as successful bidders if such companies are not based in the area of jurisdiction of Mogale City.
16. The Municipality reserve the right to negotiate a fair market related price with recommended bidders after a competitive bidding process or price quotations
17. The Municipality reserves the right to appoint and not to appoint.
18. All proposed prices must be inclusive of VAT for all registered VAT vendors.
19. The bid will be evaluated on 80/20 or 90/10 principle where 80/90 points will be price and 20/10 points is BBBEE component.
20. No late tender will be accepted.
21. Proposal documents may be downloaded from e-tender portal at www.etenders.gov.za or www.mogalecity.gov.za

MR PRINGLE RAEDANI
MUNICIPAL MANAGER

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, hareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.
.....
.....

¹MSCM Regulations: “in the service of the state” means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

² Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months? **YES / NO**

3.9.1 If yes, furnish particulars.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.10.1 If yes, furnish particulars.

.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....
.....

3.12 Are any of the company’s directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company’s directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

.....
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

.....
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

AMENDED PREFERENTIAL PROCUREMENT REGULATIONS WITH EFFECT FROM 1ST APRIL 2017

APPLICATION

2. These Regulations apply to organs of state as envisaged in the definition of organ of state in section 1 of the Act.¹

IDENTIFICATION OF PREFERENCE POINT SYSTEM, DESIGNATED SECTOR, PRE-QUALIFICATION CRITERIA, OBJECTIVE CRITERIA AND SUBCONTRACTING

1. An organ of state must-

(a) determine and stipulate in the tender documents-

(i) the preference point system applicable to the tender as envisaged in regulation 6 or 7; or

1 The definition of "organ of state" in section 1 of the Act in paragraph (a) to (e) includes-

- a national or provincial department as defined in the Public Finance Management Act, 1999;
- a municipality as contemplated in the Constitution;
- a constitutional institution as defined in the Public Finance Management Act;
- Parliament;
- a provincial legislature.

Paragraph (f) of the definition of organ of state in section 1 of the Act includes any other institution or category of institutions included in the definition of "organ of state" in section 239 of the Constitution and recognised by the Minister by notice in the *Government Gazette* as an institution or category of institutions to which the Act applies. Government Notice R. 501 of 8 June 2011 recognises, with effect from 7 December 2011, all public entities listed in Schedules 2 and 3 to the Public Finance

Management Act, 1999, as institutions to which the Act applies. Note should be taken of notices issued from time to time in terms of paragraph (f) of this definition

The application of these Regulations is also subject to applicable exemptions approved in terms of section 3 of the Act.

(ii) if it is unclear which preference point system will be applicable, 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;

(b) determine whether pre-qualification criteria are applicable to the tender as envisaged in regulation 4;

(c) determine whether the goods or services for which a tender is to be invited, are in a designated sector for local production and content as envisaged in regulation 8;

(d) determine whether compulsory subcontracting is applicable to the tender as envisaged in regulation 9; and

(e) determine whether objective criteria are applicable to the tender as envisaged in regulation 11.

PRE-QUALIFICATION CRITERIA FOR PREFERENTIAL PROCUREMENT

4.(1) If an organ of state decides to apply pre-qualifying criteria to advance certain designated groups, that organ of state must advertise the tender with a specific tendering condition that only one or more of the following tenderers may respond-

- (a) a tenderer having a stipulated minimum B-BBEE status level of contributor;
- (b) an EME or QSE;
- (c) a tenderer subcontracting a minimum of 30% to-
 - (i) an EME or QSE which is at least 51% owned by black people;
 - (ii) an EME or QSE which is at least 51% owned by black people who are youth;
 - (iii) an EME or QSE which is at least 51% owned by black people who are women;
 - (iv) (iv) an EME or QSE which is at least 51% owned by black people with disabilities;
 - (v) (v) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
 - (vi) a cooperative which is at least 51% owned by black people;
 - (vii) (vii) an EME or QSE which is at least 51% owned by black people who are military veterans;
 - (viii) an EME or QSE.

(2) A tender that fails to meet any pre-qualifying criteria stipulated in the tender documents is an unacceptable tender.

SUBCONTRACTING AS CONDITION OF TENDER

- 9.**(1) If feasible to subcontract for a contract above R30 million, an organ of state must apply subcontracting to advance designated groups.
- (2) If an organ of state applies subcontracting as contemplated in sub regulation (1), the organ of state must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to-
- (a) an EME or QSE;
 - (b) an EME or QSE which is at least 51% owned by black people;
 - (c) an EME or QSE which is at least 51% owned by black people who are youth;
 - (d) an EME or QSE which is at least 51% owned by black people who are women;
 - (e) an EME or QSE which is at least 51% owned by black people with disabilities;
 - (f) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
 - (g) a cooperative which is at least 51% owned by black people;
 - (h) an EME or QSE which is at least 51% owned by black people who are military veterans; or
 - (i) more than one of the categories referred to in paragraphs (a) to (h).
- (3) The organ of state must make available the list of all suppliers registered on a database approved by the National Treasury to provide the required goods or services in respect of the applicable designated groups mentioned in sub regulation (2) from which the tenderer must select a supplier.

SUBCONTRACTING AFTER AWARD OF TENDER

- 12.**(1) A person awarded a contract may only enter into a subcontracting arrangement with the approval of the organ of state.
- (2) A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- (3) A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

DECLARATION OF PROCUREMENT ABOVE R10 MILLION (VAT INCLUDED)

**FOR ALL PROCUREMENT EXPECTED TO EXCEED R10 MILLION (VAT INCLUDED),
BIDDERS MUST COMPLETE THE FOLLOWING QUESTIONNAIRE:**

1 Are you by law required to prepare annual financial statements for auditing?

1.1 if yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....
.....
.....

YES/NO

2 Do you have any outstanding undisputed commitments for municipal services towards a municipality or any other service provider in respect of which payment is overdue for more than 30 days?

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

.....
.....
.....

YES/NO

3 Has any contract been awarded to you by organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

3.1 if yes, furnish

.....
.....

YES/NO

4 Will any portion of goods or services be sourced from outside the Republic, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?

YES/NO

4.1 If yes, furnish particulars

.....
.....

CERTIFICATION

I, THE UNDERSIGNED (NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

MOGALE CITY LOCAL MUNICIPALITY

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
 - 80/20 PREFERENCE POINT SYSTEM FOR ACQUISITION OF GOODS, SERVICES AND WORKS SERVICES FOR RAND VALUE EQUAL TO AND ABOVE R30 000 AND UPTO TO 50 MILLION (all applicable taxes included); and
 - 90/10 PREFERENCE POINT SYSTEM FOR ACQUISITION OF GOODS, SERVICES AND WORKS WITH RAND VALUE ABOVE R50 MILLION (all applicable taxes included).

1.2 The value of this bid is estimated to exceed or not exceed R50Million (all applicable taxes included) and therefore the80/20 or 90/10... preference point system shall be applicable.

- 1.3 Preference points for this bid shall be awarded for:
 - (a) Price; and
 - (b) B-BBEE Status Level of Contribution.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80/90
B-BBEE STATUS LEVEL OF CONTRIBUTION	20/10
Total points for Price and B-BBEE must not exceed	100

- 1.5 Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (c) **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (d) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- (e) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) as amended by Act No 46 of 2013;
- (f) **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- (g) **“consortium or joint venture”** 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;
- (h) **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- (i) **“EME”** means an Exempted Micro Enterprise as defines by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (j) **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- (k) **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- (l) **“non-firm prices”** means all prices other than “firm” prices;
- (m) **“person”** includes a juristic person;
- (n) **“QSE”** means a Qualifying Small Enterprise as defines by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (o) **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- (p) **“sub-contract”** means the primary contractor’s assigning, leasing, making out work

to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;

- (q) **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- (r) **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- (s) **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

80/20 PREFERENCE POINT SYSTEM FOR ACQUISITION OF GOODS, SERVICES AND WORKS
SERVICES FOR RAND VALUE EQUAL TO AND ABOVE R30 000 AND UPTO TO 50MILLION

- 1) (a)(i) The following formula must be used to calculate the points for price in respect of tenders(including price quotation) with a rand value equal to, or above R 30 000 and up to Rand value of R50 MILLION (inclusive of all applicable taxes included):

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20

or

90/10

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 A bidder who qualifies as an EME in terms of the B-BBEE Act must submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership.
- 5.3 A Bidder other than EME or QSE must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

6.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 5.1

7.1 B-BBEE Status Level of Contribution: = (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or a sworn affidavit.

8. SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES		NO	
-----	--	----	--

8.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME.

(Tick applicable box)

YES		NO	
-----	--	----	--

9. DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm:.....

9.2 VAT registration number:.....

9.3 Company registration number:.....

9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....

9.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

9.8 Total number of years the company/firm has been in business:.....

9.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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.

10. **Previous experience**

Provide the following information on relevant previous experience (indicate specifically projects of similar or larger size and/or which is similar with regard to type of work).

Description	Value (R, VAT excluded)	Year(s) executed	Reference		
			Name	Organization	Tel no

10.1 **Staffing Profile**

Provide information on key staff you intend utilizing on this contract, should it be awarded to you.

Name	Position in your organization	Qualifications	Experience

10.2 Infrastructure and resources available to execute this contract

10.2.1 Physical facilities

Description	Address	Area (m ²)

10.3 Plant and equipment

Description : Plant and equipment owned (or to be rented)	Number of units

10.4 List of shareholders by Name, Position, Identity number, Citizenship, HDI status and ownership as relevant.

Name	Date/Position Occupied in Enterprise	ID Number (please attach certified copies of ID's)	Date RSA Citizenship obtained	HDI	Women	Disabled	Youth (person not older than 35 years of age)	% of business/ enterprise owned
							Total	100%

8.14 List of shareholders by Name, percentage (%) of business/enterprise owned, residential address.

Full Name	Identity (ID) Number (please attached certified copies of ID's)	% of business/ enterprise owned	Residential address

9. AUTHORITY FOR SIGNATORY

Please note that the sole proprietors or “one person business” are not required to submit an official and duly signed authority of signatory.

Signatories for close corporations and companies shall confirm their authority by signing on behalf of the company/firm **by attaching to this page** a duly signed and dated copy of the relevant resolution of their members or their board of directors, as the case may be.

An example for a company is shown below:

Printed on company letterhead:

“ By resolution of the board of directors passed on _____ 20 _____

Mr _____

has been duly authorized to sign all documents in connection with the bid for

Tender _____ No _____

and any Contract, which may arise there from on behalf of

SIGNED ON BEHALF OF THE COMPANY _____

IN HIS CAPACITY AS _____ CAPACITY AS _____

DATE: _____

SIGNATURE OF SIGNATORY: _____

AS WITNESSES: 1 _____

2 _____

10. I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
 - (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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

WITNESSES

1.

2.

.....

SIGNATURE(S) OF BIDDERS(S)

DATE:

MOGALE CITY LOCAL MUNICIPALITY

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>

4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS
DECLARATION FORM TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE
TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

J

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

- (a) prices;
- (b) geographical area where product or service will be rendered (market allocation)
- (c) methods, factors or formulas used to calculate prices;
- (d) the intention or decision to submit or not to submit, a bid;
- (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
- (f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ **Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature	Date
.....
Position	Name of Bidder

Js9141w 4

GENERAL CONDITIONS OF CONTRACT

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT**

JULY 2010

NATIONAL TREASURY: Republic of South Africa

**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

THE NATIONAL TREASURY: Republic of South Africa 2

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GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT
THE NATIONAL TREASURY: Republic of South Africa 3
General Conditions of Contract

1. Definitions 1. The following terms shall be interpreted as indicated:

- 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 "Day" means calendar day.
- 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa 4

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price have been or are still To be imported (whether by the supplier or his subcontractors) and which costs Are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the Factory in the Republic where the goods covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa 5

Supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

- 1.25 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 “Tort” means in breach of contract.
- 1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product service required by the contract.
- 1.28 “Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

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

3. General

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

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

5. Use of contract documents and information inspection

- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall.

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT
THE NATIONAL TREASURY: Republic of South Africa 6

extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent Rights 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT THE NATIONAL TREASURY: Republic of South Africa 7

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

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

8.3 If there are no inspection requirements indicated in the bidding documents and no

mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract.

Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size

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weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent Instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental Services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

- (a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) Furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

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

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

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16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

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

18. Variation orders

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

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21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

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23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.

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

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

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

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

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

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24. Antidumping and countervailing duties and rights

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

25. Force Majeure

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

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

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27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

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32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

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

34. Amendment of contracts

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

35. Prohibition of restrictive practices:

35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of **restrictive practices** 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.

35.2 If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.

35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned

TERMS OF REFERENCE

INTEREGRATED FINANCIAL MANAGEMENT SYSTEM

(IFMS)

1. OBJECTIVES

- 1.1** Mogale City Local Municipality invites prospective bidders to submit detailed proposals for supply, delivery, support and maintenance of an integrated financial system, which enables the implementation and compliance with Municipal Standard Chart of Accounts (MSCOA) for thirty-six (36) months.
- 1.2** The Municipality is looking for a 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.

