



merSETA

MANUFACTURING, ENGINEERING
AND RELATED SERVICES SETA

TERMS OF REFERENCE

PROVISION FOR BANKING SERVICES

FIN/2021/018

**Closing date: 28 January 2022,
12:00 noon**

Validity Period: 120 days

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1. BACKGROUND

The merSETA is the Manufacturing, Engineering and Related Services Education and Training Authority established to promote the Skills Development Act, (Act 97 of 1998). It facilitates skills development in the following sub sectors: metal, automotive manufacturing, retail motor and component manufacturing, new tyre manufacturing and plastics manufacturing.

2. OBJECTIVE

The objective of this project is to procure banking services. merSETA hereby invites tenders from local banks registered in terms of the Banks Act, No 94 of 1990, for the provision of commercial banking services for a period of five years. The Public Finance Management Act (PFMA) requires that an entity must open a bank account with a bank registered and approved in writing by National Treasury and after any prescribed tendering processes have been complied with. Only banks that have been approved by National Treasury in terms of section 7(2) (a) of the PFMA are thus allowed to tender for this bid:

3. PROJECT/ CONTRACT PERIOD

The contract period for this project will be for five (5) years from date of last signature.

4. SCOPE OF PROJECT

The following are the service offerings are required:

- 4.1 Two current accounts, one for operations (Primary Bank Account) and one for payroll.

The following monies are paid into the Primary Bank Account:

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- Levies due to the merSETA. This is paid in in one lumpsum amount monthly and is paid in by the Department of Higher Education and Training (DHET) and;
- Interest income received by the merSETA on its investments.

All payments are made using electronic funds transfers (EFT). The following types of payments are made:

- Salaries and wages & board fees. These are paid through a 24-hour electronic transfer service.
- Travel arrangements. All travel arrangements are done via a designated travel card and this account is settled monthly.
- Creditors and grant payments. Creditors and grants are paid via EFT. All accounts are currently loaded on the bank system and on the accounting system. Normally an EFT is generated by the accounting system and uploaded to the bank but manual payments are also made directly on the bank platform from time to time. Creditors payments normally range between 20 and 50 transactions per payment run. Grant payments run range between 2500 and 3500 transactions per payment run.

4.2 A call account

4.3 A credit card facility.

4.4 An online banking facility

4.5 A facility to pay nominal amounts of money that can be immediately drawn from an ATM.

5. OUTCOMES AND DELIVERABLES

5.1 Two current accounts and one call account must be opened. One current account is for deposits and grants and creditor payments, the other for payroll. The deposit account will be the Primary Bank Account. Short term surplus funds will be transferred to the call account.

5.2 Fees, charges and interest must be specified for the following items:

- Service Fees and Escalations. All service fees on bank statements must be identified. The bank must indicate the date of the annual escalation as

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well as the annual escalation percentage in service fees over the period of the tender. Indicate maximum charges for large batch processing.

- Cash deposit fees that will be charged for any deposits must be stated.
- The rate of interest payable on overall credit balances must be indicated.

- 5.3 The online banking application must be able to handle a large volume of transactions (up to 4000 transactions at a time).
- 5.4 Deposit identifiers must be installed on the main account to prevent payments with incorrect references. This means anyone depositing money into merSETA's bank account will be forced to use a unique reference when depositing which allows us to identify who deposited the money. Available controls to limit unallocated deposits must be explained.
- 5.5 Identify all available electronic services e.g. electronic transfers/deposits to the account. Controls in respect of electronic services must also be explained. A 1-day service for electronic transfer of payments/deposits must be available.
- 5.6 Cash management facilities must be explained.
- 5.7 Online banking service should provide the following:
- There must be a facility to view account balances (current, call, and card accounts).
 - Downloading of transactions and balances for all accounts in real time. Indicate how far back one can go when downloading data.
 - Ability to create payments on online banking system
 - Facility to upload payments from accounting and payroll system
 - Transfer of funds between accounts (current and call).
- 5.8 The bidder's Information Technology must be compatible with Windows Technologies, e.g. office 365, windows 10, etc.
- 5.9 The bank must provide the necessary training to personnel to use the electronic systems. The cost of training must also be quoted. Details of the training and implementation plan must be provided.
- 5.10 The period of historic information, of at least 12 months, available on the system must be indicated. The cost must also be indicated.
- 5.11 The Branch of the Bank where the account is opened must assign banking officers who are available to handle all aspects of the merSETA account,

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including correspondence, arrangements and queries. More specifically the merSETA will require the following dedicated banking personnel:

- A relationship manager
- A person handling day to day routine requests or queries
- An online banking specialist
- A person handling the travel cards/ credit card facility

5.12 The pricing table in Annexure A must be completed.

5.13 Bidders will be required to do a demonstration on all the functionality that has been requested. As part of this, the security features on the online banking system must be explained in detail. Any additional service offering relevant to the scope of work can also be included in the demonstration.

