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## GENERAL NOTICE

NOTICE 187 OF 1999

**SOUTH AFRICAN TELECOMMUNICATIONS REGULATORY AUTHORITY**



### **INVITATION FOR TENDERS - ACCOUNTING SYSTEM CONTRACT: SATRA TENDER ST - 0021**

The South African Telecommunications Regulatory Authority (SATRA), a statutory body formed under Section 5 of Telecommunications Act No. 103 of 1996, call for tenders for the supply and implementation of an Accounting System.

Mr. N. Maredi  
TENDER COMMITTEE  
CHAIRPERSON

**THE SOUTH AFRICAN TELECOMMUNICATIONS REGULATORY  
AUTHORITY (SATRA)**

**TENDER SPECIFICATIONS: ACCOUNTING SYSTEM**

**Compiled and Issued by: Mr. Peter Motaung**

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**Date: February 17, 999**

**TENDER SPECIFICATIONS**

**ACCOUNTING SYSTEM**

**ST - 0021**

**CLOSING DATE: Friday, March 05, 1999 @ 12H00**

**SOUTH AFRICAN TELECOMMUNICATIONS REGULATORY  
AUTHORITY**

**SATRA**

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## **1. INTRODUCTION**

This specification defines the user requirements of SATRA for the supply and implementation of an Accounting System at SATRA headoffice located at Pin Mill Farm, Sandton.

### **1.2 Background**

SATRA is responsible for the regulation of the Telecommunications industry throughout South Africa. This involves a number of key functions such as:

- ◆ Licensing of commercial radio services, products and telecommunication services.
- ◆ Operation of a Radio monitoring service.
- ◆ Planning, management, control and administration of the radio frequency spectrum.
- ◆ Other administrative functions such as financial management, procurement, personnel and general office functions.

To perform these basic functions, several computerized solutions have been acquired and implemented to assist in the management of the organization, namely:

- ◆ SPEKRUM
- ◆ Rohde & Schwarz Frequency Monitoring System.
- ◆ Pastel - Accounting Package
- ◆ Pamsel - Payroll Package

Concern has been raised about our current accounting system, which cannot meet key accounting requirements of SATRA.

## **2. REQUIREMENTS SPECIFICATION FOR AN ACCOUNTING SYSTEM**

The following is a summary of SATRA's requirements in terms of this tender:

- ◆ Complete and fully integrated financial system.
- ◆ System must support a minimum of 32 online users.
- ◆ System must have the capacity to increase the number of users as determined by future business expansion.
- ◆ The system must be able to interface with Unique and Q-PAC Payroll system.
- ◆ The system should be able to handle decentralized financial functions. SATRA has 8 (eight) regional offices countrywide including Sandton office.
- ◆ The system should be open & year 2000 compliant. (Certification must be provided)

The system must consist of the following items and modules:

### **2.1. Financial Accounting**

#### ◆ General Ledger

##### □ Characteristics

- ✓ Multi-dimensional storing of transactions
- ✓ Structures for reporting based on but independent from stored dimensions
- ✓ Posting and reporting independent of accounting date and periods
- ✓ User-defined direct entry of transactions
- ✓ Automatic transaction creation

- ✓ Flexible inquiry and reporting functions
- ✓ Integration
- Parameters
  - ✓ Batch totals during journal entries
  - ✓ Debit/Credit code or +/- sign
  - ✓ Accounting entry compression
  - ✓ Mandatory check transaction file before updating or no check
- Entry options
  - ✓ Flexible transaction processing by user-defined entry functions
  - ✓ Voucher number series types
- Accounting Identities
  - ✓ Central definition of all accounting identity types
  - ✓ User-defined names of accounting dimensions controlled by language
- Accounting Periods
  - ✓ Up to 99 accounting periods
  - ✓ Period definition using any date range
  - ✓ User-controlled entry of transactions in both old and new periods
  - ✓ Automatic calculation of opening and closing balances
  - ✓ Several accounting years can be run at the same time
  - ✓ Valid accounting date check
- Accounting Transactions
  - ✓ Automatic checks
  - ✓ Standard vouchers
  - ✓ Journal reversal