2. GOALS

- 2.1** The financial management systems must have, as a minimum, the following four characteristics:
- 2.1.1 Standard data classifications (definition and formats) established and used for recording and reporting financial events;
 - 2.1.2 Common processes used for processing similar kinds of transactions;
 - 2.1.3 Internal controls over data entry, transaction processing, and reporting applied consistently; and
 - 2.1.4 A design that eliminates duplication of transaction entries.
- 2.2** Financial Management Systems required by Mogale City Local Municipality should establish and maintain single, integrated and interactive functionalities, which will ensure timely and accurate financial data, increase quality policy and decisions making and provide accurate or timely information.
- 2.3** The bidder should have proven capabilities to perform the required services with distinction, no chancers will be accepted.
- 2.4** The ideal service provider will be the one who can offer high quality of service, and has extensive and proven track record of similar projects successfully implemented and maintained.
- 2.5** The costs of such system should be as follows;
- 2.5.1 moderate and no quality should be compromised;
 - 2.5.2 standards compatibility should be maintained;
 - 2.5.3 ease of modification and;
 - 2.5.4 upgrading should be of high importance.

2.6 The proposal should meet the following criteria:

- 2.6.1 Improve data quality and credibility;
- 2.6.2 Analysis of sector comparison;
- 2.6.3 Uniform recording of transactions;
- 2.6.4 Uniform data sets standardise key business processes;
- 2.6.5 Standardisation and alignment of government accountability cycle;
- 2.6.6 Standardisation of account classification.

3. SCOPE OF REQUIREMENTS

3.1 Mogale City Local Municipality require an integrated financial system with the following CORE modules as per MSCOA regulations.

	CORE MODULE	SUB-MODULES/SUB-SYSTEMS
A.	REVENUE MANAGEMENT	<ul style="list-style-type: none"> • Consumer Database Administration • Metering System (Meter reading inputs & prepaid meters monitoring) • Consumer Billing (Rates, services & sundry) • Payments Receipting • Credit Control • Housing & Indigent Register • Valuation Roll • Account Statements Processing • Debtors Management (Enquiries, Reporting, Clearances issuance & balances transfer)
B.	PAYROLL & HR	<ul style="list-style-type: none"> • Payroll administration • Leave management • Employment Equity • Employment Self Service • Job Costing
C.	INVENTORY & STORES	<ul style="list-style-type: none"> • Inventory Master File • Stores Issues & Returns • Fuel Control (Ordering & Issuance) • Stock Transactions • Stock Take • Enquiries & Reports
D.	CUSTOMER RELATIONS MANAGEMENT	<ul style="list-style-type: none"> • Call Centre • Consumer Portal • eservices

E.	ASSETS	<ul style="list-style-type: none"> • Financial Asset Register • Asset categorization (Investments, Intangible, immovable & Movable Assets) • Asset Transactions Inputting • Asset Verification Processing • Asset condition assessment updating • Asset revaluation updating • Asset retirement & disposal • Land use & Building Control management; • Real estate & resource management;
F.	CASH BOOK	<ul style="list-style-type: none"> • Integration & Transacting • Bank Reconciliation • Treasury and Banks Management • Cash flow Projections • Enquiries & Reports
G.	MANAGEMENT & REPORTING	<ul style="list-style-type: none"> • Business Intelligence Reporting • Statutory Financial Reporting • Dashboard
H.	EXPENDITURE MANAGEMENT	<ul style="list-style-type: none"> • Supply Chain Management (Demand, acquisition & logistics) • Procurement management (Bids, Quotations & Proposals) • Contract Management • Vendors Administration • Payments Administration • Creditors Master File • Grants management
I.	BUDGET MODULE, IDP, & PMS	<ul style="list-style-type: none"> • Costing, Modelling and budgeting • Budgetary control & Virement Administration • Key Performance Indicators • MSCOA Projects Management • Performance Management System
<p>Note that all the modules require the reports and Audit trail for users.</p>		

3.2 Bidders are required to complete the below 15 business processes to demonstrate the module availability and the time-frame. Failure to complete the business processes will lead to disqualification.

