



CONTRACT NO: CORP(ICT)05/2023

TENDERS ARE HEREBY INVITED FROM SERVICE PROVIDER/S FOR THE PROVISION OF AN INTERGRATED FINANCIAL MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) YEARS.

Compulsory Briefing Session will be held on Tuesday 4 April 2023 at 10:00am at Mayoral Chamber, Civic Centre, Corner Commissioner and Market Street, Krugersdorp, 1740.

NAME OF TENDERER:

CENTRAL SUPPLIER
DATABASE (CSD)

MAAA

TAX COMPLIANCE STATUS
(TCS) PIN ON:

TELEPHONE No:

TELEFAX No:

E-MAIL ADDRESS:

ADDRESS:

March 2023

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: | CORP(ICT)05/2023 | CLOSING DATE: | 24 April 2023 | CLOSING TIME: | 11:00 |
|-------------|-------------------------|---------------|--------------------------|---------------|--------------|

| | |
|-------------|--|
| DESCRIPTION | TENDERS ARE HEREBY INVITED FROM SERVICE PROVIDER/S FOR THE PROVISION OF AN INTERGRATED FINANCIAL MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) YEARS. |
|-------------|--|

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] | Yes <input type="checkbox"/> No | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| [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] |
| TOTAL NUMBER OF ITEMS OFFERED | | TOTAL BID PRICE | |
| SIGNATURE OF BIDDER | | DATE | |
| CAPACITY UNDER WHICH THIS BID IS SIGNED | | | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO: | | TECHNICAL CLARIFICATION QUERIES MAY BE DIRECTED TO: | |
| DEPARTMENT/ DIVISION | Supply Chain Management | | |
| QUERIES | SCMEnquiries@mogalecity.gov.za | E-MAIL ADDRESS | SCMEnquiries@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: City Press
 PUBLISHING DATE: Sunday 19 April 2023
 TENDER NOTICE: CORP(ICT)05/2023

MOGALE CITY LOCAL MUNICIPALITY

Tenders are hereby invited for the following Office: Corporate Management Services

TENDER NO: CORP(ICT)05/2023

TENDERS ARE HEREBY INVITED FROM SERVICE PROVIDER/S FOR THE PROVISION OF AN INTERGRATED FINANCIAL MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) YEARS.

Compulsory Briefing Session will be held on **Tuesday 4 April 2023 at 10:00am** at Mayoral Chamber, Civic Centre, Corner Commissioner and Market Street, Krugersdorp, 1740.

Adjudication: 90/10

Tenders will be evaluated using functionality evaluation **criteria of 100 points** of which the service provider is required to score the minimum of **70 points** in order to be considered for further evaluation. Tenders will be evaluated using the 90/10 preference point system which awards 90 points for Price and 10 points for Specific goal in accordance with the table below:

- 90 points for Price
- 10 Points for specific goals

| B-BEE Status Level of Contributor | Number of Points for Preference (5) |
|--|--|
| 1 | 5 |
| 2 | 4 |
| 3 | 3 |
| 4 | 2 |
| 5 | 1 |
| 6 | 1 |
| 7 | 1 |
| 8 | 1 |
| Non-compliant contributor | 0 |

| Local area of supplier | Number of Points for Preference (5) |
|--|--|
| Within the boundaries of the Municipality | 5 |
| Outside of the boundaries of the Municipality, but within the West Rand District Municipality. | 3 |
| Within the boundaries of Gauteng Province | 2 |
| Outside of the boundaries of Gauteng Province | 0 |

Documents Collection: Documents can be downloaded from the e-portal at www.etenders.gov.za or www.mogalecity.gov.za

Documents available: As from **Monday 20 March 2023** on www.etenders.gov.za or www.mogalecity.gov.za .

Enquiries: SCMEnquiries@mogalecity.gov.za

Closing date: Monday 24 April 2023

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.

A. MANDATORY DOCUMENTS:
(IF NOT PROVIDED THE BID WILL BE INSTANTLY DISQUALIFIED.)

1. Fully completed and signed Compulsory Briefing Session attendance register.
2. The bidding entity must submit Municipal account which is not more than three (3) months / ninety (90) days plus in arrears at the time of the closing date.
3. The director(s) of the bidding entity / Joint Venture / consortium must submit Municipal account which is not more than three (3) months / ninety (90) days plus in arrears at the time of the closing date.
4. The bidding entity must submit a valid signed lease agreement or rental statement which is in the name of the business and or the directors, which must stipulate who is responsible for payment of municipal services.
5. If the Bidding Entity operates from Informal settlement and is not responsible for municipal account / services:
 - 1.5.1 the bidder must submit Confirmation on Municipality / Metro letterhead signed and stamped from the ward Councilor / delegate with contact details.
6. If the bidding entity operates from parents' place / director's place or any other place and is not responsible for Municipal account / Services.
 - 1.6.1 The bidder must submit the property owner's Municipal account and Sworn Affidavit of the property owner with the original stamp from the Commissioner of Oaths.
7. If the bidding entity's property is new and has not been registered nor received any Municipal account, a Conveyancer's letter must be submitted as confirmation with the date of transfer.
8. Completed and signed the Declaration of Municipal Account.
9. Submit Central Supplier Database (CSD) Registration Report or Summary Report.
10. Completed and Signed Schedule of Pricing as issued in the document.
11. 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.
12. Completed and signed the below Municipal Bidding Documents:
 - 12.1 MBD 1: Invitation to tender
 - 12.2 MBD 4. Declaration of Interest.
 - 12.3 MBD 5: Declaration for Procurement above R10million (VAT Included).
 - 12.4 MBD 6.1 Preferential Points
 - 12.5 MBD 8: Declaration of bidders past supply chain management practices
 - 12.6 MBD 9: Certificate of independent bid determination.

B. ESSENTIAL DOCUMENTS

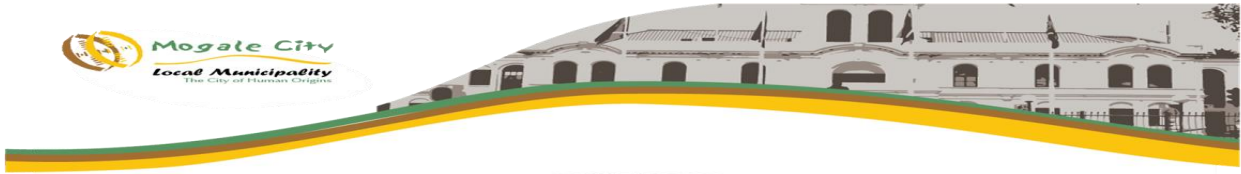
13. Tax Clearance Certificate / Tax Compliance Status documents with Pin.
Each company within the Joint Venture / Consortium must submit Tax Clearance Certificate or a copy of Tax Compliance Status document with Pin.
14. Copies of director's ID not older than three (3) months, not a copy of a certified copy.
15. Copies of their BBBEE certificates from an accredited BEE verification agency with their tender submission or sworn Affidavit.