5.14 A roll out plan must be submitted, detailing timelines for setting up the online banking facility, opening current and call accounts and setting up all the other requirements of this terms of reference. The online banking facility should cater for a maximum of 20 users.

6. CONTENT OF SUBMISSIONS – VERY IMPORTANT

6.1 Provide a proposal as per the scope of work above;

6.2 Provide budgetary pricing by completing annexure A: Pricing Table

6.3 Provide a high level project plan clearly indicating milestones and project duration;

6.4 References where similar work was undertaken;

6.5 Any additional service offering relevant to the scope of work;

6.6 Proof of registration on the Central Supplier Database hosted by National Treasury;

6.7 Certified copy of BBBEE Certificate and;

6.8 Fully completed and signed SBD1, 3.3, 4, 6.1,7.2, 8 and 9 Forms.

7. REQUIREMENTS

7.1 Respondent must prove capacity to undertake a project of this nature and capacity to complete the project by the due date.

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- 7.2 The respondent must have the necessary approvals and permits from Local Authorities that permit the undertaking of jobs of this nature, where applicable.
- 7.3 The respondent must provide five (5) letters of reference from clients of which two (2) must be State Owned Entities, where work of a similar nature and volumes as specified in section 5.3 above was undertaken. The reference letter must indicate:
- Number of years servicing the client
 - Number of people using online banking
 - Maximum number of payment transactions processed at a time
- 7.4 Respondent must show banking systems ability to uniquely identify any entity that makes a deposit in the merSETA bank account (Through a unique reference on the deposit).
- 7.5 Respondent must provide details on the nature and levels of security protocols used by the bank. It must also demonstrate the level of compliance with the Protection of Personal Information Act. This must be communicated during the presentation.

8. SCORING GRID

8.1 SUBMISSION SCORING

	REQUIREMENT	MINIMUM CRITERIA	CRITERIA	SCORE (POINTS)
1	Five (5) written signed and verifiable reference letters from clients to whom similar service was rendered must be provided.	Three (3) reference letters	Five (5) Reference letters from submitted. At least two (2) State Owned Entities	10
			Three (3) Reference letters from submitted. At least two (2) State Owned Entities	5
			No reference letters submitted	0
2	Ability to handle large volumes of transactions (4000 or more at a time)	Must meet criteria fully	Can handle large volumes	10
			Can't handle large volumes	0
3	Ability to assign deposit identifiers	Must meet criteria fully	Can assign deposit identifiers	10
			Can't assign deposit identifiers	0

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4	Ability to meet online banking service criteria (1) Viewing facility on all accounts (2) Downloading of transactions. Upload payments (3) Payments directly on banking system (4) Transfers between accounts	Must meet criteria full	Fully meets criteria	10
			Does no meet criteria fully	0
5	Online banking access and security settings	Will be evaluated on separate scoring grid used for the presentation		

8.2 PRESENTATION SCORING

No	Requirement	Weighting	Criteria	Score (Points)
1.	Demonstrate segregated security profiling e.g. <i>show access levels for user, admin and manager</i>	15	Satisfactory	10
			Partially Satisfactory	5
			Unsatisfactory	0
2	Demonstrate segregation of functions such as create, modify, approve	15	Satisfactory	10
			Partially Satisfactory	5
			Unsatisfactory	0
3	Demonstrate multifactor authentication capabilities e.g. <i>One-Time Pins, Token generation</i>	15	Satisfactory	10
			Partially Satisfactory	5
			Unsatisfactory	0
4	Show password complexity requirements for users e.g. 16 characters long, inclusive of caps and lower case and numbers	15	Satisfactory	10
			Partially Satisfactory	5
			Unsatisfactory	0
5	Online banking platform is accessible via a secure portal e.g. site is protected by SSL(Security Sockets Layer) certificate for encryption	15	Satisfactory	10
			Partially Satisfactory	5
			Unsatisfactory	0
6	Demonstrate user friendliness of system/ ease of navigation/ use of leading edge technology	15	Satisfactory	10
			Partially Satisfactory	5
			Unsatisfactory	0

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No	Requirement	Weighting	Criteria	Score (Points)
7	Demonstrate self-help functionality and offering. i.e. what changes can be made to user access, limits etc without requiring the bank to make these changes.	5	Satisfactory	10
			Partially Satisfactory	5
			Unsatisfactory	0
8	Demonstrate the level of compliance with the Protection of Personal Information Act.	5	Satisfactory	10
			Partially Satisfactory	5
			Unsatisfactory	0

9. BUDGET (COST ESTIMATION)

The 80/20 evaluation criteria will be utilized. This evaluation criteria refers to 80% for Price and 20% for B-BBEE.

10. CLOSING DATE

The closing date for submissions to be considered for this project shall be **28 January 2022, 12:00 noon**

11. PAYMENT TERMS

All charges shall be made directly to the Primary Bank Account on a monthly basis.