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
	Internal Audit	Approved Internal Audit Plan in existence and Risk Management Strategy in Place	Integrated workflow Request For Information management tool, backed by document management.	Best Practice		
			Ability to obtain base transactional information 'View Only' ability.	Best Practice		
			Ability to request sample transactions from all sub and core financial systems. This include documents as loaded via the document management systems.	Best Practice		
			Issue audit findings and risk registers and invoke consequence management procedures.	Best Practice		
			Continues workflow on risks identified to ensure mitigation.	Best Practice		
	External Audit	Public Audit Act, 2004	Work flow and incident management tool to ensure progressive dealing with Request For Information and Communication of Audit findings.	Best Practice		
			Document management to ensure delivery of responses and documents requested on 'Request for Information' to AG.	Best Practice		
			Real time system (date time stamped) electronic responses to AG queries and continued internal escalation of non-responded queries.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Escalation and continuous request for 'auditor conclusion' on responded communication of audit findings.	Best Practice		
			Escalation and classification of matters influencing auditors opinion.	Best Practice		
			Compilation and work flow on audit recovery plans.	Best Practice		
	Audit Committee	Audit Charter	Document management and work flow to ensure resolution tracking is achieved.	Best Practice		
			Must support complex user profiles, with segregation of duties, in order to limit user rights beyond the transaction, but to also include content sensitive measures such as organisational structure, payroll, cost centre, project, source of funding, other segmented transactions or other system objects needed to ensure confidentiality of information and transactional integrity.	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Online approval and authorisation with electronic signature capabilities of transactions via integrated security systems and segregated functionality. This should be provided through application of appropriate security policies and internal service level agreements between various units.	Legislation		
			Comprehensive on-line audit trail of all transactions at a transaction level must be available. This is in order to identify date, time and the user who initiated, approved or amended any transaction, including workflow. The administrator must be able to customise this for enhanced analysis and reporting.	Legislation		
			Additionally, the audit trail on all activities on the system, date, time and responsible user stamped. This must be done to the extent that an activity log can be drawn from the system, outlining a particular user's activities on the system for the entire workday.	Legislation		
		Period Control	Monthly period closure and certification within the statutory reporting dates. No back-dating of transactions is allowed.	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Balancing of the sub-system with control accounts must be a condition of any period closure.	mSCOA Regulation		
			Year-end closures period 12 as at 30 June (of the current year) result in a transactional transfer of opening balance to period one in the following year.	mSCOA Regulation		
			Finalisation and submission of annual financial statements (AFS) period 13 results in <i>opening balance transactional transfer</i> of only the transactions of period 13.	mSCOA Regulation		
			Audit periods with allowed audit approved journals occur in period 14 and result in <i>opening balance transactional transfer</i> of only the transactions of period 14.	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Accommodate a period 15 for prior period errors (GRAP 3).	mSCOA Regulation		
			Any corrections of prior period error(s) result in opening balance transactions in the subsequent years.	mSCOA Regulation		
			Period closing, finalisation and audit period corrections are <i>opening balance transactions</i> in the <u>current open period</u> as well as normal transactions in the <u>audit periods</u> .	mSCOA Regulation		
		Integration	Document management must occur at the capturing point of all transactions.	Best Practice		
			Sub-system(s) or ledgers must, without (manual) intervention or manipulation, integrate and constantly balance with the core financial system.	mSCOA Regulation		
			Create workflow and exception reporting mechanisms.	mSCOA Regulation		
			Enable drill down from the general ledger (GL) to sub-system source transactions to transactional level.	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Integration and automation of the annual financial statements (AFS) as well as monthly MFMA section 71 reports (financial management statements).	mSCOA Regulation		
		Help function user manual	The System must include an online procedural manual facility that allows for the recording and updating of all relevant processes to aid the users of the system.	Best Practice		
			The manual must be context specific and accessible from any input screen in the system.	Best Practice		
			Functionality is required to permit a duly authorised user to maintain the user manual.	Best Practice		
		Document and transaction control	The solution must include the online recording of all transactions with a unique transactional identifier and a date/time stamp format which records transactions in all systems.	Best Practice		
			It is important to note that no records are physically deleted. Deleting a record in the context of the Solution means to 'flagging as deleted', the record so that it is no longer visible or active and does not present 'clutter' to normal users.	Best Practice		
			However, duly authorised users may view or report on logically deleted records.	Best Practice		
			Logically deleted records MAY NOT be reactivated. (If a record was 'flagged for deletion' in error, it will require recapturing).	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
		Training and Skills transfer	End User Training which includes both theoretical as well as practical training.	Best Practice		
			Complete Solution Hand Over to Municipal Project Team including full documentation.	Best Practice		
			Deployment of an IT strategy for maintenance and future developments.	Best Practice		
		Back up and data recovery	Data back-up procedures must be continuous and roll back. Recovery should be at the maximum extent possible and not cause system down time "RAID configuration".	Best Practice		
			Disaster recovery sites are either off site at the municipality or cloud based solutions that are to be tested regularly.	Best Practice		
			Daily, weekly, monthly and yearly backups must be documented and signed-off.	Best Practice		
	Performance Management System	Performance Management System that gives effect to chapter 6 of the Municipal Systems Act, 2000	Due to the nature of local government the performance management system of a municipality originates from its integrated development plan (IDP) and as such the key performance indicators are created in the IDP. This module therefore formally start with and should assist in the compilation of the IDP.	Best Practice		
			Seamless integration with the budgeting module;	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			The compilation and solution to capture the service delivery- and budget implementation plan (SDBIP) measurable performance indicators and the assignment of tasks to specific managers;	Best Practice		
			Ensuring that policies and Municipal By-laws are aligned to the developmental nature of the municipality and give effect to the measurable performance objectives and service delivery- and budget implementation plan (SDBIP) of the municipality (for staff and political office bearers);	Best Practice		
			Ensure that internal municipality delegations are updated and assigned and formally accepted by individuals;	Best Practice		
			Manage and control external service mechanisms/ providers via a contract management component that ensures delivery, sign-off and minutes are contained in a single point of entry;	Best Practice		
			The contract management module should monitor key deliveries and also invoke penalty clauses, retentions and consequences in cases of persistent breach of contract. This include listing of transgressors on the National Treasury website under the appropriate listing for transgressors;	Best Practice		
			A performance management module that manages the contracts of senior management and allows for electronic submissions and 'portfolio of evidence' management;	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			The performance management module should assist in consequence management and record any such actions; and	Best Practice		
			The integrated development plan (IDP) for publication;	Best Practice		
			The service delivery- and budget implementation plan (SDBIP);	Best Practice		
			The service level agreements (SLA's) and performance contracts;	Best Practice		
			Reporting on service delivery- and budget implementation plan (SDBIP) indicators (inclusive of financial performance indicators); and	Best Practice		
			The municipality's annual report.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
	Municipal Web Site	A municipal website that gives effect to MFMA section 75, the Municipal Budget and Reporting Regulations, 2009; the mSCOA Regulations, 2014 and section 21A of the Municipal Systems Act, 2000	The legislative framework lists the minimum information that should be placed on the municipality's website: Integrate from the core financial budget module; The annual and adjustments budgets and all budget-related documents; All budget-related policies; Annual financial statements (AFS) and Annual reporting tools BI modules; The annual report; Performance management, supply chain and asset management modules; section 57(1) of the Municipal Systems Act, 2000; All quarterly reports tabled in the council in terms of MFMA section 52(d).	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			<p>All performance agreements required in terms of : All service delivery agreements; All long-term borrowing contracts; All supply chain management contracts above a prescribed value; An information statement containing a list of assets over a prescribed value that have been disposed of in terms of MFMA section 14(2) or (4) during the previous quarter; Contracts to which MFMA section 33(1) apply, subject to section 33(3) of that section; Public-private partnership agreements envisaged in MFMA section 120; and Municipal Budget and Reporting Regulations (MBRR) and mSCOA Regulations reporting templates as generated by the Core Financial system.</p>	Legislation		
			<p>Billing module in addition to integrate: The A&B valuation roll publication as required by the Municipal Property rates Act, 2004; and The customer portal; and should as a minimum (if not hosted on the municipality's web site) be accessible or redirected from the website of the municipality.</p>	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For “In Development” Module
	Document Management	Document Management to ensure that all municipal documents are secured and if possible electronically received to achieve the lowest possible foot print. National Archives of South Africa Act, 1996.	Support secure and reliable document management including, but not limited to: Document sharing; Dedicated registry for document filling; Document tracking; Secure access to documents.	Legislation		
			Document management should originate at the lowest level of transaction. (i.e. invoices should originate from creditors module)	Legislation		
			Scanned documents and images to be linked to the each enquiry of the system (e.g. Assistance-to-the-Poor application scanned forms to be linked to the customer identification number on the system)	Legislation		
	Reporting mechanisms	Business intelligence reporting solutions	The report writer should have a user configurable application utility like Sequel server reporting server (SSRS). This must include sample reports configured as well as standard reports. This will allow for consistency in reporting and best of client base reports that can be shared in the whole-of-municipal environments;	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Alternatively an effective, flexible report-writing facility with access to the database dictionary is required;	mSCOA Regulation		
			Ensure that mSCOA segmented reports can be produced on any level of the mSCOA chart with any combination of segments;	mSCOA Regulation		
			Assist the municipal manager to adhere to MFMA section 70 by providing early warning of impending financial distress;	Best Practice		
			Monitor the financial progress of grants, programs and capital projects (as per the annual service delivery-and budget implementation plan (SDBIP));	Best Practice		
			Monitor performance of debt recovery and creditor payments;	Best Practice		
			Reflect budget versus actual performance of the votes / functions of the municipality.	Best Practice		
			Allow for the export of data via reports in commonly used file formats which is normally associated with spread sheet and other data base applications.	mSCOA Regulation		
		National Treasury Portal and other statutory submissions	Statutory submission to the National Treasury local government Database (LG Database);	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			The annual procurement plan - actual versus budget;	mSCOA Regulation		
			The asset maintenance plan - actual versus budget;	mSCOA Regulation		
			Annual Financial Statements (AFS);	mSCOA Regulation		
			Annual report;	mSCOA Regulation		
			National Energy Regulator SA (Nersa) and Department of Water Affairs and Sanitation (DWS) reports;	mSCOA Regulation		
			VAT returns 201 reconciliations;	Legislation		
			PAYE and 501 reconciliations;	Legislation		
			IRP 5; and	Legislation		
			Unemployment Insurance Fund (UIF) forms.	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	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.	mSCOA Regulation		
			System must support budgeting cycles across the medium term revenue and expenditure framework (MTREF) (3-year budget) of the municipality.	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			The system should be able to link budgeting to final integrated development plan (IDP) priorities.	mSCOA Regulation		
			Budgeting on the factual elements of typical work streams.	mSCOA Regulation		
			Budgeting on the factual elements of municipal operational and running cost.	mSCOA Regulation		
			Enable users with budget and management information to determine funding adequacy of the budget to ensure the budget is funded. (Municipal Budget and Reporting Regulations, 2009 (MBRR)).	Legislation		
			Incorporation of the sub module's elements.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Tracking of the budget process plan and timetable.	Best Practice		
			Automated workflow for departments' submissions as per budget guideline documents.	Best Practice		
			Comparison capabilities for department budget submissions, scenarios & recommendations.	Best Practice		
			Planning of secondary costing i.e. Departmental charges, internal recoveries and activity based charges.	mSCOA Regulation		
			The system should be able to link Expenditure and Revenue to All segments of mSCOA.	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Track, compare and report on budget versus actual amounts for year 1 of the medium term revenue and expenditure framework (MTREF) as per mSCOA Regulation requirement.	mSCOA Regulation		
			Enable what-if inter-operability and modelling between the municipality's main budget module and the sub-budget modules.	Best Practice		
			The tariff policy referred to in section 74 of the Municipal Systems Act, 2000;	Legislation		
			The rates policy as required in terms of the Municipal Property Rates Act, 2004;	Legislation		
			The credit control and debt collection policy referred to in section 96 of the Municipal Systems Act, 2000;	Legislation		
			The supply chain management policy referred to in Chapter 11 of the MFMA, 2003;	Legislation		
			The statutory budget submission to the National Treasury local government Database (LG Database);	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			The annual procurement plan;	Legislation		
			The asset maintenance plan;	Legislation		
			Any amendments made/ proposed to the municipality's policies or By-laws;	Legislation		
			The rates and tariffs promulgation;	Legislation		
			The general tariff advertisement;	Legislation		
			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.	mSCOA Regulation		
	Revenue	A revenue sub-ledger budget module that as a minimum:	Calculate and spread budgets based on current consumption and database history.	Best Practice		
			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.	Best Practice		
			Provide functionality for town ship development and populate amounts and consumption on average per type of connection in this development.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Provide for the adjustment of distribution losses based on anticipated remedial actions on the sales loss as identified by the water and electricity distribution loss templates. Zero consumption account based on average and type of use tariffs.	Best Practice		
			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).	Best Practice		
			Planning of secondary costing i.e. Departmental charges, internal recoveries and activity based charges informing cost reflective tariffs.	Best Practice		
			Review of sundry tariffs.	Best Practice		
			Supply the general ledger's "main budget module"-budgets with the full mSCOA segments as a budget line. It should be able to provide this for revenue, expenditure and balance sheet items.	Best Practice		
	Human Resources (HR) /Payroll	A Human Resource (HR) budget/ payroll module that as a minimum:	Allow the municipality to budget for its full organogram (organisational structure).	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Incorporate the ability to apply costing allocation to projects and percentage (%) based allocation of administration costs to trading service departments (if not allocated) using direct calculation methods.	mSCOA Regulation		
			Provision to calculate new notch values within grades either as a percentage increase or by minimum value. These notch values are to be held on a temporary file and the user must be able to perform Various "what if" scenarios without affecting the live data.	Best Practice		
			Ensure that the planned positions is budgeted for pro-rata to when the expected appointment can be done.	mSCOA Regulation		
			Utilising historical trends, calculate the likely provision for leave and bonus provisions. This function should also be able to anticipate (if applicable) any long service allocations.	Best Practice		
			Supply the general ledger's main budget module with counts of the actual and planned positions (organogram) budgets for the full mSCOA segments as a budget line. The functionality should be able to provide this for both expenditure and balance sheet items.	mSCOA Regulation		
	Assets	An Asset management sub-ledger budget module that as a minimum:	Allows budgeting for "new capital" projects requested in the integrated development plan (IDP).	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Anticipates completion and subsequent operational costs of these "new capital" projects.	Best Practice		
			Calculates existing and anticipates new planned assets' maintenance, insurance and a percentage of "un-planned" maintenance.	Best Practice		
			Calculates depreciation, taking into account the impact of major repairs.	Best Practice		
			Calculates profit or loss on planned disposals.	Best Practice		
			Provides for a (contract) retention payment schedule.	Best Practice		
			Provides for grant and work-in-progress (WIP) or contract management payment schedules to assist the main budget module with its forecasting and cash flow management.	Best Practice		
			Supplies the general ledger's main budget module planned budgets with the full mSCOA segments as a budget line. This functionality should be able to provide this for both expenditure and balance sheet items.	Best Practice		
			Provide the asset maintenance plan.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
	Budget Management	Budget Management and Monitoring	Allow the public to provide comments on the budget electronically via the municipality's website. These comments together with the comments received from public sessions to be populated/consolidated onto a tool that can be accessed by the public and councilors.	Best Practice		
			Automate the virement process as per the virement policy.	Best Practice		
			Link the service delivery- and budget implementation plan (SDBIP) and workflow to show progress on projects and include links to service delivery scorecards and municipal procurement plans.	Best Practice		
			Provide the annual procurement plan.	Best Practice		
	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	Contains all the accounts for recording transactions relating to municipalities assets, liabilities and net assets as per mSCOA segments.	mSCOA Regulation		
			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.	mSCOA Regulation		
			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.	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			None withstanding the above and due to probable packet loss a routine, is required to ensure that the general ledger and sub-ledger is in balance. This must be done by enforcing daily closing routines with subsequent blocking of opening routines if out of balance occurrence with control accounts is observed.	mSCOA Regulation		
			Drill down to transactions from the general ledger (GL) to the sub-ledger or 3 rd party systems for an audit trail.	mSCOA Regulation		