C. 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 .
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 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, the bidder will not be disqualified in the bidding process but score zero (0) points.
6. Tenders 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.
7. No electronic signature will be accepted in the bidding document. The bidder's signature must always be signed by hand in black ink.
8. No late tender will be accepted.
9. Telefax or e-mail tenders will not be accepted.
10. All bids must be submitted on the official and original forms and must not be re-typed, or scanned. Tenders must only be submitted on the bid documents as provided by Mogale City Local Municipality.

11. Tenders must be completed in black ink, handwritten and must not be typed.
12. The use of tipp-ex is not allowed on the bid documents.
13. Bids completed in pencil will be regarded as invalid bids.
14. No page(s) must be removed from the original tender document.
15. Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the tender document;
16. In the event of a mistake having been made on the pricing schedule, it shall be crossed out in ink and be accompanied by initials at each and every alteration. The Municipality reserves the right to reject the bid if corrections are not made in accordance with the above.
17. 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.
18. The Municipality reserves the right to appoint and not to appoint.
19. The validity period for this tender is ninety (90) days.
20. A Corporate social responsibility contribution of two (2) 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.
21. The Municipality reserve the right to negotiate a fair market related price with recommended bidders after a competitive bidding process or price quotations.
22. All tender prices must be inclusive of VAT for all registered VAT vendors.
23. All bid prices must be in RSA currency and inclusive of VAT.
24. 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, failure to indicate the escalation will lead to a disqualification.
25. Bids will be opened immediately after the closing date and time in a venue to be indicated.
26. Bids must be submitted in original plus a copy and electronically on a USB.
27. No bids will be accepted from persons in the service of state as it is defined in the Municipal Finance Management Act and Regulations.
28. 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.
29. Tender documents may be downloaded from e-tender portal at www.etenders.gov.za as well as www.mogalecity.gov.za.

OFFICE OF THE MUNICIPAL MANAGER



DECLARATION OF BIDDER/S MUNICIPAL ACCOUNT(S)

NAME OF BIDDING ENTITY.....

Declaration in terms of paragraph 38(1)(d)(i) of the Supply Chain Management Policy of the MCLM irrespective of the contract value of the bid:

NB: Please note that this declaration must be completed and signed by all bidders

- (i) I, the undersigned hereby declare that the signatory to this tender document; is duly authorised and further declare:
- (ii) That the bidding entity as well as all its directors /shareholders 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, which must stipulate who is responsible for payment of municipal services.
- (iii) That the copy of the lease agreement/municipal account in the name of the bidding entity and Lessee will only be accepted if water and lights are part of lease payment.
- (iv) I acknowledge that should it be found that any Municipal Rates and Taxes or Municipal charges as set out in (ii) above are in arrears for more than three (3) months, the bid will be rejected and MCLM may take such remedial action as is required, including the rejection of the bid and/or termination of the contract. (Unless if the bidder has attached proof of the payment arrangement of the arrears to the bid document as at the closing date of the submission of bids)
- (v) The following account/s of the bidding entity has reference:

| Municipality | Account number |
|---------------------|-----------------------|
|---------------------|-----------------------|

| | |
|-------|-------|
| | |
| | |
| | |
| | |

(NB: if insufficient space above, please submit on a separate page)

- (vi) If the Bidding Entity operates from home/ family place / director’s place or any other place and is not responsible for Municipal account, the bidder must sign **Declaration of Municipal Account**.

| | Yes | No |
|--|-----|----|
| ➤ Bidding entity who operates from informal settlement | | |
| NB: if yes, the Bidding Entity operates from informal settlement and is not responsible for Municipal account/services; • The bidder must submit confirmation on Municipality/Metro letterhead signed and stamped from the ward councilor/delegate. | | |
| ➤ Bidding entity who operates from a property owned by a director / member / partner | | |
| Bidding entity who operates from somebody else’s property (non-Rental paying) N.B: If yes, attach confirmation affidavit of the property owner confirming who is responsible for payment of water and lights. | | |
| ➤ Bidding entity who rent premises from a landlord N.B: Attach valid lease agreement which stipulate who is responsible for payment of Municipal services or Rental statement | | |
| Other (Please specify) | | |

Signed at this day20.....

Name of Duly Authorised Signatory (Please print)

.....

Authorised Signature:

As witness: 1

2

(vii) If the Bidding Entity operates from home/ family place and is not responsible for municipal account, the bidder must submit Sworn Affidavit.
(APPLICABLE TO JOINT VENTURE / CONSORTIUM ONLY).

| | Yes | No |
|--|-----|----|
| Bidding entity who operates from informal settlement | | |
| NB: if yes, the Bidding Entity operates from informal settlement and is not responsible for Municipal account/services. <ul style="list-style-type: none"> the bidder must submit confirmation on Municipality/Metro letterhead signed and stamped from the ward councilor/delegate. | | |
| Bidding entity who operates from a property owned by a director / member / partner | | |
| 1. | | |
| 2. | | |
| Bidding entity who operates from somebody else's property (non-Rental paying) N.B: If yes, attach confirmation affidavit of the property owner confirming who is responsible for payment of water and lights. | | |
| Bidding entity who rent premises from a landlord N.B: Attach lease agreement which stipulate who is responsible for payment of Municipal services. | | |
| Other (Please specify) | | |

Signed at this day 20.....

Name of Duly Authorised Signatory (Please print)

Authorised Signature:

As witness: 1

2



T2.2.4 MCLM 2% CORPORATE SOCIAL RESPONSIBILITY

Mogale City Corporate Social Responsibility

In terms of Mogale City Corporate Responsibility, non-Mogale City based Services Providers will contribute two (2) percent of the Contract value to Mogale City.

Please provide your registered address:

.....

.....

.....

Please indicate if you are a Mogale based:

| | |
|------------|-----------|
| YES | NO |
|------------|-----------|

If not Mogale City based, a person duly authorized by the tenderer must complete and sign the declaration herewith in detail.