- ✓ Petty Cash
- Amounts and Quantities
  - ✓ Storing of foreign currency amount/rate on each transaction along with domestic currency amount
  - ✓ Non-monetary amount (quantities)
  - ✓ Accounted amount calculated from quantity and unit price
- Currency Management
  - ✓ Multiple currencies
- VAT Management
  - ✓ VAT codes
  - ✓ VAT declaration
  - ✓ VAT generation
- Reconciliation and Checking
  - ✓ Marking of transactions
  - ✓ Automatic reconciliation
  - ✓ Checking
- Periodic Functions
  - ✓ Year-end transfer of balance results to balance file
  - ✓ System maintenance
  - ✓ Create user-defined periodic run with reports / updates
- Analyses
  - ✓ Zoom functions
  - ✓ Transaction analyses
  - ✓ Selection/sorting by accounting dimensions



- ✓ Book and foreign currency amounts
- ✓ Quantity
- ✓ Balance after each transactions or opening and closing balance
- Reports
  - ✓ Journal copies and audit lists
  - ✓ General ledger
  - ✓ Balance list and income statement
  - ✓ Account specifications
  - ✓ VAT reports
  - ✓ Printout of accounting IDs and other tables

◆ Budgeting

- Characteristics
  - ✓ Up to 99 different budget and forecast versions a year
  - ✓ All seven accounting dimensions can be used
  - ✓ Project budgets across several fiscal years
  - ✓ Both amount and quantity
  - ✓ Integration with other modules
- Manual Entry
  - ✓ Up to 99 versions for budget values
  - ✓ Up to 99 versions for forecast values
  - ✓ Different entry methods
  - ✓ Update Budget and balance file directly
- Automatic Generation
  - ✓ Based on outcome previous year
  - ✓ Based on another budget/forecast
  - ✓ Based on combinations of above
  - ✓ Selection by accounting identity ranges

- ✓ Budget creation categories
- Balance File
  - ✓ On-line or batch update of budget /forecast values
  - ✓ Same report functions as in GL (Report generator, on-line analyses)
- Analyses
  - ✓ Budget / Forecast details
  - ✓ Amounts
  - ✓ Budget / Forecast details
- Reports
  - ✓ Budget reports
  - ✓ Report generator
- ◆ Report Generator
  - General Information
    - ✓ User-defined size and report contents
    - ✓ Based on user-defined balance keys from the balance file
    - ✓ Layout proposal during design
    - ✓ Copy between reports and companies
    - ✓ Printing pre-selection
    - ✓ PC file transfer
- ◆ Cash Flow Management
  - Major Functions
    - ✓ Cash flow budgeting
    - ✓ Cash flow planning

- **Cash Flow Budgeting**

- ✓ Purpose
- ✓ Long term cash flow planning
- ✓ Conditions
- ✓ Functions

- **Cash Flow Planning**

- ✓ Short term cash flow planning
- ✓ Obtain values from the following modules: General Ledger, Budgeting, Accounts Receivable, Accounts Payable, Purchase Order Processing

- ◆ **Management Accounting**

## **2.2. Accounts Receivable**

- ◆ **Accounts Receivable**

- **Daily procedures**

- ✓ Automatic customer invoice transfers from fixed Assets
- ✓ Other customer invoices entry
- ✓ Predefined rules for accounting entries and entry procedures
- ✓ Credit note management
- ✓ User-controlled numbering of all external documents
- ✓ Manual invoice
- ✓ Cash receipts
- ✓ Remittance generation and management
- ✓ Remittance cost and tax calculation