			Journal capturing capabilities (including reversible and recurring journals) including electronic approval.	mSCOA Regulation		
			Reporting functionality for all financial reports in the full mSCOA segmented transactions.	mSCOA Regulation		
			Debtor classes and discount categories to ensure correct billing and rebates;	mSCOA Regulation		
			Trade, sundry and other debtor types to comply with mSCOA requirements;	mSCOA Regulation		
			Debtor levies in mSCOA segmentation to the Accounts Receivable;	mSCOA Regulation		
			Receipt allocation to AR in the correct mSCOA segmentation;	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Daily balancing between sub-system and AR; and	Best Practice		
			Month-end and year-end procedures to ensure correct disclosure of cash on hand and age analysis.	Legislation		
			Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems.	mSCOA Regulation		
		Integration of sundry systems	Abattoir system.	Best Practice		
			Cemeteries system.	Best Practice		
			Fire and emergency services systems.	Best Practice		
			Fresh produce market systems.	Best Practice		
			Library system.	Best Practice		
			Nurseries systems.	Best Practice		
			Pound system.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Traffic fines systems.	Best Practice		
			Transport services systems.	Best Practice		
			Weigh bridge system.	Best Practice		
	Accounts Payable	Supplier maintenance	Creating a supplier database.	Legislation		
			Post supplier invoices, credit- and debit notes. Select documents to pay with payment dates.	Legislation		
			Make payments and part payments. Allow for future and scheduled payments.	Legislation		
			Align suppliers with debtors and HR modules.	Best Practice		
			Goods received notes for full or partial deliveries aligned to authorised issued purchase orders. Goods return notes with debit and credit orders;	Legislation		
			Invoicing for goods received notes as partial or multiples invoice payments. Settlement discounts as allowed by suppliers;	Legislation		
			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;	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Direct invoice payment such as Eskom;	Legislation		
			Sundry payments generated from payroll, billing or manual S&T transactions;	Legislation		
			Re-occurring and scheduled payment such as lease amounts or quarterly loan repayments;	Legislation		
			Retention register with auto mated update, pay-out and balancing;	Best Practice		
			A cession register linked to the PMU with automated allocations;	Best Practice		
			Age analysis of creditors with supporting reports;	Legislation		
			Must be able to calculate accounts payable VAT reconciliations (including calculations on returns and discounts);	Legislation		
			The option to scan and store invoices and other documents on the supplier;	Best Practice		
			A web portal for suppliers to enquire on payment status and uploading/submitting of invoices.	Best Practice		
		Cash Management	Automated receipting of bank deposits received.	Best Practice		
			Automated passing of journals for interest and other bank charges.	Best Practice		
			Electronic payment of creditors and salaries.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
		Investments	An investment register with notifications/responses for the end of fixed investment periods (date of maturity) incorporated within the workflow. Updates from cashbook and payments must be seamless.	Best Practice		
			Produce a reconciliation of the investment register with all required documentation.	Best Practice		
		Loan Register	A loan register capable of calculating repayments and schedule payments within the workflow.	Best Practice		
			Produce a reconciliation of the loan register with all required documentation.	Best Practice		
		Tax & VAT	Fully integrated and approved VAT handling capabilities incorporating all statutory required documentation.	Legislation		
			Interface to SARS eFiling for automated reconciliations and submissions of disclosures.	Legislation		
		Automated Work flow	Where authorisations are across line functions, the process must be automated. Examples are deviations (section 36), Subsistence and Travel claims, Personnel Requisitions, Transfer of funds(virement Policy), Asset Transfer, Clearance forms, Works orders, Leave applications, etc.	Best Practice		
		Fixed Asset Management	Trace all financial asset transactions to the asset level.	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Ensure that all asset transactions are aligned with mSCOA Regulations.	mSCOA Regulation		
		Insurance Claims	Provide an insurance claims register with direct linking to the assets module.	Best Practice		
			Derive valuation of assets to calculate insurance premiums from the asset register.	Best Practice		
			Write-off of assets from the insurance module must update and transact on the asset register as well as the gl.	Best Practice		
			Workflow with document management and reporting must be available.	Best Practice		
	Cost Planning	Incorporate a costing module	A full costing module aligned to the mSCOA costing segment to assist in calculation of tariffs and real costs. Charges must have a direct effect on tariffs. Therefore, it will be necessary to ensure direct link to Provisioning and payroll modules exist etc. through the application of internal billing departmental charges or activity based recoveries.	mSCOA Regulation		
			Management reporting on all charges should be available for reports as well as dashboard information.	mSCOA Regulation		
	Project Creation & Planning	Y	A comprehensive project module that allows for integrated development plan (IDP) objectives to be transferred into the project module for planning, budgeting and ultimately reporting purposes.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			The municipal budget module must be aligned to the project module.	Best Practice		
			Projects registered in the project module must be aligned to the mSCOA Project segment.	Best Practice		
			All segmentation of mSCOA must be incorporated into the project module, whereby a project based budget is produced, informed by the integrated development plan (IDP) and giving input to the annual service delivery- and budget implementation plan (SDBIP).	Best Practice		
			Capital acquisition, maintenance and replacements must be driven from the project module.	Best Practice		
			Operating budget items such as operating expenditure on repairs and maintenance, operational costs and typical work streams must originate from the project module.	Best Practice		
	Project Management	Project Management Unit (PMU)	Project management and stakeholder inputs must be controlled by clear business processes and user access controls.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Projects not completed within a financial year must be carried over and work-in-progress (WIP) items registered.	Best Practice		
			Project managers should have full access to their projects within the limitations of the budget and internal policies.	Best Practice		
			Workflow processes must assist in project maintenance.	Best Practice		
			Strict budget control as per the approved integrated development plan (IDP) must be maintained.	Best Practice		
			A Safety, Health and Environmental (SHE) module to comply with general Health and Safety Regulations should be incorporated within the system. (For example the Construction Regulations, the Occupational Health and Safety (OHS) Act, 1993, General Administrative Regulations, General Safety Regulations and the National Environmental Management Act, 1998)	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Regulatory Safety, Health and Environmental (SHE) documentation must be available in a document management tool with defined check lists and milestones.	Best Practice		
			Health and safety incidents must be recorded and managed on the system and reported as per legislation.	Best Practice		
			Allow for multiple bank accounts and sweeping between accounts;	Best Practice		
			Automated receipting of debtor payments and other monies received;	mSCOA Regulation		
			Automated passing of journals for interest and other bank charges;	mSCOA Regulation		
			Automated clearing of system generated transactions such as payments; and	mSCOA Regulation		
			Automated clearing of cash received in the general ledger (GL) to the bank account;	mSCOA Regulation		
			Automated reconciliation of bank statements to the ledger and supplying supporting documentation for management.	Best Practice		
			Forecasting of cash must be available on a dashboard.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Support mSCOA segmentation in the cashbook module.	mSCOA Regulation		
		Petty cash	A petty cash module that would allow for accounting for petty cash transactions and subsequent budget allocations and control as per mSCOA.	mSCOA Regulation		
			Internal cash receipt with drawdown of petty cash.	mSCOA Regulation		
			Automated payment requests with user authorisation and access control.	Best Practice		
		Ad hoc: The Cash Management System must at least accommodate, but not be limited to:	Loan liability register.	Best Practice		
			Investment Management and Register (parameter driven).	Best Practice		
			Interest Received and interest expense reconciliation.	mSCOA Regulation		
			Cash Flow Management which includes forecasting and analysis and full integration with the budget and financial accounting modules.	Best Practice		
			Funds management and budget availability control.	Best Practice		
			Allow for requisition from the annual procurement plan;	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Align requisition to be project based;	mSCOA Regulation		
			Supplier rotation management (parameter driven);	Legislation		
			Supply Chain Deviation Management Facility in terms of legislation;	Legislation		
			Adhere to the municipality's delegation of duties and authority levels;	Legislation		
			Electronically validate against the National Treasury database for prohibited, employees of state and related parties and invite tenders based preferential procurement principals;	Legislation		
			Electronically manage the invitation, bid closure and adjudication process with a full document management server unpinning the cycle;	Best Practice		
			Record and electronically store the bid adjudication committee's meeting minutes and store the minutes on the document management server;	Best Practice		
			Ensure the service level agreement (SLA) and allocation letters are electronically archived prior to any payment being made;	Best Practice		
			Enforce where applicable retention enforcement and manage retention registers;	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Ensure tax clearance management for the duration of the contract;	Legislation		
			Integrate with the asset management system;	Legislation		
			Ensure that all payments are made within 30 days of receipt of an invoice therefore; and	Legislation		
			Ensure that full accrual is done at month-end and year-end cut-off periods.	Legislation		
		Contract Management that gives effect to MFMA section 116.	Contract management through workflow and audit trail.	Legislation		
		Requisitions	Different requisition origination such as online, manual, stores and other modules.	Best Practice		
			Project based requisition forms.	mSCOA Regulation		
			mSCOA segmented capturing.	mSCOA Regulation		
			Ability to attach documents to online requisitions such as drawings or specifications.	Best Practice		
			Must support full work flow and electronic signatures.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
		Projects	Must be able to support the generation of mandatory budget pricing at the beginning of the project and the maintenance thereof.	Best Practice		
			Follow accepted project management methodology through work flow and document management.	Best Practice		
			Allow for incentives, penalties and returns.	Best Practice		
		Supplier Evaluation	Evaluate supplier performance in accordance with contract deliverables.	Best Practice		
			Update incentives and penalties to supplier database.	Best Practice		
			Automate notification alerting relevant system users when a supplier's BEE certificate and tax certification reach expiry dates.	Best Practice		
		Request for quote, quotations and Request for proposals	Maintain a Request for quote, quotations and proposals database linked to suppliers.	Best Practice		
			Automated notification of price differences outside of approved variance.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Automated evaluating of quotations with parameters.	Best Practice		
			Comparative tables for allocation of bids.	Best Practice		
			Automated notification and ordering system.	Best Practice		
			Workflow and document management in quotation process.	Best Practice		
		Purchase Order Processing(PO)	Allow for automated purchase orders from approved requisitions.	Best Practice		
			Electronic authorising and signing of purchase orders (PO's) through workflow process.	Best Practice		
			Automated sending of purchase orders (PO's) to supplier through email and/or fax.	Best Practice		
			Processing of partial order deliveries with automated reminders of outstanding items.	Best Practice		
			Automated transfers of outstanding orders to future periods with budget controls.	Best Practice		
			Align purchase order (PO) deliverables to the annual service delivery- and budget implementation plan (SDBIP).	Best Practice		
	Inventory	Inventory / Stores sub system	All consumable items in terms of the classification framework is purchased via an inventory principal. This include direct purchases like pens, stationary, etc.	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			In terms of the above, all systems should cater for a stores module be it virtual or actual that will allow management to control the consumable items in an effective and controlled manner.	mSCOA Regulation		
			The stores module must seamlessly integrate and balance with the core financial system.	mSCOA Regulation		
			Where a full stores module is operational, high value items should annually be measured to establish whether any of these items should be capitalised as 'assets'.	Legislation		
			Normal functions should be included as standard best practice and should include but not be limited to: Warehouse management; Acquisitions; Stock Level Management; Disposals; Automated consumable stores stock count sheets (departmental stores).	mSCOA Regulation		
	Subsidies	Maintain a grant register that as a minimum:	Provide for a grant register linked to ledger accounts.	mSCOA Regulation		
			Automate receipt allocation of grants.	Best Practice		
			Automate payment allocations.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Link to mSCOA funding source with budget control.	mSCOA Regulation		
			Provide for reporting in accordance with the mSCOA Regulation and internal control.	mSCOA Regulation		
			Manage the full asset life cycle;	Legislation		
			Manage the contract and build phase of the project by registering the component and rolling the accounting transaction up to the work-in-progress (WIP);	Legislation		
			Immediately after a completion certificate is received, unbundle assets and maintain the parent-child relationship between the main asset and its components;	mSCOA Regulation		
			Enable <i>table-to-floor</i> inspection sheets (electronic devices are preferred) as well as <i>floor-to-table</i> look-up methodologies;	Legislation		
			Host the insurance register and constantly update the portfolio as new assets are purchased or if there is progress on the value of work-in-progress (WIP);	Legislation		
			Compile and monitor expenditure against the asset maintenance plans;	Best Practice		
			Integration to billing systems to monitor investment properties and valuation inconsistencies;	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Utilise the billing system functionality to ensure ownership of land and buildings to the deeds register;	Best Practice		
			Integration of the electronic scanning and verification device. The purpose is to ensure annual verification and conditional assessment with GPS co-ordinate capturing to the nearest extent possible; and	Best Practice		
			Seamless integration with a Geographical Information System (GIS) or alternative mapping enabled graphical user interphase.	Best Practice		
		Identification of Assets	Ability to identify and track assets in a hierarchy structure of departments, locations, components and sub-components.	Best Practice		
			Define Cost Centers, Work Centers, assigning of re-servicing the equipment to an individual.	Best Practice		
			Allow for criticality rating to be assignable to each asset via the risk assessment model.	Best Practice		
			Ability to link movable assets to third party asset tracking systems.	Best Practice		
		Maintenance Strategies	Must be able to configure different strategies.	Best Practice		
			Ability to attach and insert links to Technical Documentation throughout the maintenance module.	Best Practice		
			Must cater for a master maintenance schedule with reporting of 'maintenance done'.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Must be able to indicate the lifespan of equipment for replacement budgeting purposes.	Best Practice		
			Must be able to track warranty periods by components.	Best Practice		
			Support call center notifications and maintenance of assets with integrated workflow.	Best Practice		
		Fleet Management	Fleet Management system.	Best Practice		
	Rental	Rent out	Maintain a rent register for rental properties.	Best Practice		
			Holiday resort systems.	Best Practice		
			Automated rent renewals with workflow and document management.	Best Practice		
			Link to debtors system for collection of rent.	Best Practice		
			Link to valuation system.	Best Practice		
			Link to asset register.	Best Practice		
		Facilities	Facilities rental module updated from receipting with workflow refunds.	Best Practice		
		Rent in	Lease register with work flow and document management.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Automated payment scheduling.	Best Practice		
	General Processes	Maintenance	Maintenance module for properties and facilities.	Best Practice		
			Facilities Management (Maintenance).	Best Practice		
	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	Organisation Management.	Legislation		
			Employee Records Management.	Legislation		
			Leave Records Management.	Legislation		
			Leave Pay Accrual to be automated also to be retrieved on an ad hoc basis.	Best Practice		
			E-Leave functionality.	Best Practice		
			Training and Development Management.	Legislation		
			Recruitment and Selection Management.	Legislation		
			Performance Management.	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Travel claims Management.	mSCOA Regulation		
			Human Resource Self Service.	Best Practice		
			Talent Management.	Best Practice		
			Career Path Management.	Best Practice		
			Payroll and Benefits Management.	Best Practice		
			Automated reconciliation at predetermined intervals.	Legislation		
			Overtime claims Management/ Time off in lieu.	Legislation		
			Special Allowance Management (e.g. acting, secondments, etc.).	Legislation		
			Refunds to staff in respect of over-deductions and ad hoc payments.	Legislation		
			Deductions and payments to third parties (e.g. medical aids, SARS, union contributions, etc.).	Legislation		
			Ad hoc payroll runs must reflect in the Financial Management System.	mSCOA Regulation		
			Must cater for pensioners' benefits.	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Provision to record allowance details against a post and employee (e.g. Telephone Allowance, categories, amounts, telephone number etc.).	mSCOA Regulation		
			Employee Relations.	Legislation		
			The system must cater for all requirements of the South African Revenue Services (SARS).	mSCOA Regulation		
			Must provide a facility to automate the update of tax tables whenever changes occur.	Legislation		
			History of previous tax tables must be retained on the system for an indefinite period.	Legislation		
			The system must be flexible so as to cater for any legislative changes to UIF, Workman's Compensation, Unions, etc.	Legislation		
			The system must be able to cater for more than 1 payroll type (e.g. Staff, Pensioners, etc.).	mSCOA Regulation		
			Narrative type pay slips must be provided (Hard copy and electronically).	Legislation		
			Accumulations of all deductions to be printed on pay slip if required (Pension, tax, housing allowance, motor car allowance, etc.).	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Salary payments made to employees' bank accounts must be catered for electronically by either ACS (Automated Clearing Bureau) or electronic funds transfer (EFT).	Legislation		
			Provide a payment hold facility.	Legislation		
			Third Party deduction and payments in terms of schedules or ad hoc basis.	Best Practice		
			Variance reporting.	Best Practice		
			The ability to calculate back pay across tax periods and increment periods must be provided for.	Best Practice		
			The system must allow for dummy validation pay runs to be carried out prior to running the final run.	Best Practice		
			All temporary staff (e.g. seasonal workers, learner ship programs, contract workers, etc.) to be controlled via Budget availability.	Best Practice		
			Provision to maintain (add, amend, delete) conditions of service pertaining to specific posts.	Best Practice		
			The Payroll System must be able to accommodate or account for all vacancies (i.e. funded and or unfunded vacancies) based on a Council approved Organogram in terms of. Section 66A of the Municipal Systems Act Amendment Act (MSAA).	Best Practice		
			Budget control and management of virement requirements.	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Ensure that all employees' and councilors' declaration of interest and related parties are captured on the master files.	Best Practice		
