

**TERMS OF REFERENCE: PAYROLL SERVICES
REF NO. ECPACC/023/2020**



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27 November 2020

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Abbreviations, Acronyms and Definitions

TOR	TERMS OF REFERENCE
ECPACC	EASTERN CAPE PROVINCIAL ARTS AND CULTURE COUNCIL
PFMA	PUBLIC FINANCE MANAGEMENT ACT.

1. BACKGROUND OF ECPACC

The Eastern Cape Arts and Culture Council (ECPACC) is a public entity of the Department of Sport, Recreation, Arts and Culture, with a vision to create an enabling environment for the development of arts and culture in the province and enable artists to realise their potential. As part of its strategic goals, ECPACC is responsible for the creation of a vibrant cultural industry that offers opportunities for economic development in the Province.

Over the past two years, while maintaining the same core vision but articulated differently, ECPACC has introduced new and innovative strategies, and a new way of envisioning the future of the sector, new internal business systems and fostered new partnerships and alliances with key provincial and national and international institutions. This paradigm shift has channelled a new way of thinking and repositioning of ECPACC into a properly re-engineered, well governed, and financially viable entity that is resilient and capable of executing its mandate.

Staff complement:

The entity currently employs eighteen (18) staff members. This number may vary as the entity is currently in the process of reviewing its organisational structure.

Date of salary payment:

Salary payment done on the fifteenth (15th) of each month via electronic transfer only.

2. OBJECTIVES OF THE ASSIGNMENT

The primary objective of this request for proposal is to invite suitably qualified and experienced service providers to submit proposals to ECPACC for the payroll services.

3. TERM OF CONTRACT

The prospective service provider will be appointed for a period of three years (36 months) To be reviewed annually based on a satisfactory performance. The period of service will be from 01 February 2021 to 31 January 2024.

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4. THE SCOPE OF SERVICE

The appointed service provider will be expected to:

4.1 Processing

- 4.1.1 Load & process new employees on payroll / HR system
- 4.1.2 Terminate resigned/dismissed employees on Payroll /HR system
- 4.1.3 Process monthly changes & input (includes normal hours, overtime, loans, garnishees, commissions, shift allowances, leave forms, etc.)
- 4.1.4 Process mass adjustments by means of electronic uploads/imports e.g. salary increases.
- 4.1.5 Prepare salary calculations and UIF forms.
- 4.1.6 3rd party fund administration.
- 4.1.7 Perform monthly salary and 3rd party payments.
- 4.1.8 Employee leave management.

4.2 Compliance

- 4.2.1 Monthly submissions of SARS EMP201, U-filing, declarations to Department of Labour.
- 4.2.2 Bi-annual submissions: include SARS interim EMP501 and IRP5's.
- 4.2.3 Annual submissions: include SARS annual EMP501 and IRP5's, COIDA/RMA annual return of earnings.

4.3 Reporting

- 1.3.1 Detailed schedule of payroll for checking before payroll is finalised.
- 1.3.2 Standard set of reports provided once payroll is finalised.
- 1.3.3 Reports on monthly payments to SARS and UIF.
- 1.3.4 Payslips / IRP5s to be delivered to ECPACC Offices monthly.
- 1.3.5 Prepare payroll reports in excel format for audit purposes.

5. Eligibility Criteria

5.1 TECHNICAL REQUIREMENTS

The functional / technical criterion that was utilized to test the capability of service providers was set as follows:

5.1.1 Technical Requirements

Value: 1=Poor; 2=Average; 3=Good; 4=Very good; 5=Excellent

	Sub-Criteria	Weight	Value	Actual Score										
1.	Must have a relevant academic qualification.	20	5 = Post Graduate degree/diploma 4 = Degree 3 = Diploma											
	<table border="1" style="width: 100%; text-align: center;"> <tr> <td>4 Points</td> <td>8 Points</td> <td>12 Points</td> <td>16 Points</td> <td>20 Points</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	4 Points	8 Points	12 Points	16 Points	20 Points	1	2	3	4	5			
4 Points	8 Points	12 Points	16 Points	20 Points										
1	2	3	4	5										