Declaration by Tenderer

I, the undersigned hereby declare and confirm that we accept the contribution towards the Mogale City Corporate Social Responsibility, by the deduction of two percent (2%) on all payment made.

| | |
|----------|----------|
| Signed | Date |
| | |
| Name | Position |
| | |
| Tenderer | |
| | |



MBD 4

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.

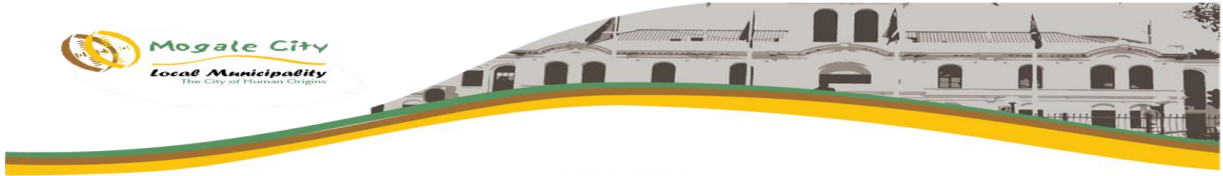
| Full Name | Identity Number | State Employee Number |
|------------------|------------------------|------------------------------|
| | | |
| | | |
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| | | |
| | | |
| | | |
| | | |
| | | |

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder



MBD 5

DECLARATION FOR 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 a municipality or other service provider in respect of which payment is overdue for more than 30 days.

YES / NO

2.2 If yes, provide particulars.

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

YES / NO

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

YES / NO

3.1 If yes, furnish particulars

.....
.....

4. Will any portion of goods or services be sourced from outside the Republic, and, 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

If yes, furnish particulars

.....
.....

CERTIFICATION

I,THE UNDERSIGNED (NAME)
CERTIFY THAT THE INFORMATION FURNISHED IN THIS
DECLARATION IS CORRECT.

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

Signature

Date

Position

Name of bidder



MBD 6.1

MOGALE CITY LOCAL MUNICIPALITY

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 2022**

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the **90/10** system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 To be completed by the organ of state

- a) **The applicable preference point system for this tender is the 90/10 preference point system.**
- b) **90/10 preference point system will be applicable in this tender.** The lowest/highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

| | POINTS |
|--|---------------|
| PRICE | 90 |
| SPECIFIC GOALS | 10 |
| Total points for Price and SPECIFIC GOALS | 100 |

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).
- (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 person for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- (h) **“contact”** means the agreement that results from the acceptance of a bid by an organ of state;
- (i) **“EME”** means an Exempted Micro Enterprise as defined 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, 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 defined 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 the 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 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.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of 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 two (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 in the B-BBEE.
- 3.5 However, when the functionality is part of the evaluation process and two or more bids have scored equal points including the preference points for B-BBEE, the successful bid must be the one scoring highest score on functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

4.1. POINTS AWARDED FOR PRICE

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

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

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

4.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

4.2.1 POINTS AWARDED FOR PRICE

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

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

Where

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

5 POINTS AWARDED FOR SPECIFIC GOALS

5.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

5.2 In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

| The specific goals allocated points in terms of this quotations | Number of points allocated (90/10 system) (To be completed by the organ of state) | Number of points allocated (80/20 system) (To be completed by the organ of state) | Number of points claimed (90/10 system) (To be completed by the tenderer) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|--|--|--|--|--|
| Price | 90 | N/A | | N/A |
| Specific Goals | 10 | N/A | | N/A |
| Within the boundaries of the Municipality | 5 | N/A | | N/A |
| Outside of the boundaries of the Municipality, but within the West Rand District Municipality. | 3 | N/A | | N/A |
| Within the boundaries of Gauteng Province | 2 | N/A | | N/A |
| Outside of the boundaries of Gauteng Province | 0 | N/A | | N/A |

5. DECLARATION WITH REGARD TO COMPANY/FIRM

5.1 Name of company/firm:.....

5.2 VAT registration number:.....

5.3 Company registration number:.....

5.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
 - One person business/sole propriety
 - Close corporation
 - Company
 - (Pty) Limited
- [TICK APPLICABLE BOX]

5.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

5.6 COMPANY CLASSIFICATION

- Manufacturer
 - Supplier
 - Professional service provider
 - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

5.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

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

5.9 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 |
| | | | | | |
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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 |
|------|-------------------------------|----------------|------------|
| | | | |
| | | | |
| | | | |
| | | | |
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| | | | |
| | | | |

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 |
|---|-----------------|
| | |
| | |
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| | |
| | |

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 |
|------|--------------------------------------|--|-------------------------------|-----|-------|----------|---|---------------------------------|
| | | | | | | | | |
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| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | 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

.....

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....



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 | <p>If so, furnish particulars:</p> | | |

| | | | |
|-------------|---|---------------------------------|--------------------------------|
| 4.2 | 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)? 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. | Yes <input type="checkbox"/> | No <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



MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

CORP(ICT) 05/2023: FOR PROVISION OF AN INTERGRATED FINANCIAL MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) YEARS

_____ (Bid Number and Description)

in response to the invitation for the bid made by: **MOGALE CITY LOCAL MUNICIPALITY**
(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

GENERAL CONDITIONS OF CONTRACT

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
JULY 2010**

**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.

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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.

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.

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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.

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.

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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.

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

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;
 - (a) the points for each criteria and, if any, each sub-criterion; and
 - (b) 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 criteria envisaged in regulation 11.

TERMS OF REFERENCE FOR THE SUPPLY, DELIVERY, SUPPORT AND MAINTENANCE OF AN INTERGRATED FINANANCIAL MANAGEMENT SYSTEM (IFMS) FOR A PERIOD OF THREE (3) YEARS.