- **Periodic Procedures**

- ✓ Invoice changes
- ✓ Statement of accounts
- ✓ Payment advice management
- ✓ Payment reminder management
- ✓ Collection management
- ✓ Uncertain debts and write of management
- Inquiries
  - ✓ Flexible presentation
  - ✓ Accounts receivable per customer or payer
  - ✓ Search options
  - ✓ Accounts receivable per invoice
  - ✓ Detailed information
  - ✓ On-line customer analyses
- Printouts
  - ✓ Flexible selection and different layouts
  - ✓ Accounts Receivable per customer or payer
  - ✓ Detailed account statement
  - ✓ Payment forecasts with user-defined periods
  - ✓ Age distribution with user-defined periods
  - ✓ Remittance information
  - ✓ Master file printouts

### **2.3. Accounts Payable**

#### **◆ Accounts Payable**

- Supplier Master Data Entry
  - ✓ User-controlled entry options
- Supplier Master Data
  - ✓ Supplier types

- ✓ Terms of payment
- ✓ Default values for invoice and payment entries
- ✓ Authority
- ✓ Accounting control object
- ✓ Bank office
- ✓ Bank account number
- ✓ Our customer number at supplier
- Daily procedures
  - ✓ Direct entry of supplier invoices in Accounts Payable
  - ✓ Clearing account or complete accounting entry
  - ✓ Predefined rules for accounting entries and entry procedures
  - ✓ Credit note management
  - ✓ Direct reconciliation against purchase orders
  - ✓ Accounting entries for variances between purchase orders and invoice amounts
  - ✓ Recording of supplier invoices
  - ✓ Definite booking of preliminary booked invoices
  - ✓ Manual payments
  - ✓ User-controlled numbering of all external documents
  - ✓ Payment proposals with flexible selection
  - ✓ Check printing
  - ✓ Ledger update of pre-numbered checks
  - ✓ Bill of exchange entry in portfolio
  - ✓ Invoice split
  - ✓ Split and grouping of promissory notes
  - ✓ Collector master file
  - ✓ Generation of payment proposal portfolio
  - ✓ Quota management
- Periodic Procedures
  - ✓ Invoice changes
  - ✓ Authorization code

□ **Inquiries**

- ✓ Flexible presentation
- ✓ Accounts payable per supplier or payee
- ✓ Connection to portfolio
- ✓ On-line audit trail
- ✓ Search options
- ✓ Accounts Receivable per invoice
- ✓ Detailed information
- ✓ Payment proposals in portfolio
- ✓ Promissory notes

□ **Printouts**

- ✓ Invoice related accounting slip
- ✓ Flexible selection and different layouts
- ✓ Accounts Payable Ledger per supplier or payee
- ✓ Detailed account statement
- ✓ Payment forecasts with user-defined periods
- ✓ Analysis of invoices in clearing account
- ✓ Authorized persons
- ✓ Bills of exchange
- ✓ Payment proposal
- ✓ Master file printouts

## **2.4. Asset Management**

◆ **Fixed Assets**

□ **Asset master data**

- ✓ Identification
- ✓ Procurement values
- ✓ Periods
- ✓ Location

- ✓ Other data
- Depreciations
  - ✓ User-defined depreciation
  - ✓ Depreciation Methods
  - ✓ Depreciation rate
  - ✓ Automatic update of General Ledger
- Asset Procurement
  - ✓ Integrated with Accounts Payable and General Ledger
  - ✓ Preliminary booked assets
- Asset Movements
  - ✓ Movements creates transaction in General Ledger
- Extraordinary Depreciation
  - ✓ Depreciation ahead of plan
- Asset Sales
  - ✓ Invoice creation
  - ✓ Calculate profit or loss
  - ✓ Accounting of all transactions
  - ✓ Automatic update of Accounts Receivable
  - ✓ Automatic update of General Ledger
- Physical Inventory
  - ✓ Selections by Locations and Cost Center/Department
- Budget
  - ✓ Future depreciation calculation

- Insurance Management

- ✓ Multiple insurance for each assets

- Inquiries

- ✓ User-defined columns by templates

- Reports

- ✓ Assets catalog
  - ✓ Value list
  - ✓ Assets mirror
  - ✓ Changes during the year

