



TERMS OF REFERENCE

REQUEST FOR QUOTATIONS (RFQ) FOR THE COMPILATION OF THE GRAP COMPLIANT FIXED ASSET REGISTER



12 MARCH 2024

1. BACKGROUND

The Eastern Cape Provincial Arts and Culture Council (ECPACC) is a Schedule 3C Public Entity of the Department of Sport, Recreation, Arts and Culture (DSRAC), whose vision is to develop a globally competitive cultural and creative economy underpinned by the principles of social cohesion and influenced by the rich culture and heritage of the Eastern Cape Province. ECPACC hereby invites proposals from **suitably qualified and experienced** professional service providers for the compilation of the GRAP compliant fixed asset register. The current asset registers contain asset population amounting to +-320 fixed assets and most of the assets are fully depreciated but are still being used as they are in good condition.

2. SCOPE OF WORK

The scope of work includes the following:

- a. Physical verification and barcoding (of assets not yet barcoded) at Head Office and Mthatha hub.
- b. Updating of the FAR with all the relevant asset information as required by GRAP 17
- c. Updating of the inventory listings for all asset locations.
- d. Correct classification of assets into correct asset categories on the FAR.
- e. Valuation of ALL the assets in terms of GRAP 17 using supporting documentation, where available, and also the correct and accepted valuation basis for assets for which there is no supporting documentation.
- f. Calculation of depreciation and accumulated depreciation.
- g. Preparation of reconciliations between the FAR and the General Ledger (GL).
- h. Detailed review of the repairs and maintenance account to identify if there are any assets that have been incorrectly expensed.
- i. Identification of obsolete assets and assets that need to be impaired.
- j. Identification of lost or stolen assets for write-off recommendation to Council.
- k. Review of assets useful lives and residual values.
- l. Identification of fully depreciated assets still in use and review of their useful lives, where necessary.
- m. Preparation of all the asset journals including restatements, accompanied by properly approved supporting documentation.
- n. Review of the Asset Management Policy and propose necessary amendments.

3. PREQUALIFICATION/ MANDATORY DOCUMENTS (STAGE 1)

Prospective service providers must comply with the requirements and submit all required documents indicated hereunder with the bid documents. Service providers who fail to comply with all the mandatory criteria will be disqualified:

- a) Proof of registration with the Central Supplier Database
- b) Fully completed and signed standard documents attached to the RFQ.
- c) Submit a valid Tax Clearance Certificate / Tax Pin
- d) Copy of Business Registration Document (CIPC) and ID Copies of Directors
- e) Letter of Authority of Signatory / Resolution
- f) A valid JV Agreement to be attached where applicable (where applicable)

4. FUNCTIONALITY EVALUATION (STAGE 2)

The service provider must have a proven track record in the compilation of GRAP compliant fixed asset registers, and the following will be specifically considered:

- (a) **Extensive and relevant company experience** in compilation of GRAP compliant fixed asset registers, specifically for public sector. Reference letters must be attached for the purposes of verifying relevant experience.
- (b) **Relevant experience and qualifications of the project team:**
 - The Engagement Director and Engagement Leader (Project Manager) must be qualified Chartered Accountants registered with the South African Institute of Chartered Accountants (SAICA) or equivalent, with proven experience in the compilation of GRAP compliant FARs.\
 - The other proposed project team members must all have extensive experience in the compilation of fixed asset registers as well.
 - Detailed CVs and certified proof of qualifications must be attached for all the proposed project team members.
- (c) The proposed **methodology** must also include a detailed project plan and also skills transfer plan;

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NB: Adherence to the proposed project team will be strictly monitored. The service provider is therefore advised to adhere to the proposed project team as much as possible, unless in circumstances beyond the service provider's control e.g. resignations or any other staff termination reasons, of which proof will be required. Resources will only be replaced with staff possessing similar qualifications and experience or higher.

The proposals will be evaluated as follows:

Item no	Evaluation criteria	Points
1	Company relevant experience: (i) 0 reference letters attached = 0 points ; (ii) 1 – 2 reference letters attached = 10 points ; (iii) 3 – 4 reference letters attached = 25 points ; (iv) 5 or more reference letters attached = 40 points .	40
2	Key personnel and team experience and qualifications (Please attach CVs and certified proof of qualifications): (i) Engagement Director CA (SA) or equivalent with at least 5 years relevant experience = 5 points, else 0 points ; (ii) Engagement Leader (Project Manager) CA(SA) or equivalent with at least 5 years relevant experience = 5 points, else 0 points ; (iii) Proposed team members (up to a maximum of 4 team members) all have a financial/ asset management qualification and at least 5 years relevant experience= 20 points, else 0 points .	30
3	Methodology: (i) Methodology fully covers all aspects as per the scope of work, including detailed and clear project plan and skills transfer plan = 30 points ; (ii) Methodology partially covers the scope of work and/or lacks detailed project plan and skills transfer plan= 15 points ;	30

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	(iii) Methodology is significantly insufficient in all respects = 0 points .	
TOTAL		100

A minimum score of at least 70 points must be obtained to proceed to the next stage of evaluation.

5. PRICING AND SPECIFIC GOALS (STAGE 3)

This RFQ will be evaluated in terms of the 80/20 preferential point system where 80 is for price and 20 for specific goals and the following specific goals will be considered:

Specific Goal	Points
Women owned enterprises (51% female owned) (SUBMIT CERTIFIED COMPANY REGISTRATION DOCUMENTS AND ID COPIES OF DIRECTORS)	6
Persons with disabilities (SUBMIT SUMMARY OF CSD)	2
Promotion of Youth (SUBMIT ID COPIES OF DIRECTORS)	2
Enterprises located in the Eastern Cape Province (SUBMIT PROOF OF MUNICIPAL CLEARANCE/LEASE AGREEMENT)	10
TOTAL	20

6. SUBMISSION PROCEDURE

The deadline for submission of proposals is the **22 March 2024 at 15h00**.

- a) The proposal may be emailed to bmhlaba@ecpacc.co.za or delivered to 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 should be directed to SCM Officer at bmhlaba@ecpacc.co.za

7. SERVICE PROVIDERS SHALL TAKE NOTE OF THE FOLLOWING TERMS OF REFERENCE CONDITIONS

- a) Service providers 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 proposal or any other proposal and reserves the right to accept the whole or part of the proposal.
- c) The award of this proposal may be subjected to price negotiation with the preferred service providers.
- d) Proposals which are late, incomplete or unsigned will not be accepted.
- e) Only service providers that have met the requirements of the proposal / specification shall be considered during the evaluation process.
- f) Proposals submitted are to hold good for a period of 30 days.

Recommended by:

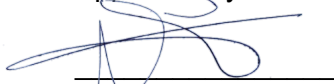


Mr S Mtintso

Chief Financial Officer

Date: 12 March 2024

Approved by:



Mr. M Nkasawe

Chief Executive Officer

Date: 12 March 2024