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 ~~te~~ 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 MODULES | SUB-MODULES |
|-------|---|---|
| 3.1.1 | Corporate Governance; | <ul style="list-style-type: none"> • Internal Audit • External Audit • Audit Committee • System Configurations • Performance Management System • Municipal Website • Document Management System • Reporting Mechanism |
| 3.1.2 | Municipal Budgeting, Planning and Modelling; | <ul style="list-style-type: none"> • Main Budget • Revenue • Expenditure (capabilities for departments budgets submissions) • Human Resources (HR) /Payroll • Assets • Budget Management |
| 3.1.3 | Financial Accounting; | <ul style="list-style-type: none"> • General Ledger • Accounts Receivable • Accounts Payable |
| 3.1.4 | Costing and reporting; | <ul style="list-style-type: none"> • Cost Planning |
| 3.1.5 | Project Accounting; | <ul style="list-style-type: none"> • Project Creation & Planning • Project Management |
| 3.1.6 | Treasury and Cash Management; | <ul style="list-style-type: none"> • Cash Management |

| | | |
|--------|--|--|
| 3.1.7 | Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Account Payable | <ul style="list-style-type: none"> • Supply Chain Management (Demand, acquisition & logistics) • Procurement management (Bids, Quotations & Proposals) • Contract Management • Notification of lapsing contracts • Linking Commitment register to Contract register • Vendors Administration • Payments Administration • Creditors Master File • Supplier Database • RFQ evaluations • Secure RFQ closing box • Stock taking • Reports • VAT Compliance Recondition • GRAP 13 Lease Compliance • Petty Cash • 2% CSR Levy |
| 3.1.8 | Grant Management; | <ul style="list-style-type: none"> • Grants management |
| 3.1.9 | Full Asset Life Cycle Management including Maintenance Management; | <ul style="list-style-type: none"> • Asset Management |
| 3.1.10 | Real Estate and Resources Management; | <ul style="list-style-type: none"> • Rental • General Processes |
| 3.1.11 | Human Resource and Payroll Management; | <ul style="list-style-type: none"> • Payroll administration • Leave management • Employment Equity • Human Resource Self Service • Job Costing • Organisation Management. • Employee Records Management. • Leave Records Management. • Training and Development Management. • Recruitment and Selection Management. • Performance Management. • Travel claims Management. • Talent Management. • Career Path Management. • Payroll and Benefits Management |
| 3.1.12 | Customer Care, Credit Control and Debt Collection; | <ul style="list-style-type: none"> • Credit Control • Customers • Call Centre • Consumer Portal |

| | | |
|--|-----------------------------------|---|
| | | <ul style="list-style-type: none"> • eServices |
| 3.1.13 | Valuation Roll Management; | <ul style="list-style-type: none"> • Valuation Rolls administration • Supplementary Valuation Rolls administration • GIS integration |
| 3.1.14 | Land Use Building Control | <ul style="list-style-type: none"> • Land use • Special • Building Control |
| 3.1.15 | Revenue Cycle Billing | <ul style="list-style-type: none"> • Debtors/Customer Masterfile Administration • Accounts Receivable/Debtors Sub ledgers (Various) • Metering administration and reading management • Tariff and billable services management • Consumer Billing (Property Rates, Water, Sewerage, Electricity, Refuse, other Sundry services & output VAT accounting). • Receipting Function (cashiers and cash processing, debit/credit cards, EFT's, debit orders etc) • Direct income processing (traffic fines, licensing and testing, prepaid utilities etc) • Housing & Sundry loans accounts maintenance and billing • Municipal Account Statements generation • Receivables impairment methodology • Enquiries, journal processing, Reports, Clearances figures and Certificates issuance) |
| <p>Note that all the modules are required to produce reports and Audit trails for users</p> | | |

3.2 BIDDERS ARE REQUIRED TO COMPLETE THE BELOW 15 BUSINESS PROCESSES TO DEMONSTRATE THE MODULE AVAILABILITY AND THE TIME-FRAME.

3.3 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 | | |

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|------------------|-------------|--|---|------------------|---|---|
| | | | 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 | | |

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|------------------|-------------|-------------------------------------|--|------------------|---|---|
| | | | 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 | | |

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|------------------|-------------------------------|---|--|------------------|---|---|
| | | | 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 | | |

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|------------------|-------------|---|--|------------------|---|---|
| | | | 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 | | |

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|------------------|-------------|-------------------------------------|---|---------------|---|---|
| | | | 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 | | |

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|------------------|-------------|-------------------------------------|---|------------------|---|---|
| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |
| | | | <i>The system must support a disciplinary module which should allow for (not complete list):</i> - 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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| | | 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 | | |

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| | | | 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 | | |

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| | | | 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 | | |

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|------------------|-------------|--|---|------------------|---|---|
| | | | | | | |
| | | 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. Banks, 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. (MSA section 95f). | 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. (MSA section 95f). | 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 BACKGROUND

4.1 INFORMATION TECHNOLOGY

- 4.1.1 The Municipality has several satellite offices which connect to the headoffice (Civic Centre) to access all applications and the sites are as followings:
- 4.1.1.1 Forty-three (43) sites with 2mbps minimum bandwidth (in the process of increasing the minimum bandwidth speed to 10mbps);
 - 4.1.1.2 Twelve (12) sites have financial system users – majority of the users.
are in the main office (Civic Centre)
 - 4.1.1.3 The number of financial system users is three hundred and fifty-five.
(355)

4.2 CURRENTLY UTILIZED MODULES

- 4.2.1 The modules that are being utilized by 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 Human Resource management and Payroll;
 - 4.2.1.9 Pre-paid management;
 - 4.2.1.10 Document Management.

4.3 LIST OF CURRENT SYSTEMS & 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 (SmartHR -Human Resource Management);
 - 4.3.1.3 Prepaid water and electricity vending and metering (Easy Pay. Lesira Teq, Kent System);
 - 4.1.3.4 Meter Data Management System and Vending (PowerCom Metering Africa and Hexing);
 - 4.1.3.5 MunComp (Document Management);
 - 4.1.3.6 CAT Route Master Africa (Meter reading);
 - 4.1.3.7 EasyPay, SAPO (account payments);
 - 4.1.3.8 Adapt IT(CaseWare);
 - 4.1.3.9 CURA (Case Management);
 - 4.1.3.10 ESRI SA (Geographical Information System);
 - 4.1.3.11 Pensoft Valuation System
 - 4.1.3.12 Asset Management System
 - 4.1.3.13 Org Plus (KIMRU)
 - 4.1.3.14 TASK Job Evaluation System (Deloitte)
 - 4.1.3.15 Traffic Fines Management System

- 4.1.3.16 eNatis (RTMC)
- 4.1.3.17 SIRSI Dynix system (UKS)
- 4.1.3.18 Weigh Bridge System (OPTO EAST COAST)
- 4.1.3.19 Synapsis Cemetery (Synapsis Cemetery Management)

