



Central Bank of Lesotho Request for Proposal

ACQUISITION AND IMPLEMENTATION OF A BUDGET SYSTEM

**Request for Proposal No:
CBL/fnc/TC/13/Z/ABD/02/2009**

**Issue date:
19 February 2009**

Submission Location:

*Tender Box Reception area
Central Bank of Lesotho
Cnr. Moshoeshoe & Airport Roads
Maseru, Lesotho*

Contact person:

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1. Executive Summary

A budget system plays a pivotal role in the company in terms of enabling well-thought, accurate and clear plans, activities, and spending money cost-effectively, avoiding incurring questioned or disallowed costs or cost overruns, and reaching specific goals it has set. Well thought budgets have benefits. They inform every one in the organisation to know the goals to be achieved, the work to be done to reach the goals, the resources needed to get the work done, and the timetable and deadlines for getting specific work done. Budget serve additional functions for well managed organisations such as provision of the financial and operational guidance needed to implement board policies and directives, allowing management to measure and guide the immediate and long-term financial health and operational effectiveness, and being a tool for controlling spending and avoiding deficits.

It is in recognition of this importance attached to a budget system and from observed deficiencies in the current budget system that the Central Bank of Lesotho is desirous of acquiring and implementing automated budget system.

2. Administrative Requirements Section

The following terms and conditions will apply to this Request for Proposal (RFP) and to any subsequent Contract. Submission of a proposal in response to this RFP indicates acceptance of all the following terms and conditions.

Request for Proposal Information

Delivery of Proposal

Proposals bearing no identification of the Proponent in a sealed envelope clearly marked “ACQUISITION AND IMPLEMENTATION OF A BUDGET SYSTEM CBL/fnc/TC/13/Z/ABD/02/2009” should be deposited in the Tender Box in the Reception Area of the Central Bank of Lesotho at the corner Moshoeshoe & Airport Roads. Facsimile or e-mail copies shall not be accepted.

Terminology for this RFP

Throughout this RFP, terminology shall be used as follows:

- a) “**Bank**” shall mean the Central Bank of Lesotho
- b) “**Contract**” shall mean a written agreement resulting from this Request for Proposal executed by and between the Bank and the Contractor;
- c) “**Contractor**” shall mean the successful Proponent to this Request for Proposal who enters into a written Contract with the Bank
- d) “**Executive Committee**” shall mean the high-level management committee composed of the Governors and the Heads of Departments
- e) “**Proponent**” refers to individuals or companies that submit or intend to submit a proposal in response to this RFP.

- f) “Tender Committee” shall mean a committee of the Central Bank of Lesotho commissioned by the Governor to issue, receive, assess tenders and recommend the selection of a successful proponent to the Executive Committee of the Bank.

Proposal Time-Frames

Closing Date and Time: All proposals must be delivered to the location specified in clause 2.1.1 on or before: *Friday, March 13, 2009, 14:30hrs*

Contact Persons

- a) Technical enquiries relating to the business requirement should be directed, in writing, to the attention of the following person

Name: Mr. M. Sekoati

Title: Acting Head, Business Solution Development Division

Tel: (+266) 2223 2120

Fax: (+266) 22310051/ (+266) 22310679

E-mail: msekoati@centralbank.org.ls

- b) Questions regarding this RFP’s administration are to be directed, in writing, to the following person:

Name: Mr. N. Molapo

Title: Secretary to Tender Committee

Tel: (+266) 22232091

Fax: (+266) 22310051/22310679

E-mail: nmolapo@centralbank.org.ls

Enquiries will be recorded and may be distributed to all Proponents at the Bank's option. The question and response will be distributed to all proponents who submitted a Receipt Confirmation Form indicating their intention to submit a proposal.

Request for Proposal Process

Receipt Confirmation Form

Proponents must fill out and return the attached Receipt Confirmation Form- Appendix C. Any subsequent information regarding this RFP, including changes made to this document, will be directed only to those Proponents who return the form. Subsequent information will be distributed by the method the Bank deems fit.

Eligibility

Proposals will not be considered if the Proponent's current or past corporate or other interests may, in the Bank's opinion, give rise to a conflict of interest in connection with this project. Only proposals that comply with the requirements of this RFP will be considered.

Debriefing

At the conclusion of the Request for Proposal process, the successful proponent will be notified immediately while unsuccessful Proponents will be informed only after the contractual signing.