			Bank account monitoring against supplier and/ or contract payment AND against own and related parties' bank accounts.	Best Practice		
			Test against the central database for contracts with any 'organs of state'/ "persons in the service of state" and supply the central database with employees' and related parties' details.	Best Practice		
			Supply the central database with the identification (ID) numbers of employees, councilors and related parties.	Best Practice		
			Report and create the workflow for collection of all employees and councilors with arrear accounts.	Legislation		
			Provide the financial statements with regulated reporting requirements regarding the municipal councilors' outstanding debtor account details.	Legislation		
			Provide the general ledger (GL) with transactions that debit expenditure and credit revenue votes when applicable. This creates a temporary total liability of the payroll balance on the integration control.	mSCOA Regulation		
			Electronic funds transfer (EFT) to employee's bank accounts into the core financial systems cashbook awaiting approval;	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Creation of "invoices" for 3 rd parties, SARS (PAYE, VAT, etc.), UIF, Medical aid and pension funds;	mSCOA Regulation		
			Provide for an employee portal to update personal information and re-produce documents.	Best Practice		
			The system must support a disciplinary module which should allow for (not complete list): - Grievances created (bottom up workflow) - System should recommend action to be performed based on type of grievance - Allow for exception reporting (when a grievance is not being addressed in correct time frame)	Best Practice		
	Time Management		Work schedule and shift planning.	Best Practice		
			Time data recording and administration.	Best Practice		
	Payroll		Must be able to easily integrate with banks. Seamless upload of payroll information.	Legislation		
			Support multiple payrolls with different pay structures.	Legislation		
			Produce, in conjunction with the Human Resource system, a multi-year budget in the mSCOA segmentation.	mSCOA Regulation		
			Integrate with the time management system.	Best Practice		
			Ability to submit statutory reporting to SARS for all taxes.	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Provide for SMS, email and hand delivered late payment notifications;	Best Practice		
			Provide for parameter based disconnection list generation;	Best Practice		
			Manage re-connection and arrangements with integrated notes on the debtor master file and workflow with technical services;	Best Practice		
			Integrated clearance applications and calculations;	Best Practice		
			Final demand and summons issuing; and	Best Practice		
			Management of attorney actions on an integrated level.	Best Practice		
			If the module is a 3 rd party solution – it must as a minimum integrate the fees as well as the action history to the billing sub-ledger. This integration must be seamless.	mSCOA Regulation		
		Debtor Classification and Categorisation	Indigent Management (Assistance-to-the-Poor).	Best Practice		
			<i>Indigent Register must be accommodated in a work flow of various administration processes including, but not limited to:</i>	Best Practice		
			Online Application;	Best Practice		
			House visit;	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Capturing of details;	Best Practice		
			Verification of details, Test against Central Supplier Database;	Best Practice		
			Authorisation of application;	Best Practice		
			Automated Subsidy, Write Off and reversals thereof.	mSCOA Regulation		
			Online Application;	Best Practice		
			Authorisation of application;	Best Practice		
			Automated arrangement financials;	Best Practice		
			Automated Default process;	Best Practice		
			Irrecoverable Debt Write Off process;	mSCOA Regulation		
			Restriction and Reinstatement of Credit and prepaid meters;	Best Practice		
			Meter Tampering Management;	Best Practice		
			Debtor (individual/group) dashboard;	Best Practice		
			Management facility to monitor Debtors that are also Service Providers (creditors) set off Management;	Best Practice		
			Management of staff arrear set off.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
		Legal Process	Up to the Default Judgement.	Best Practice		
			Debit Order Payments.	Best Practice		
			Councilor Arrear Management.	Legislation		
			Specialised Functionality for Third Party Interfaces (e.g. Staff Arrear Set Offs, Prepaid Vending Arrear Set Offs, Prepaid meter blocking/set offs, etc.)	Legislation		
			Aims to create a positive and reciprocal (give-and-take) relationship between persons liable for payments and the municipality;	Best Practice		
			Establishes mechanisms for users of services and ratepayers to provide feedback to the municipality or other service providers/ mechanisms (of the municipality) regarding the quality of the services and the performance of the municipality or its service providers/ mechanisms;	Best Practice		
			Provides accessible mechanisms to any person to query or verify municipal accounts and metered consumption;	Best Practice		
			Enables electronic query and appeal procedures which allow persons to receive prompt response/ action to 'inaccurate accounts' queries;	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Enables structured workflow mechanisms to deal with complaints from such persons, together with prompt replies and corrective action by the municipality;	Best Practice		
			Mechanisms to monitor the municipality's response time and efficiency in complying with the above; and	Best Practice		
			Provides for accessible, secure and electronic payment channels.	Best Practice		
		Customer Relations Management & Community Liaison	Able to automate customer registration.	Best Practice		
			Automate the registration of services (water, electricity & prepaid electricity).	Best Practice		
			Automate the allocation of funds to the customer to trigger instruction to unblock/ reconnect suspended service.	Best Practice		
			Automated customer correspondence capabilities which includes, but is not limited to, automated responses to customer enquiries, linking a reference number to the customer's account.	Best Practice		
			Updates on statements which will reflect latest adjustments.	Best Practice		
			Integrate community liaison (e.g. service interruptions).	Best Practice		
			Account payments and cashier balancing on one system.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Must have real time reflection of payments.	Best Practice		
		Valuations Module to give effect to the Municipal Property Rates Act, 2004, and as a minimum:	Seamlessly integrate with the revenue management module.	Legislation		
			Integrate information for spatial analysis in a Geographical Information System (GIS).	Best Practice		
			Integrate with the building control system used in the municipality to ensure completion of additions and new buildings get immediately updated on the billing sub-system.	Best Practice		
			Integrate with the land use system to ensure appropriate tariffs is timeously applied.	Best Practice		
			Integrate with the Surveyor General (SG) database and town planning systems in use at the municipality.	Best Practice		
			Integrate with the deeds registry and monitor actual sales with current valuations as well as ownership against the billing system.	Best Practice		
			Validate and report anomalies in the asset register on municipal owned properties.	Best Practice		
			Provide the municipal website with the Municipal Property Rates Act, 2004 required A&B valuation rolls.	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
		Managing and calculation of property rates, special rating areas and service charges on a property subject to a number of requirements including but not limited to:	The valuation of property will be performed in the separate (Computer Assisted Mass Appraisal) system and the individual property values and relevant property attributes passed to the Solution via an interface with valuation module. Data to be validated and managed within the Solution in compliance with legislation policies and business rules to enable calculation of property rates.	Legislation		
			Property Rates and service charges are calculated at different tariffs depending on various criteria such as the category of the property.	mSCOA Regulation		
			Functionality is required to exempt certain categories of property and/ or certain categories of property owners from rates.	Legislation		
			Functionality is required to calculate a rebate or a reduction in rates in compliance with the requirements of legislation and/ or business rules.	Legislation		
			Functionality is required for the phasing in of rates in compliance with legislation.	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Clearance Certificate Management to be online and comply with Section 118 of the Municipal Systems Act, 2000.	Legislation		
	Land use	Property maintenance	Property register providing for all land in the municipal area.	Legislation		
			Town, township, suburb, street, erf, subdivision and sectional title detail must be aligned to the deeds office and Demarcation Board specifications.	Legislation		
			Integration with billing and valuation systems.	Legislation		
			Alignment of ownership must be verifiable with the deeds office.	Legislation		
			Property transfers, subdivisions, consolidations and zoning changes must be system process with work flow and document management driven.	Legislation		
	Special	Integration with external stakeholders	Must be able to align property register with the Surveyor General register.	Best Practice		
			Where a 3rd party GIS system is used integration should be seamless.	Best Practice		
			Integration with the asset register for municipal properties.	Best Practice		
	Building Control	Integration to the Town Planning function	Building plan submission and approval.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Document management for building plans and zoning certificates.	Best Practice		
			Measure and flag anomalies of the current database transaction (all services) against alternative information sources such as Surveyor General (SG), Deeds and valuation rolls to ensure completeness of actual billing;	Best Practice		
			Calculate and account monthly for the provision of bad debt;	mSCOA Regulation		
			Integration of Prepaid at a minimum of a 'debtor per tariff 'code per region, monthly bill the consolidation sales amount and daily receipt the sales;	mSCOA Regulation		
			Provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for services;	Best Practice		
			Provide adequate information for spatial analysis in a GEOGRAPHICAL INFORMATION SYSTEM (GIS) system;	Best Practice		
			Create and Maintain Regional Structure;	mSCOA Regulation		
			Integrate with valuation and property systems;	Best Practice		
			Allow for multiple billing cycles;	Best Practice		
			Create and maintain a tariff structure to comply with mSCOA Regulations;	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Produce monthly invoices to debtors and group accounts;	Legislation		
			Allow for rebates and penalty levies.	mSCOA Regulation		
		Specific but not limited requirements	Must have report writing capabilities for standard & Ad hoc reporting (daily, monthly & annual).	mSCOA Regulation		
			Maintenance of tariffs as per the tariffing section.	Legislation		
			Integrate with debt collection for disconnections and reconnections.	Best Practice		
			Integration into 3rd party software for receive readings taken.	Best Practice		
			Must be able to store infrastructure (metering) diagrams which will show the physical location of meter in order to be able to drill down to all of the relevant information concerning the meter in question.	Best Practice		
			Must have a full process and document flow for terminations and re-connections of services and the relevant documentation.	Best Practice		
			Must integrate with the Geographical Information System (GIS) to the extent that reticulation of services can be viewed as a layer at any point in time within the context of the current property being worked on.	Best Practice		
		Billing Reporting and Tariff Maintenance	Must be able to do consolidated billing of properties (all services and rates into one bill): As Municipalities are working within the	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			determination of the Municipal Property Rates Act, 2004, a property relational database design is critical. The respective debtor is secondary to that.			
			Generate statements at any point in time and consolidate at customer level.	Best Practice		
			Flexible tariff building structure and design. System must be capable of inclining block tariffs based on daily, monthly, or annual rate scales.	mSCOA Regulation		
			Must allow for the maintenance of tariffs as per the tariffing section.	mSCOA Regulation		
			Customer must be able to nominate between mailing, MMS or e-mailing of monthly statement.	Best Practice		
		Revenue receipting	Must adhere to applicable legislation and by-laws.	Legislation		
			Allow for all accepted payment methods at cashiers, including automated payment and clearing of card payments.	Best Practice		
			Payroll;	Best Practice		
			Third Party vendors (e.g. Absa, Easy Pay, Prepaid Vendor, etc.);	Best Practice		
			Cash Offices;	Best Practice		
			Traffic;	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Other Municipal Directorates (e.g. Fresh Produce Market, Libraries, etc.).	Best Practice		
			To cater for multiple bank accounts.	Best Practice		
			Processing of payments at supervisor controlled cash offices to accommodate cashier opening, balancing and closing.	Best Practice		
			Multiple daily and monthly online and automated reconciliations.	Best Practice		
			Receipting to be online.	Best Practice		
			Cash payments must be able to be processed during database server and network downtime.	Best Practice		
			All pay points and receipting streams to be uniquely identifiable in the sub ledger and general ledger.	Best Practice		
			Receipting to also accommodate specialised payment types e.g. Rates Clearance, Arrear Debt arrangements, Assistance-to-the-Poor, Service Deposits, etc.	Best Practice		
			To accommodate the correction of erroneous and/or rejected receipts.	Best Practice		
			Facility to reverse "refer to drawer"(R/D) for Cheques, debit orders and IVR payments.	Best Practice		
			To facilitate debit orders.	Best Practice		
			Printing and re-printing (marked as "Copy Receipt") of receipts.	Legislation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Interface with barcode scanner to scan account numbers from the statements.	Best Practice		
			Recording of cheque details.	Best Practice		
			Reversal of receipt and associated interest where applicable.	Best Practice		
			While the billing process itself follows standard accounting practices for raising debit and credit transactions, the tariffs of charges and the business rules that govern the selection of the Appropriate tariff are complex. The Solution will provide functionality to calculate the amounts due for services and levies in accordance with the determined tariffs and business rules.	Best Practice		
			Calculate the income due to the municipality for services and/ or products or property, on a regular, user defined and maintainable basis.	Best Practice		
			Generate invoices and/or statements for the amounts payable to the municipality on a regular, user defined and maintainable basis.	Best Practice		
			Group accounts into one or more 'billing cycles' based on user defined criteria.	Best Practice		
			Provides the facility to charge interest on arrears amount subject to certain user defined provisions and according to user maintainable rates.	mSCOA Regulation		
			Calculated transactions - these transactions will be the result of a calculation that is subject to user defined business rules to determine the tariff to be used, special conditions that may apply to be used, discounts or rebates to be applied etc.;	mSCOA Regulation		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Manually Input transactions - these transactions are captured by a user and will reflect all the details of the transaction;	mSCOA Regulation		
			Electronic transactions - these transactions are received electronically, which then must be identified and raised to the relevant Debtor account.	mSCOA Regulation		
			Transactions will be classified by type e.g. billing transaction, receipt transaction, journal transaction etc. The definition of a transaction type must be user maintainable.	mSCOA Regulation		
			All transactions, regardless of type and origin, must be date/time stamped and have the user/origin included in the record. A narration / description field must be available whereby a short description of the transaction can be recorded.	mSCOA Regulation		
			Functionality is required to correct and recalculate incorrect accounts with full audit trail of actions taken to rectify the error. This could include the recalculation of interest over different financial periods at different rates. <i>(MSA section 95f)</i> .	mSCOA Regulation		
			Account maintenance functionality is required to generate the necessary transactions to correct accounts which are in error by an authorised user with a full audit trail and maintenance report of actions taken to rectify the error. <i>(MSA section 95f)</i> .	mSCOA Regulation		
			Account maintenance functionality must produce 'hard copy' of all transactions generated to rectify the account to enable the user to verify and 'sign off' the action taken.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Functionality is required to categorise Debtors and Properties by a set of user defined parameters. The categories are used to create subsets of the Debtor Master for reporting, to establish appropriate tariffs and to determine billing cycles (MPRA section 3(3) c (i)).	mSCOA Regulation		
			Functionality is required to process different Debtor and property categories according to different business rule or time frames.	Best Practice		
			Tariffs are stored by effective date from inception and all history is retained to enable recalculation of accounts even over different tariff periods.	Best Practice		
			Functionality is required for the system to automatically apply new tariffs from the effective date specified in the tariff record. At this time the 'current ' tariff will receive a status of 'expired' and the 'new' tariff becomes 'current'.	Best Practice		
			It is important to note that in all areas of revenue calculation, rebates and/ or exemptions may be applied based on a single or on multiple criteria which may be applied to the Debtor account in an 'and/ or' context. The Solution must provide the required level of flexibility to cater for these variations.	Legislation		
			Miscellaneous Charges: Certain miscellaneous charges may be raised at regular intervals (monthly, quarterly, annually) and fixed periods whilst others are raised on an ad hoc basis with automated escalation dates and percentages.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
		Meter Management (credit and prepaid)	Functionality is required to link the numbered meter that is used to measure the consumption of services to the erf/ property on which the meter is installed. It is important to note that there may well be more than one meter per erf/ property.	Best Practice		
			Functionality is required to categorise meters.	Best Practice		
			The Solution must be able to record the relationship of each meter to the property and track meter readings and relevant history of each meter individually.	Best Practice		
			Functionality is required to link the Debtor to the numbered meter that is used to measure the Debtor consumption of services. It is important to note that a Debtor may well be linked to a number of meters. (E.g. a landlord with a number of leased properties). (MSA section 95d).	Best Practice		
			Functionality is required to create and maintain practical and efficient meter reading routes.	Best Practice		
			Capture via standard keyboard entry;	Best Practice		
			Receiving meter readings electronically from a third party interface. Automated uploading and validation will be required.	Best Practice		
			Meter readings must be retained at a transaction level and may not be overwritten, deleted or adjusted. Errors must be rectified by entering a cancelling entry and entering the correct reading.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Functionality is required to calculate charges for services consumed according to user defined algorithm which may contain a number of variable factors in order to determine the correct tariffs to apply.	Best Practice		
			Functionality is required to raise the charges against a debtor's account according to a user defined billing cycle (which may coincide with the meter reading cycle for an area).	Best Practice		
			In the event of a meter being read 'out of cycle' the charges may be raised to the debtors account on an 'ad hoc' basis. These charges raised must be visible on the debtor's account immediately, but will not generate an invoice immediately as it will be included on the standard invoice/ statement generated during the next billing cycle.	Best Practice		
			In the event that a meter reading is not received, functionality is required to calculate an estimated consumption, according to a user maintained algorithm.	Best Practice		
			Functionality is required to recalculate an account from all meter transaction history, taking into account any tariff changes, or from a specific starting point in the history on an ad hoc basis with the option to accept or discard the result. (I.e. the recalculation will be regarded as a 'what if' with the option to make it 'live').	Best Practice		
			Meter management system must be integrated/ interfaced with the Billing Component.	Best Practice		