4.2 CUSTOMER OVERVIEW

4.2.3 Mogale City Local Municipality has ninety-nine thousands, nine hundred and twenty-four (99 924) active customers with registered properties and the breakdown is as follows:

| | |
|---|---------------|
| NUMBER OF PROPERTIES | 72 645 |
| ACTIVE CUSTOMERS ACCOUNTS ON THE BILLING SYSTEM | 99 924 |
| ELECTRICITY (CONVENTIONAL METERS) | 18 892 |
| WATER (CONVENTIONAL METERS) | 16 270 |
| ELECTRICITY (PRE-PAID METERS) | 6 466 |
| WATER (PRE-PAID METERS) | 31 699 |

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

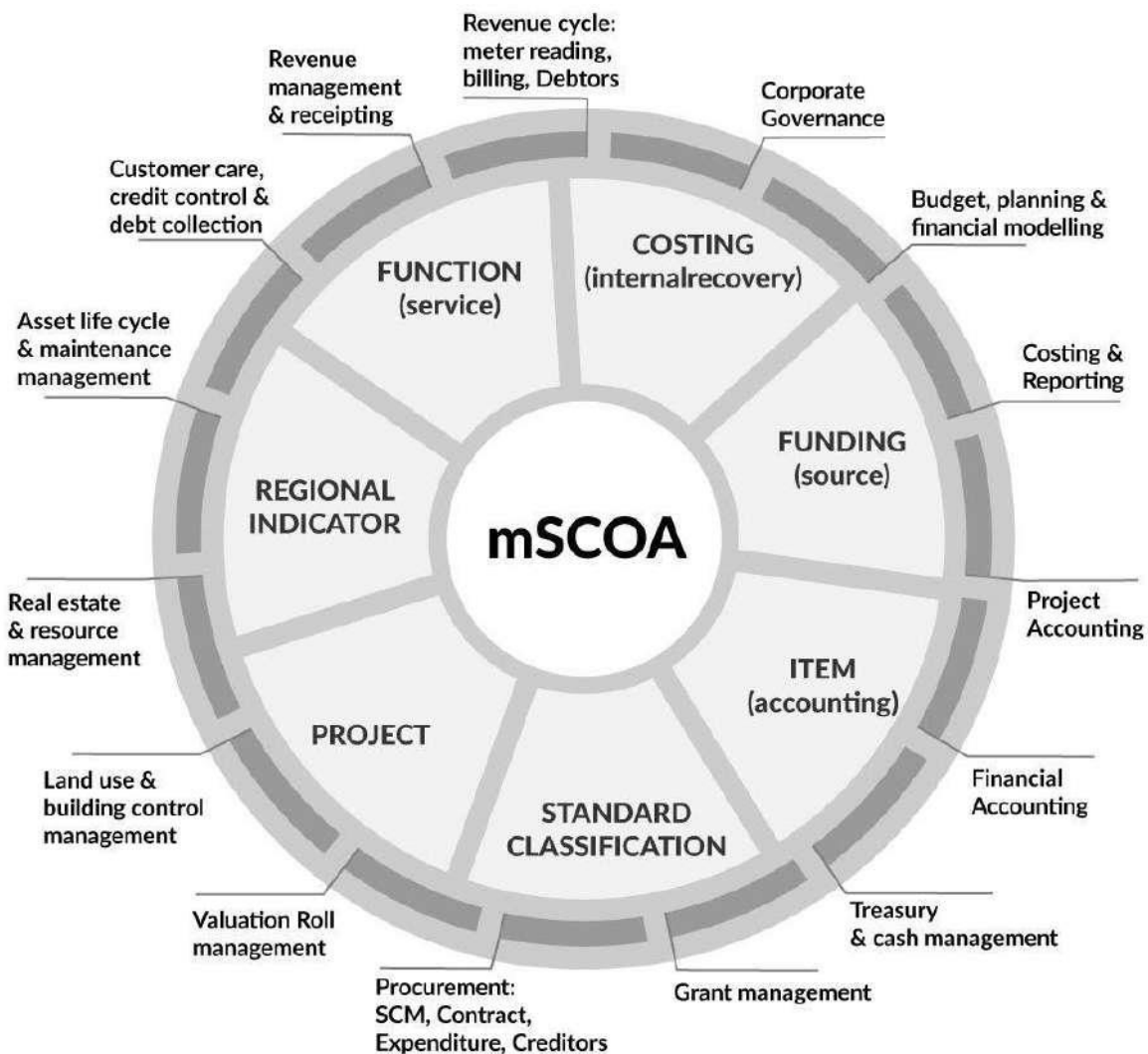
- 6.1 The system should conform to Municipal Regulations on Standard Chart of Accounts and provided for the following key objectives:
 - 6.1.1 Improved data quality and credibility;
 - 6.1.2 The achievement of a greater level of standardization;
 - 6.1.3 The development of uniform data sets critical 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 3rd 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

ONCE OFF PAYMENTS

| Description | Year 1 | Year 2 | Year 3 |
|-------------------------|--------|--------|--------|
| License Fees | | | |
| Support and Maintenance | | | |
| TOTAL | | | |

| ITEM DESCRIPTION/ BUSINESS PROCESS | PRICE EXCLUDING VAT | VAT | PRICE VAT INCLUSIVE |
|---|---------------------|-----|---------------------|
| Project Initiation Fee | | | |
| Gap Analysis and readiness Assessment Fee | | | |
| Data validation | | | |
| Data Cleansing | | | |
| Configuration & Migration Fee per Business Process | | | |
| Corporate Governance; | | | |
| Municipal Budgeting, Planning and Modelling; | | | |
| Financial Accounting; | | | |
| Costing and reporting; | | | |
| Project Accounting; | | | |
| Treasury and Cash Management; | | | |
| Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Account Payable | | | |

| | | | |
|---|--|--|--|
| Grant Management; | | | |
| Full Asset Life Cycle Management including Maintenance Management; | | | |
| Real Estate and Resources Management; | | | |
| Human Resource and Payroll Management; | | | |
| Customer Care, Credit Control and Debt Collection; | | | |
| Valuation Roll Management; | | | |
| Land Use Building Control | | | |
| Revenue Cycle Billing | | | |
| ICT Disaster Recovery Hosting Cost | | | |
| Automated Backup system and Implementation Cost | | | |
| TOTAL | | | |

The rates will fixed for the first twelve (12) months, thereafter the rates will be based on CPI as issued by the South African Reserve Bank as issued in January every year.

.....
Signature of the person authorized to sign tender documents

.....
Date

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 for disaster recovery site to host the proposed IFMS and Active Directory of the municipality;
- 9.1.5 The prospective bidder should make provision for the connectivity and replication from the primary site to the disaster recovery site hourly;
- 9.1.6 The bidder should provide the municipality with automated backup system/software and implementation for the primary site
- 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.