12. EVALUATION PROCESS.1 COMPLH MINIMUM REQUIREMENTS

All bids duly lodged will be evaluated on functionality and price. The evaluation criteria and weighting for measuring functionality are shown below:

Criterion	Weighting	Minimum thresholds
Reference letters	15%	7,5%
Ability to handle large volumes of transactions	15%	15%
Ability to assign deposit identifiers	5%	5%
Ability to meet online banking service criteria	35%	35%
Online banking access and security settings	30%	15%
TOTAL	100	77,5%

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The overall minimum threshold for functionality will be 77,5% where all individual criterion are adhered to.

The evaluation of submitted bids will be conducted as follows:

Firstly, the bids will be evaluated for functionality based on the evaluation criteria and the minimum threshold as shown in the table above. Any bid that fails to meet the overall minimum threshold or has not received a score for any individual component thresholds will be disqualified.

Thereafter, only the qualifying bids will be evaluated in terms of the 80/20 preference points system, where 80 points will be allocated to price only and 20 points will be allocated in line with the bidder's BBEE status level of contribution.

This will be carried out in accordance with the PPPF Act and as follows;

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

13. NOTES TO BIDDERS

This section outlines basic requirements that must be met. Failure to accept these conditions or part thereof will result in your proposal being excluded from the evaluation process.

13.1 Short listed service providers may be invited to present and discuss details of their proposals.

13.2 Bidders should complete the merSETA tender documents; Vendor Application Forms; SBD's 1, 3.3, 4, 6.1, 7.2, 8 and 9 Forms before their tenders are considered.

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13.3 Tender documents should be presented to merSETA marked “**Tender for Closed Bids Banking Services**”

13.4 The merSETA will not be liable to reimburse any costs incurred by the bidder during the tender process

13.5 Bidders should identify any work they are currently carrying out or competing for which could cause a conflict of interest, and indicate how such a conflict would be avoided.

14. GENERAL

14.1 Bidders should complete the submission register at the security then deposit their documents into the tender box available on the Ground Floor reception on or before **28 January 2022, 12:00 noon** at the address below:

Tender Box
merSETA Head Office
95, 7th Avenue Corner Rustenburg Road
Melville
Johannesburg
2109

14.2 Any tender document not deposited in the marked tender box will not be considered

14.3 Any tender document received after the closing date and time will not be considered.

14.4 Two (2) bound and one (1) unbound hard copies of the proposal must be submitted.

14.5 All correspondence to bidders will be in writing.

14.6 Bidders may attend the opening of the tender box on the closing date.

14.7 Late submissions will not be considered for this tender.

15. DISCLAIMER

The merSETA reserves the right not to appoint a bidder for this tender. The merSETA further reserves the right to split the tender with more than one bidder or award a portion

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of this tender to other bidders. The merSETA shall rescind a bid award or contract should a bidder be found to have violated Supply Chain Practices.

The merSETA does not bind itself to accept the lowest tender

Authorised by :



Name:

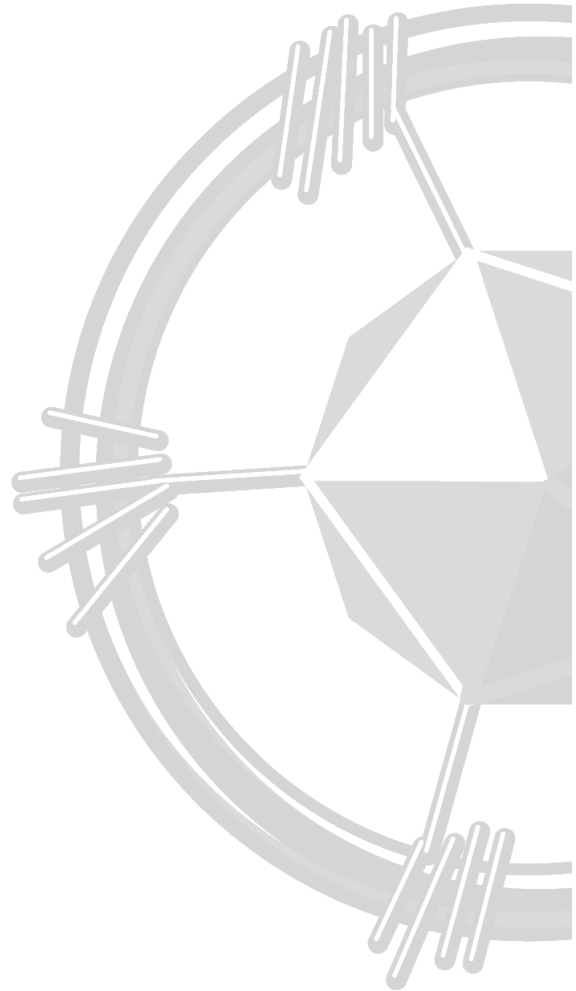
Mr. Naphtaly Mokgotsane

Contact Person:

Deslynn Lucas

Email to:

tenders@merseta.org.za



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