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability 1. Available for deployment 2. In Development 3. not Available	Completion Date For "In Development" Module
			Functionality that is an integral part of the Billing interface to its prepaid vendor;	mSCOA Regulation		
			Automated blocking and arrear set off functionality is required.	Best Practice		
			Water inventory managing.	mSCOA Regulation		
			Functionality is required to manage an Inventory of Water Meters. This to be work flowed as certain steps are dependent on others.	Best Practice		
			Water Meter maintenance management;	Best Practice		
			Various statistical extracts and reports.	Best Practice		

4. MCLM BACKGROUND

4.1 INFORMATION TECHNOLOGY

4.1.1 The Municipality has several satellite offices which connect to the head office (Civic Centre) to access all applications and the sites are as followings:

- 4.1.1.1 34 sites with 5mbps minimum bandwidth;
- 4.1.1.2 16 sites have financial system users – majority of the users are in the main office (Civic Centre) and the number of all financial system users is +/- 359

4.2 CURRENTLY DEPLOYED MODULES

4.2.1 The modules applicable to MCLM are as follows:

- 4.2.1.1 Supply Chain Management (procurement and logistics);
- 4.2.1.2 Budget Planning and Financial modelling;
- 4.2.1.3 Treasury and Cash Management;
- 4.2.1.4 Creditors and Expenditure;
- 4.2.1.5 Credit Control and Debt Collection;
- 4.2.1.6 Revenue Management and Receipting;
- 4.2.1.7 Meter reading, billing and debtor's management;
- 4.2.1.8 Payroll;
- 4.2.1.9 Pre-paid management;
- 4.2.1.10 Document Management.

4.3 LIST OF CURRENT SERVICE PROVIDERS

4.3.1 The current service providers that will be engaged for the purpose of migration and/or seamlessly integration are as follows;

- 4.3.1.1 Quill & Associates (BIQ Financial System);
- 4.3.1.2 Absalom Systems Pty Ltd (Human Resource management);
- 4.3.1.3 Easy Pay (Prepaid water & electricity vending);
- 4.3.1.4 UMS- (prepaid water vending);
- 4.3.1.5 Lesira Teq – (prepaid water vending);
- 4.3.1.6 PowerCom Metering Africa (Meter Data Management System and Vending);
- 4.3.1.7 MunCom (Document Management);
- 4.3.1.8 Route Master Africa (Meter reading);
- 4.3.1.9 EasyPay, SAPO (account payments);
- 4.3.1.10 Adapt IT(CaseWare);
- 4.3.1.11 BarnOwl (Auditing & Risk Management);
- 4.3.1.12 CURA (Case Management);
- 4.3.1.13 ESRI SA (Geographical Information System);
- 4.3.1.14 Valuation System.

4.4 CUSTOMER OVERVIEW

4.4.1 Mogale City Local Municipality has approximately **196 588** customers with registered properties and the breakdown is as follows:

NUMBER OF PROPERTY	71 825
ELECTRICITY (CONVENTIONAL METERS)	18 845
WATER (CONVENTIONAL METERS)	13 331
ELECTRICITY (PRE-PAID METERS)	10 672
WATER (PRE-PAID METERS)	39 413

5. GENERAL CONCEPT OF BID

5.1 Mogale City Local Municipality invites prospective bidders to submit detailed proposals for an integrated financial system with support and maintenance for a period of 36 months.

5.2 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.

6. MSCOA KEY OBJECTIVES

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

6.1.1 Improved data quality and credibility;

6.1.2 The achievement of a greater level of standardization;

6.1.3 The development of uniform data sets critical for government reporting;

6.1.4 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;

6.1.5 The creation of the opportunity to standardize key business processes with the consequential introduction of further consistency in the management of municipal finance;

6.1.6 Improved transparency, accountability and governance through uniform recording of transactions at posting account level detail;

6.1.7 Enabling deeper data analysis and sector comparisons to improve financial performance: and

6.1.8 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

7. DELIVERABLES

7.1 Mogale City Local Municipality is in need of an Integrated Financial System that will assist in meeting the MSCOA regulations as per figure 1.1 below

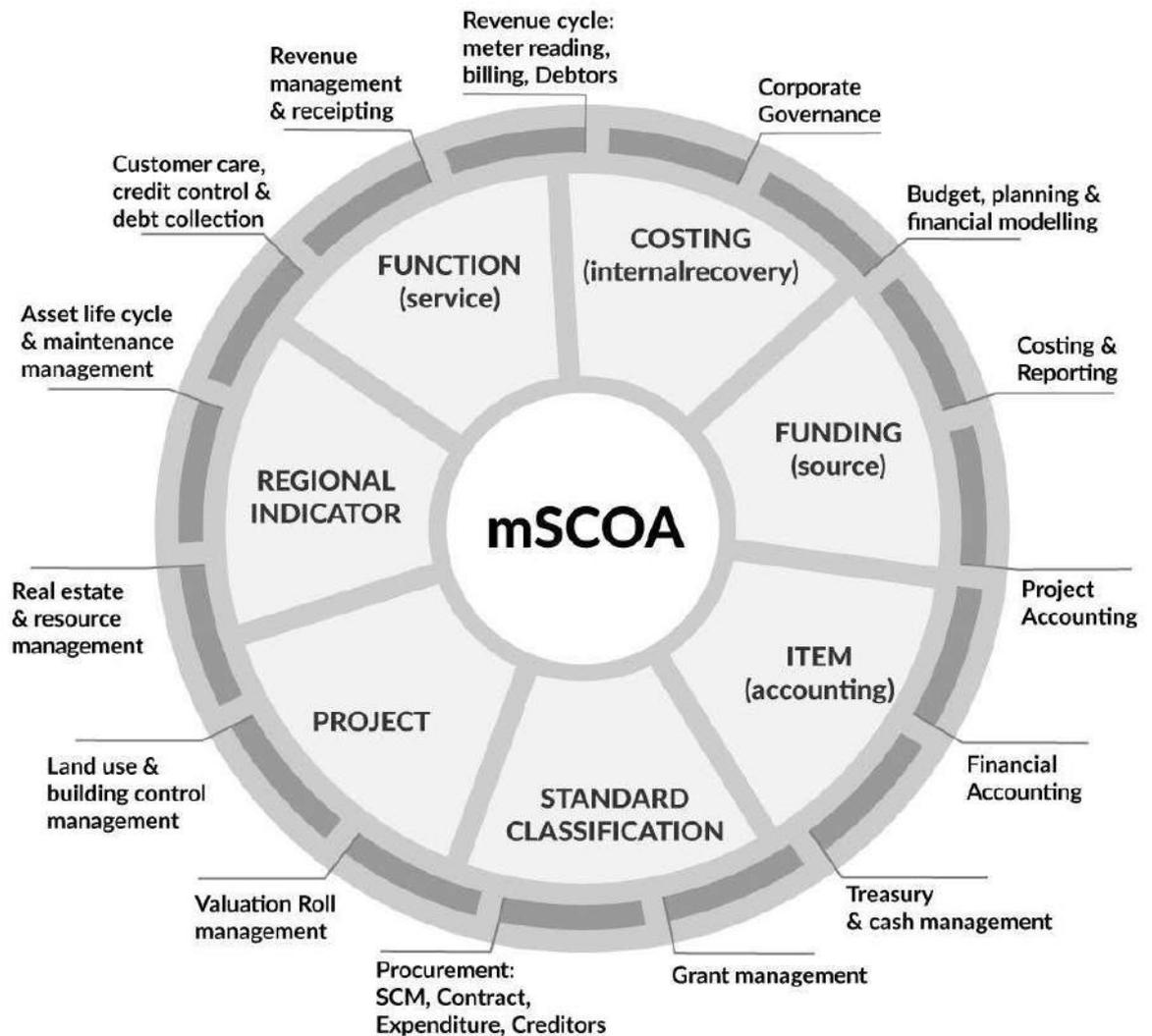


Figure 1.1

7.2 List of Modules (to be delivered);

7.2.1 The Modules to be delivered are per the detailed list in paragraph 3 above

7.2.2 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 (REFER TO NO 3 ABOVE)
4	Data integration with the pre-paid system(s)
5	Customization
6	Testing
7	Specialized hardware (e.g. scanners, fingerprint readers, printers etc)
8	Intention for partnership with 3 rd parties (list of all third parties)

8. FEE STRUCTURE

8.1 The fee structure must adhere to the following guidelines:

- 8.1.1 Fees must be indicated as per the bid document pricing schedule;
- 8.1.2 No additional fees should be quoted after signing the contract;
- 8.1.3 The Municipality will only pay for the modules being used/ deployed.

8.2 The Pricing Schedule

Item	Amount Per annum	VAT Amount	Amount Per Annum Inclusive of VAT.
Annual License Fee			

Item	Unit Price/ Hourly Rate	VAT Amount	Unit Price/Hourly Rate Inclusive of VAT.
Project Initiation Fee			
Gap Analysis and readiness Assessment Fee			
Data validation, cleansing & importing Fee (per module)			
Configuration & Migration Fee per module			
Parallel Billing Fee			
Interfacing other System			
ICT Hosting Infrastructure Cost			
Offsite Backup Infrastructure Cost			
Support Team Fee (consulting cost, travelling cost)			
• Project Manager			
• System Developer			
• Support Team			
Go-live training & skills transfer Fee			
Change Management Cost			
Business Processing Consulting Fee			
Help Desk Fee			
Engineering and Maintenance Fee			

Ad-hoc Services	Unit Price/ Hourly Rate	VAT Amount	Unit Price/Hourly Rate Inclusive of VAT.

9. HARDWARE REQUIREMENTS;

9.1 Hardware requirements would cover the following aspects;

- 9.1.1 MCLM is running Microsoft Hyper-V environment;
- 9.1.2 The Municipality can provide four (4) blade servers each with 256GB memory, 2 sockets with 20 Core, Storage capacity of 10TB, Intel Xeon E5-2640 v4 @ 2.40GHz x2 CPUs, Physical Tape Library and Virtual Tape Library;
- 9.1.3 The prospective bidder should propose any additional hardware if the above is insufficient;
- 9.1.4 The prospective bidder should propose a hosted solution which can be used as a disaster recovery site;
- 9.1.5 The prospective bidder should make provision for the connectivity and replication from the primary site to the disaster recovery site every 2 hours;
- 9.1.6 The bidder should propose an automated backup solution;
- 9.1.7 Bidders are required to supply specialised equipment should there be such a requirement.

9.2 Specialized hardware should form part of the bid proposal.

9.3 If the system will require e.g. scanners, fingerprint readers, printers etc. the quotation should be provided with returnable documents.

10. SOFTWARE REQUIREMENTS

10.1 Software issues covers the following;

- 10.1.1 The Municipality requires an all-inclusive and integrated financial management system;
- 10.1.2 It is the responsibility of every bidder to contact other vendors for collaboration and negotiate the fees;
- 10.1.3 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.

11. MANDATORY BID REQUIREMENTS.

11.1 To ensure your proposal is considered for evaluation, the bidder must ensure their proposal includes the following:

11.1.1 Brief document pertinent to the RFP that supports the submission addressing the above mentioned specifications;

11.1.2 A complete list of all Municipalities where the system is currently deployed or have been deployed in the past;

11.1.3 A completed list of references, from other Municipalities that has more than one hundred (100) system users and at least one hundred thousand (100 000) consumer accounts either in municipalities implemented after 1 July 2017;

11.1.4 Provide reference letters from any South African local Municipality as per evaluation criteria in clause 11 below.