10.1.4 The implemented solution should allow the municipality ICT Administrators to extract the following reports (audit trail , system version change, user creation , deletion , modification reports . The system should be able to authenticate from Active Directory

11. MANDATORY BID REQUIREMENTS

(NON-COMPLIANCE WILL LEAD TO A DISQUALIFICATION).

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 or metropolitan Municipalities as per evaluation criteria in clause 12 below.

11.1.5 A hand completed and signed tender document;

11.1.6 The following must accompany all proposals:

11.1.6.1 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;

11.1.6.2 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;

11.1.6.3 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 Bidders must complete the mSCOA scoring schedule (**ANNEXURE A**)

11.3 Bidders must attach CV (of system developers, project manager and project team members) citing their experience and qualifications. The municipality reserves the right to request certified qualifications from the preferred bidder. Bidders must attach CV & qualifications in Accounting, Financial Management, or Information & Communication Technology for Project Manager

- 11.4 Bidders must attach contactable reference letters from Local or Metropolitan municipalities that includes date of appointment, contract value, contract duration, number of users and number of consumer accounts
- 11.5 Shortlisted bidders are required to conduct a presentation during the tender evaluation period. The presentation will be conducted at Mogale City Local Municipality premises. An inspection in-loco will be conducted by Mogale City Local Municipality at a randomly chosen municipality to assess the functionality of the deployed system in the production environment.
The municipality reserves the right to notify a bidder within 48 hours prior to the inspection in-loco.
- 11.6 Detailed Project Plan with timelines from Initiation date to Go Live date.
- 11.7 Risk management plan associated with the project.
- 11.8 Change management plan associated with the project.
- 11.9 Training plan
 - 11.9.1.1 Detailed pricing per module, hardware which may be required, annual license fees, training, data migration, skill transfer etc.
- 11.10 Information Technology network requirements on LAN and WAN refer to paragraph 8 and 9
- 11.11 Support and maintenance after implementation

12 SPECIAL CONDITIONS

- 12.1 The rates will fixed for the first twelve (12) months, thereafter the rates will be based on CPI as issued by the South African Reserve Bank as issued in January every year.
- 12.2 The bidders must maintain strict access control over access of the municipal IFMS to ensure that confidentiality of data is maintained in compliance with Protection of Personal Information Act 4 of 2013 and all applicable municipal policies and legislation.
- 12.3 The bidders will be required to abide by the municipality's ICT security policies which will be given to them when they get an appointment letter.
- 12.4 The bidders will be obliged to sign a non-disclosure agreement form as they will be working with the municipal data.
- 12.5 The municipal data supplied to the bidder in terms of this contract remains the property of the municipality.

12.6 All the municipal data created and stored by the municipality in the integrated financial management system will remain on the municipal server, including all programs, modules, program prompts and codes paid for by the municipality.

12.7 The bidder will be required to maintain strict confidentiality of municipal data and should not use or allow any other person to use any information obtained as a result of their contract with the municipality for any other purpose other than as outlined in the scope of their appointment.

12.8 The bidder will not disclose any municipal data and or information (financial or otherwise) obtained from the municipality, through this tender whether such data or information is in the financial system or not, to any third party, during and after the implementation of this tender without the explicit instruction, in writing, by the Municipality

13 TECHNICAL EVALUATION CRITERIA

- The below mentioned criteria regarding Functionality is required for responsiveness and therefore eligibility for the next stage of evaluation. This is done to determine the ability of each bidder to successfully execute the contract according to specifications.
- Failure to score the minimum of 70 points out of 100 points will lead to non-compliance and bidders will be rejected after this phase and not continue for price scoring.
- If any criterion is rated zero points, the tenderer will be rejected, even if the required 70 out of 100 points are achieved.
- These criteria shall only determine whether a tender will further be evaluated and will not influence the points scored on Price.

| STAGE 1 | | | |
|----------------|--|---------------|----------------|
| | DESCRIPTION | WEIGHT | MINIMUM |
| 1. | <p>A clear proposal outlining all the required services as per Scope should be submitted encompassing the execution and implementation plan with service offering as outlined in the specification, commissioning, operations and maintenance, training, skills transfer, risk management with timelines.</p> <p>1.1 Data Migration Plan = 2 points 1.2 Data Cleansing Plan = 2 points 1.3 Deployment & Testing Plan = 2 points 1.4 Operations & Maintenance Plan = 2 points 1.5 Training & Skills Transfer Plan = 2 points</p> | 10 | 10 |

| | | | |
|----|---|----|----|
| 2. | <p>Relevant Company Experience - Implementation of mSCOA compliant integrated Financial Management System (IFMS) systems/applications undertaken local or Metropolitan Municipalities in South Africa</p> <p>2.1 Eighty (80) to eighty-nine (89) systems/applications available for deployment = 15 points 2.2 Ninety (90) or more systems/applications available for deployment = 20 points</p> <p>The bidder must complete the MSCOA Scoring Schedule (Annexure A)</p> | 20 | 15 |
| 3. | <p>Relevant Company Experience – Number of Local and/or Metropolitan municipalities serviced currently or in the past with hundred (100) or more users and 100 000 or more consumer accounts</p> <ul style="list-style-type: none"> • 5-9 letters = 5 points • 10 or more letters = 10 points <p>Bidders must attach contactable signed reference letters by the Municipality.</p> | 10 | 5 |
| 4. | <p>Bidder’s Project Management - Project Manager: qualification (Degree or National Diploma) and experience with:</p> <p>4.1 Degree or National Diploma only = 5 points; or 4.2 Five(5) – Nine (9) years’ experience only = 5 points; or 4.3 Degree/ National Diploma plus 10 or more years of experience = 10 points</p> <p>Bidders must attach CV & qualifications in Accounting, Financial Management, or Information & Communication Technology</p> | 10 | 5 |
| 5. | <p>System Developers</p> <p>5.1 Developer with 5 – 9 years’ system development experience only = 15 points. 5.2 Developer with qualification plus 10 or more years of experience = 20 points</p> <p>Bidders must attach CV & qualifications</p> | 20 | 15 |
| | TOTAL POINTS | 70 | |
| | TOTAL MINIMUM POINTS REQUIRED TO QUALIFY FOR STAGE 2 | | 50 |
| | | | |

| | | | |
|--|--|------------|-----------|
| | STAGE 2 | | |
| | mSCOA PRESENTATION BY BIDDERS TO THE MUNICIPALITY | 15 | 10 |
| | INSPECTION IN-LOCO AT THE RANDOMLY SELECTED MUNICIPALITY | 15 | 10 |
| | | 100 | 70 |

BIDDERS ARE REQUIRED TO COMPLETE THE MSCOA SCORING SCHEDULE (ANNEXURE A) TO DEMONSTRATE THE MODULES AVAILABILITY.