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2.	A minimum of five years in payroll services. <table border="1" data-bbox="156 360 715 456"> <tr> <td>6 Points</td> <td>12 Points</td> <td>18 Points</td> <td>24 Points</td> <td>30 Points</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	6 Points	12 Points	18 Points	24 Points	30 Points	1	2	3	4	5	30	5 = More than five years' experience 3 = Between three- and five-years' experience 1 = Less than three years' experience
6 Points	12 Points	18 Points	24 Points	30 Points									
1	2	3	4	5									
3.	Proven track record in payroll services. <table border="1" data-bbox="156 573 691 669"> <tr> <td>4 Points</td> <td>8 Points</td> <td>12 Points</td> <td>16 Points</td> <td>20 Points</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	4 Points	8 Points	12 Points	16 Points	20 Points	1	2	3	4	5	20	5 = More than five projects 3 = Between three- and five-projects 1 = Less than three projects
4 Points	8 Points	12 Points	16 Points	20 Points									
1	2	3	4	5									
4.	A detailed proposed Project Methodology (not more than five pages) <table border="1" data-bbox="150 871 687 967"> <tr> <td>4 Points</td> <td>8 Points</td> <td>12 Points</td> <td>16 Points</td> <td>20 Points</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	4 Points	8 Points	12 Points	16 Points	20 Points	1	2	3	4	5	20	5 = Excellent 3 = Good 2 = Average 1 = Poor
4 Points	8 Points	12 Points	16 Points	20 Points									
1	2	3	4	5									
5.	Local Supplier (Proof of address) <table border="1" data-bbox="150 1081 707 1178"> <tr> <td>2 Points</td> <td>4 Points</td> <td>6 Points</td> <td>8 Points</td> <td>10 Points</td> </tr> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> </table>	2 Points	4 Points	6 Points	8 Points	10 Points	1	2	3	4	5	10	5 = Buffalo City Region 3 = Other regions in EC 2 = Other regions outside EC province 1 = Outside RSA
2 Points	4 Points	6 Points	8 Points	10 Points									
1	2	3	4	5									
Threshold		60											
Total		100											

NB: Bidders who fail to meet the minimum score of 60 points out of 100 in stage 2 will not be considered for evaluation in terms of Stage 2 (Price and B-BBEE).

6.2 Preferential Points System

A preferential point system will be applied in the procurement of goods and services as prescribed in the PPPF Act, Section 2(a).

A 80/20 procurement point system will be applied on procurement of goods and services between R30 000 and R50 million where a maximum of 80 points are awarded for price and a maximum of 20 points are awarded for the bidder's B-BBEE status.

The preferential points awarded under the 80/20 threshold are awarded using the framework detailed below:

CRITERIA	POINTS
BID PRICE	80
B-BBEE CONTRIBUTION LEVEL	20
1	20
2	18
	14

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4	12	
5	8	
6	6	
7	4	
8	2	
Non-compliant contributor	0	
TOTAL		100

7. Application Procedure

The deadline for submission of proposals is the **11 December 2020 at 15h00**. Service providers are expected to submit the following:

- a) The proposal may be emailed to ksigasa@ecpacc.co.za or delivered at the ECPACC offices located at: No.16 Commissioner Street, Old Elco Building – Second Floor, East London.
- b) The proposal must correspond and be exact to the specification prescribed in this communication and be VAT inclusive.
- c) All enquiries regarding the specification should be directed to the Office of the CEO via email **ONLY** at info@ecpacc.co.za
- d) All enquiries regarding the Supply Chain Management should be directed to SCM Officer at ksigasa@ecpacc.co.za and zmatshoba@ecpacc.co.za

8. Bidders shall take note of the following bid conditions

- a) Bidders must be registered with the National Treasury Central Supplier Database (CSD).
- b) Eastern Cape Provincial Arts and Culture Council does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid.
- c) The award of this bid may be subjected to price negotiation with the preferred bidder(s)
- d) Bids which are late, incomplete or unsigned will not be accepted.
- e) ECPACC reserves the right to terminate the contract if not satisfied with the work produced by the service provider.
- f) Only bidders that have met the requirements of the proposal / specification shall be considered during the adjudication process.
- g) Service providers who are not registered with the National Treasury Central Database of Suppliers must visit www.csd@treasury.gov.za to register their companies, after the completion of the registration report, a summary report must be included to their bid documents
 - Company Profile
 - A copy of your CSD Report
 - A complete attached SBD 4.
 - Copy of SARS tax clearance certificate
 - Certified Copy or an original B-BBEE Certificate OR a Sworn Affidavit
 - Companies who bid as a joint venture must submit a consolidated B-BBEE Verification Certificate only for this bid.

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- g) Companies that bid as joint venture must submit an official signed business agreement by both parties. If the service provider does not meet this requirement it will be automatically disqualified.
- h) In order to meet the requirements of the Eastern Cape Framework for Local Economic Development through Procurement Initiatives, preference will be given to contractors who reside within Eastern Cape
- i) Bids submitted are to hold good for a period of 90 days

Yours in the development of Arts and Culture in the Province of Eastern Cape.

Approved By:



Ms. P Skoti
Chief Executive Officer
Eastern Cape Provincial Arts and Culture Council