11.1.5 Certificate from the Payment Association of South Africa (PASA) indicating that the institution (bidder or partners) is licensed to have a payment system and to collect cash and will be able to do it on behalf of the municipality;

11.1.6 It's important to note that PASA is the payment system management body recognised by the South African Reserve Bank (SARB), to organise, manage and regulate the participation of members in the national payment system (bidder or partner);

11.1.7 Payment Card Industry Data Security Standard (PCI DSS) Certificate;

11.1.8 A hand completed and signed tender document;

11.1.9 The following must accompany all proposals:

11.1.9.1 Covering Letter- A covering letter advising that the bidder has reviewed and understands the contents of the RFP package and is capable of meeting the requirements of the contract;

11.1.9.2 Profile/Resume- A profile or resume of all principal staff assigned to the project, their respective roles, qualifications, and a brief description of the organization as a whole;

11.1.9.3 Schedule of activities - The bidder should provide schedule of anticipated modules that are required to meet the needs of the Mogale City Local Municipality.

11.2 Project plan

11.3 Risk management plan associated with the project

11.4 Change management plan associated with the project

11.5 Training plan

11.6 Detailed pricing per module, hardware which may be required, annual license fees, training, data migration, skill transfer etc

11.7 Information Technology network requirements on LAN and WAN

11.8 Service Level Agreement - Support and maintenance after implementation, support resource onsite or within MCLM radius.

12. TECHNICAL EVALUATION CRITERIA

The bidder that meet general acceptability conditions will be first evaluated for functionality as per table below. Bidders that have scored a minimum of 70 points will proceed to second stage evaluation on price as per PPPFA, however, if any criterion is scored zero points, the tenderer will be rejected, even if the 70 out of 100 points are achieved.

This is done to determine the ability of each bidder to successfully execute the contract according to specifications.

	DESCRIPTION	WEIGHT	MINIMUM
1.	<p>Clear proposal outlining all the required services. The execution and implementation plan with service offering as outlined in the specification, commissioning, operations and maintenance, training, skills transfer, risk management.</p> <ul style="list-style-type: none"> • Migration Methodology = 2 • Data Cleansing Methodology = 2 • Testing & Commissioning Methodology = 2 • Operations & Maintenance Procedure = 2 • Training & Skills Transfer Method = 2 	10	10
2.	<p>Relevant Company Experience - Implementation of local government mSCOA compliant projects IFMS undertaken</p> <ul style="list-style-type: none"> • 70 to 79 items available for deployment = 15 points • 80 to 89 items available for deployment = 20 points • 90 or more items available for deployment = 30 points <p>Complete the MSCOA Scoring Schedule below</p>	30	20
3.	<p>Relevant Company Experience – Number of clients in local government serviced currently or in the past with 100 or more users and 100 000 or more consumer accounts</p> <ul style="list-style-type: none"> • 5 letters = 15 points • 6-9 letters = 20 points • 10 or more letters = 30 points <p>Attach signed reference letters by the client/ municipality</p>	30	20
4.	<p>Bidder's Project Management - Project Manager: qualification (degree or equivalent) and experience with:</p> <ul style="list-style-type: none"> • 3 - 5 years = 6 points • 6 – 10 years = 8 points • More than 10 years = 10 points <p>Attach CV & qualifications</p>	10	8
5.	<p>System Developers</p> <ul style="list-style-type: none"> • 3-4 Developers, their certified qualifications and experience on system development with a minimum of 5 years = 5 points 	10	5

	<ul style="list-style-type: none"> • 5 or more Developers, their certified qualifications and experience on system development with a minimum of 5 years = 10 points <p>Attach CVs & qualifications</p>		
6	<p>Bidders Project Team</p> <ul style="list-style-type: none"> • 2-3 Project team members to be deployed on site during implementation: qualification and experience with the minimum of 5 years = 5 points • 4-5 Project team members to be deployed on site during implementation: qualification and experience with the minimum of 5 years = 7 points • 6 or more project team members to be deployed on site during implementation: qualification and experience with the minimum of 5 years = 10 points <p>Attach CVs & qualifications</p>	10	7
	TOTAL POINTS	100	
	TOTAL MINIMUM POINTS REQUIRED TO QUALIFY		70

Bidders are required to complete the below MSCOA scoring schedule to demonstrate the module availability. Failure to complete the MSCOA scoring schedule will lead to disqualification.

MSCOA SCORING SCHEDULE

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
1	System control	Period Control	Monthly period closure and certification within the statutory reporting dates. No back-dating of transactions is allowed.	mSCOA Regulation			
2			Balancing of the sub-system with control accounts must be a condition of any period closure.	mSCOA Regulation			
3			Year-end closures period 12 as at 30 June (of the current year) result in a transactional transfer of opening balance to period one in the following year.	mSCOA Regulation			
4			Finalisation and submission of annual financial statements (AFS) period 13 results in <i>opening balance transactional transfer</i> of only the transactions of period 13.	mSCOA Regulation			
5			Audit periods with allowed audit approved journals occur in period 14 and result in <i>opening balance transactional transfer</i> of only the transactions of period 14.	mSCOA Regulation			
6			Accommodate a period 15 for prior period errors (GRAP 3).	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
7			Any corrections of prior period error(s) result in opening balance transactions in the subsequent years.	mSCOA Regulation			
8			Period closing, finalisation and audit period corrections are <i>opening balance transactions</i> in the <u>current open period</u> as well as normal transactions in the <u>audit periods</u> .	mSCOA Regulation			
9		Integration	Sub-system(s) or ledgers must, without (manual) intervention or manipulation, integrate and constantly balance with the core financial system.	mSCOA Regulation			
10			Create workflow and exception reporting mechanisms.	mSCOA Regulation			
11			Enable drill down from the general ledger (GL) to sub-system source transactions to transactional level.	mSCOA Regulation			
12			Integration and automation of the annual financial statements (AFS) as well as monthly MFMA section 71 reports (financial management statements).	mSCOA Regulation			
13	Reporting mechanisms	Business intelligence reporting solutions	Alternatively an effective, flexible report-writing facility with access to the database dictionary is required;	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
14			Ensure that mSCOA segmented reports can be produced on any level of the mSCOA chart with any combination of segments;	mSCOA Regulation			
15			Allow for the export of data via reports in commonly used file formats which is normally associated with spread sheet and other data base applications.	mSCOA Regulation			
16		National Treasury Portal and other statutory submissions	Statutory submission to the National Treasury local government Database (LG Database);	mSCOA Regulation			
17			The annual procurement plan - actual versus budget;	mSCOA Regulation			
18			The asset maintenance plan - actual versus budget;	mSCOA Regulation			
19			Annual Financial Statements (AFS);	mSCOA Regulation			
20			Annual report;	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
21	Main Budget	In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:	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.	mSCOA Regulation			
22			System must support budgeting cycles across the medium term revenue and expenditure framework (MTREF) (3-year budget) of the municipality.	mSCOA Regulation			
23			The system should be able to link budgeting to final integrated development plan (IDP) priorities.	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
24			Budgeting on the factual elements of typical work streams.	mSCOA Regulation			
25			Budgeting on the factual elements of municipal operational and running cost.	mSCOA Regulation			
26			Planning of secondary costing i.e.. Departmental charges, internal recoveries and activity based charges.	mSCOA Regulation			
27			The system should be able to link Expenditure and Revenue to All segments of mSCOA.	mSCOA Regulation			
28			Track, compare and report on budget versus actual amounts for year 1 of the medium term revenue and expenditure framework (MTREF) as per mSCOA Regulation requirement.	mSCOA Regulation			
29			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.	mSCOA Regulation			
30	Human Resources (HR) /Payroll	A Human Resource (HR) budget/ payroll module that as a minimum:	Allow the municipality to budget for its full organogram (organisational structure).	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
31			Incorporate the ability to apply costing allocation to projects and percentage (%) based allocation of administration costs to trading service departments (if not allocated) using direct calculation methods.	mSCOA Regulation			
32			Ensure that the planned positions is budgeted for pro-rata to when the expected appointment can be done.	mSCOA Regulation			
33			Supply the general ledger's main budget module with counts of the actual and planned positions (organogram) budgets for the full mSCOA segments as a budget line. The functionality should be able to provide this for both expenditure and balance sheet items.	mSCOA Regulation			
34	General Ledger (Core Financials)	General Ledger (GL) that as a minimum	Contains all the accounts for recording transactions relating to municipalities assets, liabilities and net assets as per mSCOA segments.	mSCOA Regulation			
35			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.	mSCOA Regulation			
36			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.	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
37			Non withstanding the above and due to probable packet loss a routine, is required to ensure that the general ledger and sub-ledger is in balance. This must be done by enforcing daily closing routines with subsequent blocking of opening routines if out of balance occurrence with control accounts is observed.	mSCOA Regulation			
38			Drill down to transactions from the general ledger (GL) to the sub-ledger or 3 rd party systems for an audit trail.	mSCOA Regulation			
39			Journal capturing capabilities (including reversible and recurring journals) including electronic approval.	mSCOA Regulation			
40			Reporting functionality for all financial reports in the full mSCOA segmented transactions .	mSCOA Regulation			
41			Debtor classes and discount categories to ensure correct billing and rebates;	mSCOA Regulation			
42			Trade, sundry and other debtor types to comply with mSCOA requirements;	mSCOA Regulation			
43			Debtor levies in mSCOA segmentation to the Accounts Receivable;	mSCOA Regulation			
44			Receipt allocation to AR in the correct mSCOA segmentation;	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
45			Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems.	mSCOA Regulation			
46		Fixed Asset Management	Ensure that all asset transactions are aligned with mSCOA Regulations.	mSCOA Regulation			
47	Cost Planning	Incorporate a costing module	A full costing module aligned to the mSCOA costing segment to assist in calculation of tariffs and real costs. Charges must have a direct effect on tariffs. Therefore it will be necessary to ensure direct link to Provisioning and payroll modules exist etc. through the application of internal billing departmental charges or activity based recoveries.	mSCOA Regulation			
48			Management reporting on all charges should be available for reports as well as dashboard information.	mSCOA Regulation			
49			Automated receipting of debtor payments and other monies received;	mSCOA Regulation			
50			Automated passing of journals for interest and other bank charges;	mSCOA Regulation			
51			Automated clearing of system generated transactions such as payments; and	mSCOA Regulation			
52			Automated clearing of cash received in the general ledger (GL) to the bank account;	mSCOA Regulation			
53			Support mSCOA segmentation in the cashbook module.	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
54		Petty cash	A petty cash module that would allow for accounting for petty cash transactions and subsequent budget allocations and control as per mSCOA.	mSCOA Regulation			
55			Internal cash receipt with drawdown of petty cash.	mSCOA Regulation			
56		Ad hoc: The Cash Management System must at least accommodate, but not be limited to:	Interest Received and interest expense reconciliation.	mSCOA Regulation			
57			Align requisition to be project based;	mSCOA Regulation			
58		Requisitions	Project based requisition forms.	mSCOA Regulation			
59			mSCOA segmented capturing.	mSCOA Regulation			
60	Inventory	Inventory / Stores sub system	All consumable items in terms of the classification framework is purchased via an inventory principal. This include direct purchases like pens, stationary, etc.	mSCOA Regulation			
61			In terms of the above, all systems should cater for a stores module be it virtual or actual that will allow management to control the consumable items in an effective and controlled manner.	mSCOA Regulation			
62			The stores module must seamlessly integrate and balance with the core financial system.	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
63			Normal functions should be included as standard best practice and should include but not be limited to: Warehouse management; Acquisitions; Stock Level Management; Disposals; Automated consumable stores stock count sheets (departmental stores).	mSCOA Regulation			
64	Subsidies	Maintain a grant register that as a minimum:	Provide for a grant register linked to ledger accounts.	mSCOA Regulation			
65			Link to mSCOA funding source with budget control.	mSCOA Regulation			
66			Provide for reporting in accordance with the mSCOA Regulation and internal control.	mSCOA Regulation			
67	Human Resources (HR)	A Human Resource (HR) payroll module that as a minimum (In addition to the normal payroll calculation):	Travel claims Management.	mSCOA Regulation			
68			Ad hoc payroll runs must reflect in the Financial Management System.	mSCOA Regulation			
69			Must cater for pensioners' benefits.	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
70			Provision to record allowance details against a post and employee (e.g. Telephone Allowance, categories, amounts, telephone number etc.).	mSCOA Regulation			
71			The system must cater for all requirements of the South African Revenue Services (SARS).	mSCOA Regulation			
72			The system must be able to cater for more than 1 payroll type (e.g. Staff, Pensioners, etc.).	mSCOA Regulation			
73			Budget control and management of virement requirements.	mSCOA Regulation			
74			Provide the general ledger (GL) with transactions that debit expenditure and credit revenue votes when applicable. This creates a temporary total liability of the payroll balance on the integration control.	mSCOA Regulation			
75			Electronic funds transfer (EFT) to employee's bank accounts into the core financial systems cashbook awaiting approval;	mSCOA Regulation			
76			Creation of "invoices" for 3 rd parties, SARS (PAYE, VAT, etc.), UIF, Medical aid and pension funds;	mSCOA Regulation			
77	Payroll		Produce, in conjunction with the Human Resource system, a multi-year budget in the mSCOA segmentation.	mSCOA Regulation			
78			If the module is a 3 rd party solution – it must as a minimum integrate the fees as well as the action history to the billing sub-ledger. This integration must be seamless.	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
79		Debtor Classification and Categorisation	Automated Subsidy, Write Off and reversals thereof.	mSCOA Regulation			
80			Irrecoverable Debt Write Off process;	mSCOA Regulation			
81		Managing and calculation of property rates, special rating areas and service charges on a property subject to a number of requirements including but not limited to:	Property Rates and service charges are calculated at different tariffs depending on various criteria such as the category of the property.	mSCOA Regulation			
82	Building Control	Integration to the Town Planning function	Calculate and account monthly for the provision of bad debt;	mSCOA Regulation			
83			Integration of Prepaid at a minimum of a 'debtor per tariff' -code per region, monthly bill the consolidation sales amount and daily receipt the sales;	mSCOA Regulation			
84			Create and Maintain Regional Structure;	mSCOA Regulation			
85			Create and maintain a tariff structure to comply with mSCOA Regulations;	mSCOA Regulation			
86			Allow for rebates and penalty levies.	mSCOA Regulation			
87		Specific but not limited requirements	Must have report writing capabilities for standard & Ad hoc reporting (daily, monthly & annual).	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
88		Billing Reporting and Tariff Maintenance	Flexible tariff building structure and design. System must be capable of inclining block tariffs based on daily, monthly, or annual rate scales.	mSCOA Regulation			
89			Must allow for the maintenance of tariffs as per the tariffing section.	mSCOA Regulation			
90		Revenue receipting	Provides the facility to charge interest on arrears amount subject to certain user defined provisions and according to user maintainable rates.	mSCOA Regulation			
91			Calculated transactions - these transactions will be the result of a calculation that is subject to user defined business rules to determine the tariff to be used, special conditions that may apply to be used, discounts or rebates to be applied etc.;	mSCOA Regulation			
92			Manually Input transactions - these transactions are captured by a user and will reflect all the details of the transaction;	mSCOA Regulation			
93			Electronic transactions - these transactions are received electronically, which then must be identified and raised to the relevant Debtor account.	mSCOA Regulation			
94			Transactions will be classified by type e.g. billing transaction, receipt transaction, journal transaction etc. The definition of a transaction type must be user maintainable.	mSCOA Regulation			
95			All transactions, regardless of type and origin, must be date/time stamped and have the user/origin included in the record. A narration / description field must be available whereby a short description of the transaction can be recorded.	mSCOA Regulation			