FAILURE TO COMPLETE THE MSCOA SCORING SCHEDULE WILL LEAD TO DISQUALIFICATION.

MSCOA SCORING SCHEDULE (ANNEXURE A)

| Business Process | Sub-Process | Legislative or Business Requirement | System / Applications minimum functionality | Required by | Module availability | | |
|------------------|----------------|-------------------------------------|--|------------------|---------------------|---------------------|--------------------|
| | | | | | Available 2 | In Development 1 | Not Available 0 |
| | System control | Period Control | Monthly period closure and certification within the statutory reporting dates. No back-dating of transactions is allowed. | mSCOA Regulation | | | |
| | | | 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 | | | |
| | | | 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 |
| | | | 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 | 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 | | | |
| | | | Integration and automation of the annual financial statements (AFS) as well as monthly MFMA section 71 reports (financial management statements). | mSCOA Regulation | | | |
| | 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 |
| | | | Ensure that mSCOA segmented reports can be produced on any level of the mSCOA chart with any combination of segments; | mSCOA Regulation | | | |
| | | | 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 | | | |
| | | | 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 | | | |

| Business Process | Sub-Process | Legislative or Business Requirement | System / Applications minimum functionality | Required by | Module availability | | |
|------------------|-------------|---|--|------------------|--------------------------|----------------|---------------|
| | | | | | Available for deployment | In Development | Not Available |
| | 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 | | | |
| | | | 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 |
| | | | Budgeting on the factual elements of typical work streams. | mSCOA Regulation | | | |
| | | | Budgeting on the factual elements of municipal operational and running cost. | mSCOA Regulation | | | |
| | | | 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 | | | |
| | | | 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 | | | |
| | | | 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 | | | |
| | 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 |
| | | | 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 | | | |
| | | | Ensure that the planned positions is budgeted for pro-rata to when the expected appointment can be done. | mSCOA Regulation | | | |
| | | | 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 | | | |
| | 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 | | |
|------------------|-------------|-------------------------------------|--|------------------|--------------------------|----------------|---------------|
| | | | | | Available for deployment | In Development | Not Available |
| | | | 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 | | | |
| | | | 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 | | |
|------------------|---------------|-------------------------------------|---|------------------|--------------------------|----------------|---------------|
| | | | | | Available for deployment | In Development | Not Available |
| | | | Drill down to transactions from the general ledger (GL) to the sub-ledger or 3rd party systems. | mSCOA Regulation | | | |
| | | Fixed Asset Management | Ensure that all asset transactions are aligned with mSCOA Regulations. | mSCOA Regulation | | | |
| | 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 | | | |
| | | | 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 | | | |
| | | | 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 |
| | | 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 | | | |
| | | Ad hoc: The Cash Management System must at least accommodate, but not be limited to: | Interest Received and interest expense reconciliation. | mSCOA Regulation | | | |
| | | | Align requisition to be project based; | mSCOA Regulation | | | |
| | | Requisitions | Project based requisition forms. | mSCOA Regulation | | | |
| | | | mSCOA segmented capturing. | mSCOA Regulation | | | |
| | 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 | | | |
| | | | 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 | | | |

| Business Process | Sub-Process | Legislative or Business Requirement | System / Applications minimum functionality | Required by | Module availability | | |
|------------------|----------------------|---|--|------------------|--------------------------|----------------|---------------|
| | | | | | Available for deployment | In Development | Not Available |
| | | | 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 | | | |
| | | | Link to mSCOA funding source with budget control. | mSCOA Regulation | | | |
| | | | Provide for reporting in accordance with the mSCOA Regulation and internal control. | mSCOA Regulation | | | |
| | 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 | | | |
| | | | 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 | | |
|------------------|-------------|-------------------------------------|--|------------------|--------------------------|----------------|---------------|
| | | | | | Available for deployment | In Development | Not Available |
| | | | Provision to record allowance details against a post and employee (e.g. Telephone Allowance, categories, amounts, telephone number etc.). | mSCOA Regulation | | | |
| | | | The system must cater for all requirements of the South African Revenue Services (SARS). | mSCOA Regulation | | | |
| | | | The system must be able to cater for more than 1 payroll type (e.g. Staff, Pensioners, etc.). | mSCOA Regulation | | | |
| | | | Budget control and management of virement requirements. | mSCOA Regulation | | | |
| | | | 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 | | | |
| | | | Creation of "invoices" for 3 rd parties, SARS (PAYE, VAT, etc.), UIF, Medical aid and pension funds; | mSCOA Regulation | | | |
| 16 | Payroll | | Produce, in conjunction with the Human Resource system, a multi-year budget in the mSCOA segmentation. | mSCOA Regulation | | | |
| | | | 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 |
| | | Debtor Classification and Categorisation | Automated Subsidy, Write Off and reversals thereof. | mSCOA Regulation | | | |
| | | | Irrecoverable Debt Write Off process; | mSCOA Regulation | | | |
| | | 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 | | | |
| 17 | Building Control | Integration to the Town Planning function | 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 | | | |
| | | | Create and Maintain Regional Structure; | mSCOA Regulation | | | |
| | | | Create and maintain a tariff structure to comply with mSCOA Regulations; | mSCOA Regulation | | | |
| | | | Allow for rebates and penalty levies. | mSCOA Regulation | | | |
| 18 | | 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 |
| | | 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 | | | |
| | | | Must allow for the maintenance of tariffs as per the tariffing section. | mSCOA Regulation | | | |
| | | 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 | | | |
| | | | 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 | | | |
| | | | 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 | | | |

| Business Process | Sub-Process | Legislative or Business Requirement | System / Applications minimum functionality | Required by | Module availability | | |
|------------------|-------------|---------------------------------------|---|------------------|--------------------------|----------------|---------------|
| | | | | | Available for deployment | In Development | Not Available |
| | | | 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. (MSA section 95f). | 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. (MSA section 95f). | mSCOA Regulation | | | |
| | | | 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 | | | |
| | | Meter Management (credit and prepaid) | Functionality that is an integral part of the Billing interface to its prepaid vendor; | mSCOA Regulation | | | |
| | | | Water inventory managing. | mSCOA Regulation | | | |

