



KZNL- RFI 01-2017

# KWAZULU-NATAL LEGISLATURE

AN ACTIVIST PEOPLE-CENTRED LEGISLATURE

## RFI PARTICULARS

SUBJECT:	INVOICE TRACKING SOLUTION
Ref Number:	KZNL- RFI 01/2017
Date advertised:	16 October 2017
Closing Date:	09 November 2017
Briefing Session:	N/A
Closing Time:	11h00 AM
RFI Queries:	Name: Zethu Buthelezi Fax: E-mail: <a href="mailto:buthelziz@kznleg.gov.za">buthelziz@kznleg.gov.za</a>
<b>SUBMISSION PARTICULARS:</b>	
Company Name:	
Registration No:	
CSD No.	
Contact Person:	
Telephone No:	
Fax No:	
E-mail Address:	
Physical Address:	

## RETURN OF PROPOSAL

Proposal must be deposited in the **Bid box situated at Ground Floor, KZN Legislature, 244 Langalibalele Street PIETERMARITZBURG 3201** or received by post to The Senior Manager: Supply Chain Management, **Private Bag X 9112**, Pietermaritzburg, 3200 before **11h00 on "09 November 2017"**

**All envelopes must reflect the return address of the response on the reverse side.**

\_\_\_\_\_  
RESPONDENT'S SIGNATURE

\_\_\_\_\_  
DATE AND COMPANY STAMP

## **1. INTRODUCTION**

### **1.1 PURPOSE OF REQUEST FOR INFORMATION (RFI)**

The KZN Legislature has identified the need for an invoice tracking solution to assist with ensuring compliance with the legislated requirement of paying invoices within 30 days. It is for this reason the Legislature is calling for information from suitably experienced providers for the provision of an electronic system to track and report on the aging of invoices for the Department.

This Request for Information (RFI) is issued by the Legislature to invite responses and gather information regarding options for an electronic solution to register, track and report on the aging of all invoices received for payment. The Legislature seeks information regarding innovative approaches to gaining efficiency for the institution and improve turnaround times in the handling of invoices and the respective approval process time lines. The Legislature is interested in new technologies and capabilities available to meet its invoice management needs which can interface with SAP.

The Legislature will evaluate the RFI received and use the outcome to determine RFB or RFP with the selected stakeholders. It should be noted that, this is an RFI only, and does not constitute a commitment, implied or otherwise, that Legislature will procure services of the Respondent(s).

### **1.2 THE SUBMISSION OF RFI**

#### **1.2.1 ABBREVIATION AND TERMINOLOGY**

RFI – REQUEST FOR INFORMATION

RFB – REQUEST FOR BID

RFP – REQUEST FOR PROPOSAL

#### **1.2.2 CONDITIONS FOR SUBMISSIONS / REQUESTED INFORMATION:**

- (a.) Provide a cover letter introducing your firm and indicate a primary contact.
- (b.) Indicate your firm's interest in responding to a potential future solicitation as a result of this Request for Information.
- (c.) Provide a descriptive summary of your proposed solution.

### **1.3 RFI TERMS AND CONDITIONS**

#### **1.3.1 RFI PREPARATION COSTS**

The Legislature will not be responsible or liable for any costs incurred by the respondent(s) in the preparation, submittal of this RFI

#### **1.3.2 RFI CONFIDENTIALITY**

The information included in the RFI is confidential and only for the recipient(s) knowledge.

The data contained in the RFI submission will be used exclusively for information purposes by the Legislature in gathering sufficient details to make informed decisions about the way forward on this particular matter.

The information disclosed in this RFI is given by KZN Legislature in good faith and only for the purposes of providing sufficient information to the Respondents to enable the submission of a well-informed realistic RFI.