Business Process	Sub-Process	Legislative or Business Requirement	System / Applications minimum functionality	Required by	Module availability		
					Available for deployment	In Development	Not Available
96			Functionality is required to correct and recalculate incorrect accounts with full audit trail of actions taken to rectify the error. This could include the recalculation of interest over different financial periods at different rates. <i>(MSA section 95f)</i> .	mSCOA Regulation			
97			Account maintenance functionality is required to generate the necessary transactions to correct accounts which are in error by an authorised user with a full audit trail and maintenance report of actions taken to rectify the error. <i>(MSA section 95f)</i> .	mSCOA Regulation			
98			Functionality is required to categorise Debtors and Properties by a set of user defined parameters. The categories are used to create subsets of the Debtor Master for reporting, to establish appropriate tariffs and to determine billing cycles (MPRA section 3(3)c(i)).	mSCOA Regulation			
99		Meter Management (credit and prepaid)	Functionality that is an integral part of the Billing interface to its prepaid vendor;	mSCOA Regulation			
100			Water inventory managing.	mSCOA Regulation			

TENDERS TO BE EVALUATED ON FUNCTIONALITY

- 5.(1) An organ of state must state in the tender documents if the tender will be evaluated on functionality.
- (2) The evaluation criteria for measuring functionality must be objective.
- (3) The tender documents must specify-
 - (a) the evaluation criteria for measuring functionality;
 - (b) the points for each criteria and, if any, each sub-criterion; and
 - (c) the minimum qualifying score for functionality.
- (4) The minimum qualifying score for functionality for a tender to be considered further-
 - (a) must be determined separately for each tender; and
 - (b) may not be so-
 - (i) low that it may jeopardise the quality of the required goods or services; or
 - (ii) high that it is unreasonably restrictive.
- (5) Points scored for functionality must be rounded off to the nearest two decimal places.
- (6) A tender that fails to obtain the minimum qualifying score for functionality as indicated in the tender documents is not an acceptable tender.
- (7) Each tender that obtained the minimum qualifying score for functionality must be evaluated further in terms of price and the preference point system and any objective

SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE

I, the undersigned,

Full name and surname	
Identity number	

Hereby declare under oath as follows:

- The contents of this statement are to the best of my knowledge a true reflection of the facts.
- I am a member / director / owner of the following enterprise and I am duly authorised to act on its behalf:

Enterprise Name	
Trading Name	
Registration number	
Enterprise Address	

- I hereby declare under oath that:

- The enterprise is _____% black owned;
- The enterprise is _____% black women owned;
- Based on the management accounts and other information available for the _____ Financial year, the income did not exceed R 10 000 000.00 (ten million rands);
- Please confirm in the table below the B-BBEE level of contributor, **by ticking the applicable box:**

100% Black owned	Level One (135% B-BBEE procurement recognition)	
More than 51% black owned	Level Two (125% B-BBEE procurement recognition)	
Less than 51% black owned	Level Four (100% B-BBEE procurement recognition)	

- The entity is an empowering supplier in terms of the dti Codes of Good Practice.
- I know and understand the contents of the affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
- The sworn affidavit will be valid for a period of 12 months from the date signed by the commissioner.

Deponent Signature _____

Date: _____

Commissioner of Oaths
Signature and Stamp

SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE

I, the undersigned,

Full name and surname	
Identity number	

Hereby declare under oath as follows:

- The contents of this statement are to the best of my knowledge a true reflection of the facts.
- I am a member / director / owner of the following enterprise and I am duly authorised to act on its behalf:

Enterprise Name	
Trading Name	
Registration number	
Enterprise Address	

3. I hereby declare under oath that:

- The enterprise is _____ % black owned;
- The enterprise is _____ % black woman owned;
- Based on the management accounts and other information available on the _____ financial year, the income did not exceed R50,000,000.00 (fifty million rands);
- he entity is an Empowering Supplier in terms of Clause 3.3 (a) or (b) or (c) or (d) or as amended 3.3 (e) (**select one**) _____ of the dti Codes of Good Practice.
- Please confirm on the table below the B-BBEE level of contributor, **by ticking the applicable box:**

100% Black owned	Level One (135% B-BBEE procurement recognition)	
More than 51% black owned	Level Two (125% B-BBEE procurement recognition)	
Less than 51% black owned	Level Four (100% B-BBEE procurement recognition)	
(a) At least 25% of cost of sales, (excluding labour costs and depreciation) must be procurement from local producers or suppliers in South Africa; for the services industry include labour costs but capped at 15%,	(b) Job Creation – 50% of jobs created are for black people, provided that the number of black employees in the immediate prior verified B-BBEE measurement is maintained	
(c) At least 25% transformation of raw material / beneficiation which include local manufacturing, production and /or assembly, and/ or packaging	(d) At least 12 days per annum of productivity deployed in assisting QSE and EME beneficiaries to increase their operation or financial capacity	
(e) At least 85% of labour costs should be paid to South African employees by service industry entities.		

- I know and understand the contents of the affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.

2. The sworn affidavit will be valid for a period of 12 months from the date signed by the commissioner.

Deponent Signature _____

Date: _____

Commissioner of Oaths
Signature and Stamp

MOGALE CITY LOCAL MUNICIPALITY
SPECIAL CONDITIONS OF CONTRACT

RFP NO: CORP(ICT) 05/2021

1. All bids must be submitted on the official forms and may not be re-typed, copied or scanned.
2. Bid documents must be completed in ink and corrections may not be made by means of a correcting fluid such as Tipp-Ex or a similar product. In the event of a mistake having been made it shall be crossed out in ink and be accompanied by a full signature at each and every alteration. The Municipality reserves the right to reject the Bid if corrections are not made in accordance with the above.
3. If items are not tendered for a line must be drawn through the space on the pricing schedule in pen.
4. **All bid prices must be in RSA currency and inclusive of VAT.** All prices and details must be legible / readable to ensure the bid will be considered for adjudication.
5. In the instance of a term tender (period longer than one year), please indicate the estimated annual price increase and the intervals of such increases.
6. The lowest or any bid will not necessarily be accepted and Mogale City Local Municipality reserves the right to accept the entire or any portion of a bid.
7. Bids are to remain open for acceptance for a period of ninety (90) days from the date they are lodged and may be accepted at any time during the said period of ninety (90) days.
8. Tax clearance certificates issued by SARS will be accepted. Tax clearance certificates must be valid on the official closing date of the bid or Tax Compliance Status document (TCS)
9. In bids where Consortia / Joint Ventures / Sub-contractors are involved, **each party must submit a separate** Tax Clearance Certificate OR Tax Compliance Status (TCS) document.
10. The following information / documentation must be attached to every bid document:
 - comprehensive company profile;
 - detailed exposition of previous experience, specifically with relation to similar work done;
 - Tax clearance certificate or Tax Compliance Status
 - copy of latest Municipal account (irrespective of the municipal area) as well as all its directors or a lease agreement indicating Rates and Taxes not older than three (3) months.
 - copy of entities registration documents
 - if a bid is submitted by a joint venture, a copy of the memorandum of agreement between the parties;
 - Valid original B-BBEE Certificate or Letter from Registered Auditor in case of Emerging Micro-Enterprises (EME) or required to submit a sworn affidavit.
 - copy of certificate of registration with professional bodies or controlling authorities (mention the specific registration required)
11. Bids will be opened immediately after the closing date and time in a venue to be indicated.
12. Any orders placed within the contract period, will be paid according to the price applicable at the date of order.
13. A Corporate social responsibility contribution of one (1%) Vat inclusive will be levied on all companies/ service providers appointed as successful bidders provided that such companies are not based in the area of jurisdiction of Mogale City.

14. The supply chain management policy of Mogale City Local Municipality allow persons aggrieved by decisions or actions taken by the municipality in the implementation of its supply chain management system, to lodge within fourteen (14) days of the decision or action a written objection or complaint to the municipality against the decision or action.
15. Bids will be received until **11H00** on **07 May 2021**, and must be enclosed in sealed envelopes, bearing the closing time and due date

and must be addressed to:

The Municipal Manager
Mogale City Local Municipality
PO Box 94
Krugersdorp
1740

OR

The Municipal Manager
Mogale City Local Municipality
Cnr. Market & Commissioner Streets
TENDER BOX
Krugersdorp

16. Bidders should ensure that bids are delivered **timeously to the correct address**. If the bid is late, it will be returned unopened to the bidder and will not be accepted for consideration.

BID CHECKLIST

This list is aimed at assisting all bidders to submit complete bid documents.

Bidders are to check the following points before the submission of their tender document and to complete YES/NO next to each item as an indication that the bidder has complied with the provision of the item concerned. If any of the items are marked as NO – it might lead to the disqualification of your bid.

ITEM	DESCRIPTION	YES	NO
1.	Provide copy of your company registration document.		
2.	Provide certified copy of your company VAT registration Certificate		
3.	Tax clearance certificate/copy of tax compliance status (TCS) document has been submitted – in the name of the bidding entity		
4.	The bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, which is in arrears for more than three (3) months? No bid will be awarded to a company and its directors that owe more than three (3) months charges to any municipality or metro.		
5.	Lease agreement/municipal account of not older than three months in the name of the bidding entity. (Copy of the lease agreement will only be accepted if water and lights are part of lease payment).		
6.	<ul style="list-style-type: none"> ▪ Valid B-BBEE Rating Certificate or letter from registered auditor or Sworn Affidavit ▪ Consolidated B-BBEE certificate / letter in case of a trust, consortium or joint venture. 		
7.	All pages of the bid document have been read by the bidder and the returnable schedules and MBD forms duly completed and signed. MBD 4,MBD 5 ,MBD 6.1,MBD 8 AND MBD 9		
8.	All pages requiring information have been completed in full and in black ink.		
09.	No pages removed from the tender document		
10.	A copy of the resolution of your Board of Directors, similar to the attached specimen, authorizing the signatory to sign the tender and the subsequent contracts, has been attached and signed.		
11.	JV agreement has been attached and signed (if applicable)		

12.	Bidder must attach the Central Supplier Database (CSD) registration summary report.		
13.	Certified Copies of the directors Identity Documents		
14.	In case of any amendments made, was it signed in full by the authorized signatory? Please note that the use of tipp-ex will lead to immediate disqualification.		
15.	Please declare any interest as required in terms of MBD - 4 truthfully and correctly as incorrect declarations are considered a criminal offence. <ul style="list-style-type: none"> ▪ Personal Tax Numbers included ▪ State Employee Number / Persal Number ▪ Identity number ▪ Name 		
16.	Please take note of the functionality evaluation criteria that will be applied to your submission in order to ensure that your company has the necessary capacity and capability to successfully execute this tender, if appointed. Ensure that sufficient information is included in your submission to ensure successful evaluation of your bid.		

PLEASE NOTE:

- ❖ **No contract will be awarded to a service provider, if the service provider or its directors are in arrears with their municipal accounts for more than three (3) months.**
- ❖ **In case of a Joint Venture, please note that individual documents have to be submitted for all parties in the JV, like tax clearance certificates, municipal accounts, etc.**
- ❖ **No communication with Mogale City Municipal officials are allowed after the closing date of the tender. The only authorized form of communication will be through the Supply Chain Management Office.**
- ❖ **No bids will be accepted if not submitted on the correct closing date and time. No late bids will be considered, even if only late by a minute.**