ANNEXURE B

MSCOA PRESENTATION AND INSPECTION IN-LOCO SCORING WILL BE GUIDED BY THE FOLLOWING:-

| | CORE MODULES | SUB-MODULES | WEIGHT |
|----|--|---|---------------|
| 1. | Corporate Governance; | <ul style="list-style-type: none"> • Internal Audit • External Audit • Audit Committee • System Configurations • Performance Management System • Municipal Website • Document Management System • Reporting Mechanism | 1 |
| 2. | Municipal Budgeting, Planning and Modelling; | <ul style="list-style-type: none"> • Main Budget • Revenue • Human Resources (HR) /Payroll • Assets • Budget Management | 1 |
| 3. | Financial Accounting; | <ul style="list-style-type: none"> • General Ledger • Accounts Receivable • Accounts Payable | 1 |
| 4. | Costing and reporting; | <ul style="list-style-type: none"> • Cost Planning | 1 |
| 5. | Project Accounting; | <ul style="list-style-type: none"> • Project Creation & Planning • Project Management | 1 |
| 6. | Treasury and Cash Management; | <ul style="list-style-type: none"> • Cash Management | 1 |
| 7. | Procurement Cycle: Supply Chain Management, Expenditure Management, Contract Management and Account Payable | <ul style="list-style-type: none"> • Supply Chain Management (Demand, acquisition & logistics) • Procurement management (Bids, Quotations & Proposals) • Contract Management • Notification of lapsing contracts • Linking Commitment register to Contract register • Vendors Administration • Payments Administration | 1 |

| | | | |
|-----|---|---|---|
| | Grant Management | <ul style="list-style-type: none"> • Creditors Master File • Supplier Database • RFQ evaluations • Secure RFQ closing box • Stock taking • Reports • VAT Compliance Recondition • GRAP 13 Lease Compliance • Petty Cash • 2% CSR Levy • Grants management | 1 |
| 8. | Full Asset Life Cycle Management including Maintenance Management; | <ul style="list-style-type: none"> • Asset Management | 1 |
| 9. | Real Estate and Resources Management; | <ul style="list-style-type: none"> • Rental • General Processes | 1 |
| 10. | Human Resource and Payroll Management; | <ul style="list-style-type: none"> • Payroll administration • Leave management • Employment Equity • Human Resource Self Service • Job Costing • Organisation Management. • Employee Records Management. • Leave Records Management. • Training and Development Management. • Recruitment and Selection Management. • Performance Management. • Travel claims Management. • Talent Management. • Career Path Management. • Payroll and Benefits Management | 1 |
| 11. | Customer Care, Credit Control and Debt Collection; | <ul style="list-style-type: none"> • Call Centre • Consumer Portal • E-services | 1 |
| 12. | Valuation Roll Management; | <ul style="list-style-type: none"> • Valuation Rolls administration • Supplementary Valuation Rolls administration | 1 |

| | | | |
|-----|--------------------------------------|---|---|
| 13. | Land Use Building Control | <ul style="list-style-type: none"> • Land use • Special • Building Control | 1 |
| 14. | Revenue Cycle Billing | <ul style="list-style-type: none"> • Debtors/Customer Masterfile Administration • Accounts Receivable/Debtors Sub ledgers (Various) • Metering administration and reading management • Tariff and billable services management • Consumer Billing (Property Rates, Water, Sewerage, Electricity, Refuse, other Sundry services & output VAT accounting). • Receipting Function (cashiers and cash processing, debit/credit cards, EFT's, debit orders etc) • Direct income processing (traffic fines, licensing and testing, prepaid utilities etc) • Housing & Sundry loans accounts maintenance and billing • Municipal Account Statements generation • Receivables impairment methodology • Enquiries, journal processing, Reports, Clearances figures and Certificates issuance) | 1 |
| | TOTAL PRESENTATION SCORE | 15 | |
| | TOTAL FOR INSPECTION IN- LOCO | 15 | |

SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE

I, the undersigned,

| | |
|-----------------------|--|
| Full name and surname | |
| Identity number | |

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. 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 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) | |

4. The entity is an empowering supplier in terms of the dti Codes of Good Practice.
5. 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.
6. 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:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. 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);
- The 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. | | | |
|--|--|--|--|

1. 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 twelve (12) months from the date signed by the commissioner.

Deponent Signature _____

Date: _____

 Commissioner of Oaths
 Signature and Stamp

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. | Bidder must attach the Central Supplier Database (CSD) registration report. | | |
| 2. | Provide copy of your company VAT registration Certificate | | |
| 3. | Copies of ID's for company/entity directors | | |
| 4. | Tax clearance certificate or copy of tax compliance status (TCS) document has been submitted – in the name of the bidding entity | | |
| 5. | The bidding entity as well as all its directors/shareholders must submit Municipal account not more than three (03) months / ninety (90) days plus in arrears at the time of the closing date. No bid will be awarded to a company and its directors that owe more than three (3) months charges to any municipality or metro. | | |
| 6. | <p>A valid lease agreement which is in the name of the business and or directors /shareholders, which must stipulate who is responsible for payment of Municipal services;</p> <p>(Copy of the lease agreement will only be accepted if water and lights are part of lease payment). or</p> <p>If the Bidding Entity operates from informal settlement and is not responsible for Municipal account/services.</p> <ul style="list-style-type: none"> • The bidder must submit confirmation on Municipality/Metro letterhead signed and stamped from the ward councilor/delegate or <p>If the Bidding Entity operates from parents' place and is not responsible for Municipal account:</p> <ul style="list-style-type: none"> • The bidder must submit the property owner's Municipal account and a Sworn Affidavit of the property owner with and original stamp from the Commissioner of Oaths. | | |
| 7. | <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. | | |

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| 8. | All pages of the bid document have been read by the bidder and the returnable schedules and MBD 's forms duly completed and signed. e.g. MBD1, MBD 4 ,MBD 5, MBD 6.1,MBD 8 AND MBD 9. | | |
| 9. | All pages requiring information have been completed in full and in black ink. | | |
| 10. | Bids must be submitted in original plus a copy and electronically on a USB. | | |
| 11. | No pages removed from the tender document | | |
| 12. | 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. | | |
| 13. | JV agreement has been attached and signed (if applicable) | | |
| 14. | Pricing Schedule must be signed | | |
| 15. | 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. | | |
| 16. | 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 | | |
| 17. | 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.**