#### **1.4 GENERAL ENQUIRIES/COMMUNICATION**

Any enquires or information relating to this document should be in **writing ONLY** and shall be emailed to [buthelziz@kznleg.gov.za](mailto:buthelziz@kznleg.gov.za)

#### **1.5 STATUS OF THIS RFI AND SUBSEQUENT PROCESS**

This RFI should not be taken nor understood to be an offer to purchase and the KZN Legislature is under no obligation to accept any proposals submitted under this process and / or any subsequent RFB which may be issued hereafter.

The Participants should take note that this is just a Request for Information; therefore no business will be awarded through this process however KZN Legislature reserves the rights to confine the RFB to the shortlisted participants of the RFI.

#### **1.6 DISCLAIMERS**

1.6.1 The respondents are hereby notified that KZN Legislature is not committed to any course of action as a result of its issuance of this RFI and its acknowledgment of receipt in response to it. KZN Legislature reserves the right and at its sole and full discretion to:

- (a.) Utilize any kind of information provided to it in response to this RFI to draft the scope of requirements for inclusion in a subsequent Request for Bid (RFB);
- (b.) Take no further action whatsoever, if it so decides;
- (c.) Withdraw from this process and the process and the provisions of this project at any time;
- (d.) Change the date of adjudication and submission;
- (e.) Not bind itself to accept any or all of the RFI submissions;
- (f.) Increase or decrease the quantities and scope of the RFI in any subsequent RFB

1.6.2 KZN Legislature decisions will be final and no correspondence will be entered into.

1.6.3 KZN Legislature will not reimburse any Respondent for any monies spent preparing the submissions for the RFI.

## **1.7 UNDERTAKINGS BY RESPONDENT**

It is assumed that, by virtue of submitting the RFI response, the Respondent has read, understood and accepted all the terms and conditions contained herein. The Participant's submission shall mean fully acceptance of the terms and conditions of the document.

## **1.8 AUTHORISATION OF SIGNATORY**

If the RFI Respondent is a company, a certified copy of the resolution of the Board of Directors (signed by the Chairman or Secretary of the Board) authorising the person who signs this RFI to do so.

If Respondent is a partnership, a certified copy of the resolution of the partners (personally signed by all the partners) authorising the person who signs this RFI to do so.

Any respondent that fail to comply with the above to provisions may lead to rejection of their submission.

## **1.9 UNDERTAKING BY KZN LEGISLATURE**

When preparing a submission to this RFI, KZN Legislature urges all RFI Participants to put their best effort into the structuring and development of the proposal.

The RFI process will include due governance and the results of the adjudication process will be available to the Participants at the sole discretion of KZN Legislature.