## 2.5. Basic Inventory Management

## 2.6. Procurement Management

- ◆ Purchase Order Processing

- Supplier Master Data

- ✓ Addresses
    - ✓ References
    - ✓ Time based charge and discount tables
    - ✓ Classification
    - ✓ Business relations
    - ✓ Shipment days and lead times

- Item / Supplier Master Data

- ✓ Basic data



- Purchase Requisitions and PO Proposals
  - ✓ Purchase requisitions
  - ✓ PO proposal creation
  - ✓ PO proposals
- Goods Receipt
  - ✓ Goods receipt flow
- Invoice Tracking
  - ✓ Integrated with Accounts Payable
  - ✓ Exception principle
  - ✓ Invoice ID matching on three possible criteria (PO no., Supplier PO number and Delivery note number)
  - ✓ Three-way quantity match
  - ✓ Automatic approval after goods receipts/put-away if price OK
  - ✓ All postings created are shown on-line after the invoice check.
- ◆ Purchase & Supplier Statistics
  - Supplier Statistics
    - ✓ User-defined periods
    - ✓ Supplier performance (Invoice errors)

## **2.7. Graphical User Interface**

- ◆ Graphical User Interface
  - Operation System Support
    - ✓ Windows
    - ✓ UNIX

### **3. TENDER REQUIREMENTS**

#### **3.1 Scope of the tender**

This tender represents the requirements of SATRA for the supply and implementation of Accounting System. Prospective tenderers must tender for the supply, implementation and commissioning of the necessary hardware (optional) and software. Tenderers are advised to acquaint themselves with the requirements of SATRA in order to offer the best possible proposition.

#### **3.2 Current Operating Environment**

SATRA currently makes use of Local Area Networks (LAN's) environment located at head office and the regions servicing approximately 220 users. This is a structured 10 Base T cabling network making use of Routers, Hubs and Switches connecting users to a number of Compaq file servers. The network is linked to seven regional offices via Frame Relay, Wide Area Network.

#### **3.3 General conditions of tender**

3.3.1 This tender must be tendered for as a single tender. The tenderer is allowed to use subcontractors for certain services provided that in the tender the ratio (based on the cost) must not exceed 70:30, where the tenderer is responsible for 70% of the services. The tenderer remains the sole responsible agent for the tender as whole even if the problems that may arise are due to faults by the subcontractor.

3.3.2 All services tendered for must conform to the to the minimum requirements as set out in the section 2 of this document. Any deviation from the minimum must be clearly stated in a section entitled "Deviation from Tender Requirements" and reasons for the deviations must be supplied.

- 3.3.3 Tenders and fixed prices therein must be valid for a period of 60 (sixty) days from the date of submission.
- 3.3.4 Seven copies of tender documents should be submitted including a stiffy disk and must include maintenance and operational manuals where applicable.
- 3.3.5 Notwithstanding any possible shortcomings in the specifications, tenderers must ensure that the solution offered will form a complete and efficient system.
- 3.3.6 Requests by SATRA for any additional information from tenderers must be submitted within 5 (five) business days of this request having taken place. Failure to comply may invalidate the tender.
- 3.3.7 All costs must be itemized per category and must be compatible with the payments schedule and furthermore comply with the conditions of paragraph 3.5 Supplying a total price only will disqualify a tender. Tenderers shall also state their required conditions to add or delete any category from the contract when such a category is taken up or released to SATRA.
- 3.3.8 A proforma contract must be included in the tender and it will form the basis negotiation for the agreement to be entered into between SATRA and the successful tenderer. This contract shall include a proposal for downscaling of the services when required.
- 3.3.9 Tenderers must specify in full their compliance with the tender specifications.
- 3.3.10 Payment of services will be done in accordance with the payments schedule as set out in paragraph 3.5

3.3.11 Ownership of the hardware and/or software that have been delivered will only pass to SATRA after they have been officially accepted as set out in paragraph 3.5 For that reason the tenderer must, at his own expense, make arrangements for the necessary insurance of the hardware and/or software until such date as they have been finally accepted.

3.3.12 All work covered in the tender including supply and implementation must be completed by 30 June 1999. Furthermore, a time schedule (by means of a MS Project Gantt chart) must be broken down in the different stages.

### **3.4 Tender information**

3.4.1 Tenderers must submit relevant information in sufficient detail in order to enable SATRA to make a good assessment of the proposition tendered for.

3.4.2 Tenderers must indicate compliance or non-compliance on a paragraph by paragraph basis to the general conditions of tender (paragraph 3.3) and on item by item basis i.r.o. section 2. Should the tenderer fail to indicate this compliance, SATRA will assume that the tenderer is not in compliance with specifications.

3.4.3 SATRA will not be held responsible for any costs incurred by tenderers in preparing and submitting their tenders.

3.4.4 This tender and all information in connection therewith shall be held in strict confidence by tenderers and usage of such information shall be limited to the preparation of the tender. Tenderers shall undertake to limit the number of copies of this document and to destroy them in the event of their failure to secure the contract.

3.4.5 Tenderers shall complete all the necessary tender forms and undertakings which accompany this tender.

3.4.6 For any further technical details concerning this tender please contact Mr. Peter Motaung on (011) 321 8462 or via e-mail: [peter@satra.gov.za](mailto:peter@satra.gov.za).

### **3.5 Tender Prices**

3.5.1 All costs that are payable by SATRA must be specified in detail by the tenderer.

3.5.2 All prices must include VAT at the current rate.

3.5.3 All prices must be quoted in SA Rands and tenderers must indicate whether the prices are linked to any foreign currency and at what rate of exchange. Tenderers must also indicate what portion of the total cost or price is linked to a foreign currency. Tenderers must use the official exchange rate valid at the date of advertising hereof where prices are subject to exchange rate fluctuations.

### **3.6 Payment Terms**

Payment to SATRA will be made strictly as follows:

3.6.1 After delivery and installation of the system, an amount of 50% of the total cost will be paid.

3.6.2 A further 30% of the total cost will be paid after full implementation of the system, provided that the system is fully operational in accordance with the requirements of SATRA and that a representative of SATRA has issued a certificate of conformance.

3.6.3 The final 20% of the total cost will be payable after 3 (three) months of trouble free operation of the system, on full acceptance and on certification by a representative of SATRA.

### 3.7 Tender Evaluation Criteria

The criteria for evaluation of the proposals will assist SATRA in making a fair evaluation of offers, while at the same time implementing Section 2 of provision of the Telecommunications Act. SATRA reserves the right to reject any or all offers.

#### 3.7.1 Non-Commercial Criteria

Experience and capability to provide the required services	25%
Offers by Historically Disadvantaged Individuals, women or companies owned by such, or use as subcontractors of companies owned by such.	30%
Time for completion of work	20%
Clear understanding of the overall project requirements as shown by the tenderer's description in their proposal, with no exceptions taken by tenderer.	25%

#### 3.7.2 Commercial Criteria

SATRA will select the lowest evaluated cost offer that meets all non-commercial criteria. In evaluating the commercial offers, offers from companies owned by Historically Disadvantaged Individuals and women will receive uplifts. For reason of fair competition in the market place, the extent of such upliftment is considered confidential information at this time.



### **3.8 Method of Submission**

All tenders must be submitted in a sealed envelope on which the NAME and ADDRESS of the tenderer, the TENDER NUMBER, the TENDER TITLE and the CLOSING DATE are clearly marked. Each TENDER must be addressed and posted to the CHAIRPERSON of the Tender Committee, SATRA, Private Bag X1, Marlboro 2063 and in order to ensure that it reaches the destination not later than the closing date, you may deliver by hand at Pin Mill Farm, Block B, 164 Katherine Street, SANDTON 2169, South Africa

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