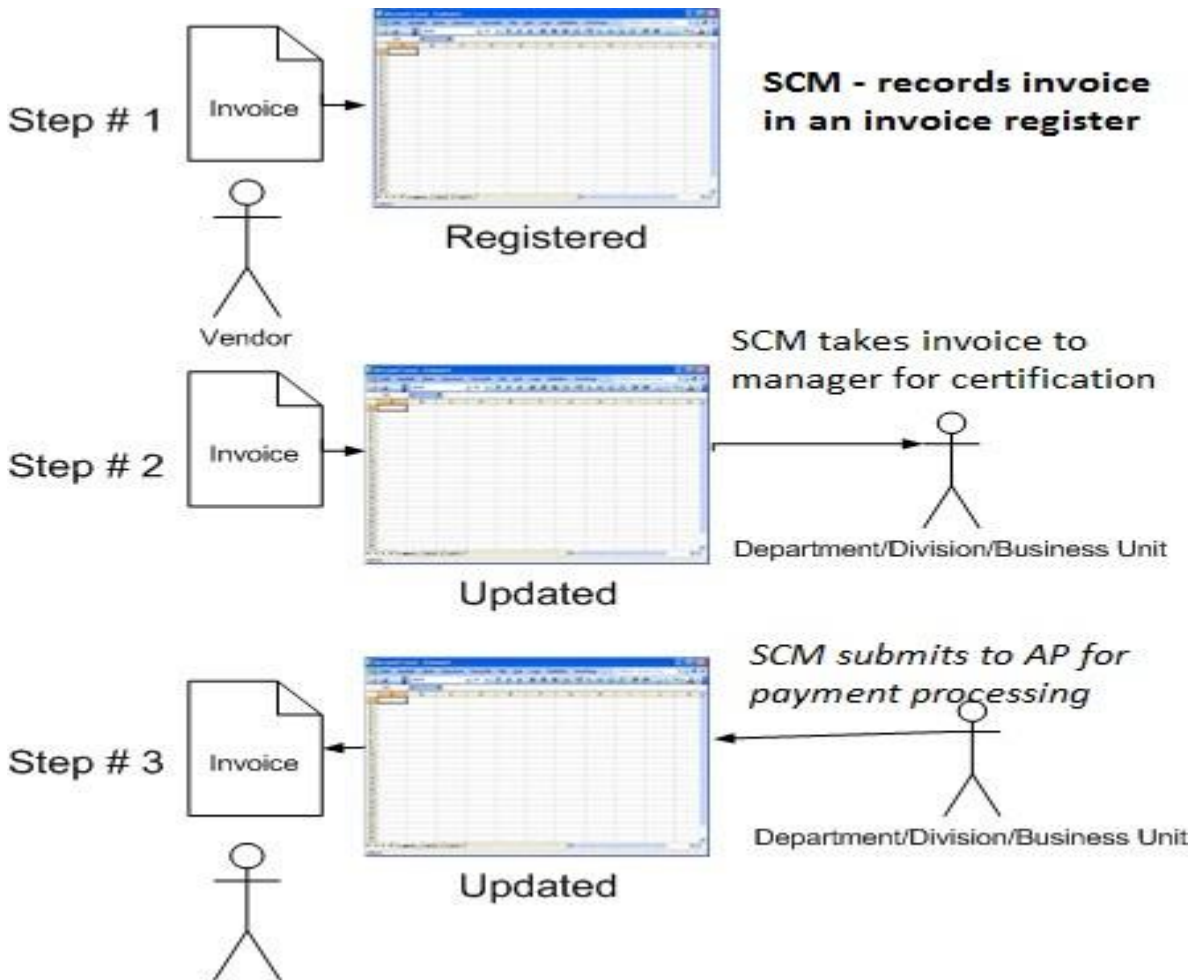
## **2. BACKGROUND**

The KZN Legislature currently has SAP as its ERP system and requires a system that is capable of tracking invoices that are received and processed by the institution. This limits the Legislature's ability to monitor its own compliance with section 33 of the Financial Management of Parliament and Provincial Legislatures Act. Which requires Accounting Officers to settle all contractual obligations and pay all money owing 30 days from receipt of an invoice. The Legislature currently has manual workflows within its SCM and Finance Units, and is therefore not adequately positioned to monitor and track the turnaround times expected for processing of payments as well as reducing the aging of overdue/arrear accounts. Furthermore, the institution is unable to prioritise payments to SMMEs thus ensuring that their accounts are settled within a short period of time.

In an effort to address these problems, KZN Legislature intends implementing an invoice tracking system, which will enable invoice management, tracking and monitoring. The proposed system should provide self-service access and business process support to service providers, business units, and to the SCM & finance staff whilst improving the workflow for all invoices processed and

paid by the Legislature. Enhanced interoperability with other SAP will provide additional benefits from information sharing, elimination of redundant data entry, and business process improvement.

### The current process for invoices



The capabilities of the system must support reengineering efforts and business process improvements in respect of payments within the Legislature. The reduction in manual reconciliations and processing will result in significant efficiencies.

### 3. ASSUMPTIONS/ OBJECTIVES

The following list represents goals and objectives to be attained through the implementation of and invoice tracking at KZN Legislature

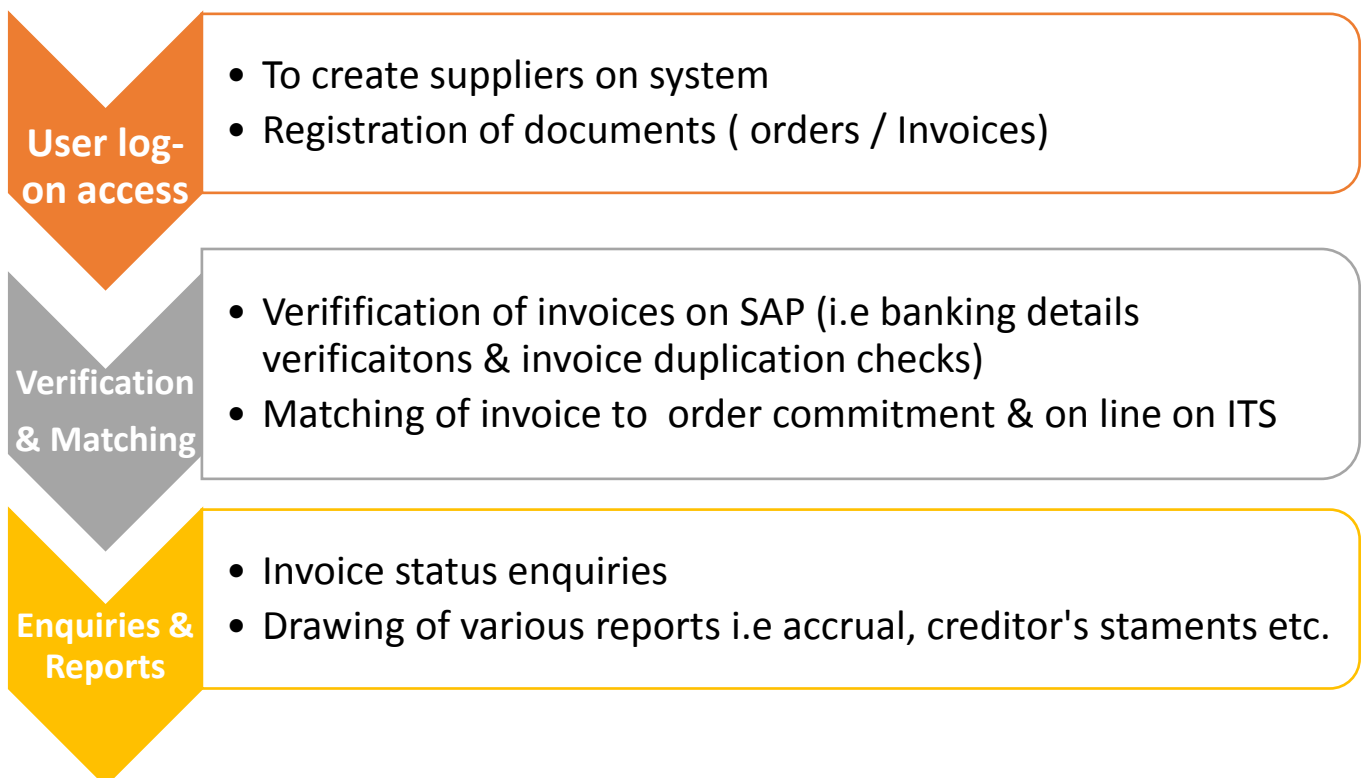
- Facilitate and streamline the processing of invoices for payment.
- Establish and improve analytics(invoice aging analysis)
- Increase the efficiency of business operations( in respect of payments)
- Promote data-driven decision-making (reporting based on current data)

- (e) Targeted automation/integration
- (f) Facilitate access to business data and reporting
- (g) Enhance access to the business systems
- (h) Reduction of queries by service providers

#### 4. REQUIRED FUNCTIONALITIES

The invoice tracking system will be used to undertake the following activities:

- Register all valid invoices received from service providers
- Register all valid document parcels comprising of orders & all the relevant supporting documentation Indicate the status of invoices when they have been matched to relevant orders
- Indicate the status of invoices after they have been booked out to the payment unit for processing.
- Indicate the status of the invoice as “paid” after they have been processed
- Indicate the status of invoices as “queries” once details of the query has been communicated to the service providers for resolution



#### 5. DESIRED ATTRIBUTES OF SUCH AN INVOICE TRACKING SYSTEM

1. Invoice Registration
  - (a.) Date and Time Stamp
  - (b.) Vendor Name & SAP Vendor No.
  - (c.) Invoice Number

- (d.) PO number
  - (e.) Goods/Services Description
  - (f.) Amount
2. Invoice Tracking Status with Date & Time Stamp
    - (a.) Received
    - (b.) Sent for user verification
    - (c.) Received verified invoice
    - (d.) Sent to AP for payment processing
    - (e.) Payment processed (parked & posted)
    - (f.) Payment dispatched
  3. Scanning ( optional)
    - (a.) Verified Invoice
    - (b.) Proof of payments
  4. Reporting – (various reports and vendor payment statement)

***The proposals submitted will be assessed against the above and below mentioned requirements.***

## **6. FEATURES OF THE SYSTEM**

- (a.) The system must be already developed and not a proposal to develop
- (b.) It must be user friendly
- (c.) It must provide for the capturing, monitoring and reporting of different levels
- (d.) Must be able to show status of invoice in terms of last update logged.
- (e.) Provide a dashboard presentation and reporting of data
- (f.) Provide for matrix reporting, meaning that the Legislature must be able to report information in more than one dimension, eg. invoice per status (paid/unpaid), aging category, 30, 60, 90, 120 days, per vendor, per cost centre, or time based ( date range)

## **7. SOLUTION FRAMEWORK**

- (a.) Describe the overall solution including all possible functions as well as the technologies required for implementation.
- (b.) Describe hosting option for the solution
- (c.) List the equipment (hardware and software) the proposed solution requires.
- (d.) Describe how the solution would support individual Legislature procedures such as varying layers of review, inspection and sign-off requirements, data retention requirements, etc.
- (e.) Describe how the solution would store and extract data from various file formats (e.g. Microsoft Excel, PDF). (eg should SAP payment data need to be uploaded in these formats)
- (f.) Describe similar solutions that have been implemented by other government entities, if any.
- (g.) Describe how the solution would handle data retention, including archiving and restoring historical data.

## **8. ACCESSIBILITY**

- (a.) Describe the access requirements for various users of the proposed solution,
- (b.) Describe backup and recovery for the proposed solution.
- (c.) Describe how the solution would handle remote access from outside Legislature's firewalls.
- (d.) Describe the scalability of the proposed solution, including scenarios for which implementation may be phased by the cost centre or by contract funding type (expense, capital funding).

## **9. INTERFACES WITH SAP**

Describe how the solution integrates with financial management or accounts payables.

Describe the level of effort, including cost, of building interfaces to other Legislature systems.

## **10. COST**

- Describe the cost associated with your solutions proposed in response to the above requirements.
- Describe options where cost savings may be achieved by omitting or revising one or more of the above desired functions.



**11. RESPONDENT'S DETAILS**

<b>Name of Respondent</b>	
<b>Company Name</b>	
<b>Supplier Physical Address:</b>	
<b>Supplier Postal Address:</b>	
<b>Telephone No:</b>	
<b>Designation:</b>	
<b>Fax No:</b>	
<b>Contact Person:</b>	
<b>E-mail:</b>	
<b>Company Registration No:</b>	
<b>If the items being offered on this bid originate from a country, other than RSA, please supply the following details:</b>	
<b>Country of Origin:</b>	

SIGNATURE OF THE RESPONDENT: \_\_\_\_\_

DATE AND COMPANY STAMP: \_\_\_\_\_