Proposal Preparation

Proposal Format

Evaluation of proposals is made easier when proponents respond in a similar manner. The following format and sequence should be followed in order to provide consistency in proponent response and ensure each proposal receives full consideration:

- a) Title Page - showing Request for Proposal number, proponent's name and address, closing date and time, proponent's telephone number, and a contact person.
- b) One page letter of introduction identifying the proponent and signed by the person(s) authorized to sign on behalf of, and bind the proponent to, statements made in the proposal.
- c) Table of contents including page numbers.
- d) A short one or two page summary of the key features of the proposal.
- e) The body of the proposal to include:

APPROACH

- Should describe in detail how the project will be conducted;
- Must provide a brief description of key activities, their projected start and completion dates and project milestones;
- Must clearly indicate how the Banks deliverables will be produced;
- Must identify how the proponent intends to perform internal quality assurance on project deliverables; how changes will be managed and how issues will be resolved.

DELIVERABLES

- Must clearly state the deliverables produced e.g. project documentation (Paper and/or electronic format with their number of copies), status reports, minutes of meetings, hardware & software, etc.

PACKAGE FEATURES

- Should provide in detail the functionality provided by the proposed product, the technical environment required as well as other general features of the product such as customizability, security, reliability, interoperability, portability, scalability, ease of use, operational platform independence, usage concurrency, number of users, etc;

PROPONENT EXPERIENCE

- Should provide a brief summary of suitability of the proponent which outlines specifically the vendor's track record and experience relevant to this project;
- Where activities were performed as a subcontract or a joint venture, this should be clearly indicated, stating extent of involvement as well as the subcontractor's track record and experience relevant to this project;

PRODUCT GUARANTEES

- Should provide a brief description of any guarantees/warranties available on the supplied product(s).

REFERENCES

- Proposals should be accompanied by a minimum of two relevant project references preferably from previous implementation sites. A list of previous implementation sites and/or any known package sites with the sites' contact details should also be availed so that they can be contacted during the proponent selection for this RFP;

PROJECT COSTS

- Should provide all costs associated to the project including product costs, implementation costs, license fees, support/maintenance/consultancy fees, training and any other related costs.

PAYMENT SCHEDULE

- Should provide a schedule indicating the project stages at which payments will be made.
- The payments on the schedule should be linked to the deliverables

TRAINING PROVISION

- Should provide the information pertaining to the provision of training including duration, types of training, minimum number of participants, training resources and their types, etc.

MAINTENANCE & SUPPORT PROVISION

Should provide a proposal for the service level agreement pertaining to the provision of maintenance. This proposal should include the information such as guaranteed response times, guaranteed maximum repair times, procedures for reporting problems, support mechanisms to be used, etc.

- f) Any additional information, brochures, etc. should take the form of appendices.

Costs of Responding

Proponents are solely responsible for their own costs in preparing the proposal and for subsequent negotiations with the Bank, if any. If the Bank elects to reject a proposal, the Bank will not be liable to any Proponent for any claims in preparing the proposal whatsoever.

Proposal Validity & Firm Pricing

Proposals should be valid for at least 60 days after the closing date and prices are to be fixed for the entire contract period.

Currency and Taxes

Prices quoted are to be:

- a) in Maloti (1 LSL = 1 ZAR);

- b) inclusive of 14% Value Added Tax
- c) in accordance to applicable Lesotho laws

Compliance to Tax Obligations

Certified copies of Lesotho Revenue Authority (LRA) Tax Clearance certificates or any other relevant authority certificates must be submitted together with the bid.

Additional Information

Modification of Terms

The Bank reserves the right to modify the terms of this RFP at any time in its sole discretion. This includes the right to cancel this RFP at any time prior to entering into a Contract with the successful Proponent.

Ownership of Proposals

All proposals, including supporting documents, submitted to the Bank become the property of the Bank.

Confidentiality of Information

All proposals submitted by proponents shall be held in strict confidence and will not be revealed to any other party.

All Information pertaining to the Bank obtained by the Proponent as a result of participation in this project is confidential and must not be disclosed without written authorisation from the Bank.

Project Budget

The Bank has only limited funds for carrying out the project; hence price will be among the key deciding factors for consideration in the evaluation of proposals.

Technical Facilities

The Bank will provide working space and access to its network environment. However the Bank may not provide other technical facilities, hence proponents should provide own requisite facilities.

Project Management

The Bank expects proven industry project management techniques to be used in conducting the project.

It is the proponent's responsibility to assume responsibility for the smooth execution of the project. The tasks should include but not be limited to;

- Preparation of the project activity plan including a communication plan.
- Execution of the project activities in accordance to the project plan.
- Undertake periodic reporting on progress on the project
- Creation and maintenance of issues and change logs.
- Quality assurance of all project deliverables

Assumptions

It is assumed that

- Both paper and electronic copies of the deliverables will be submitted to the Bank and retained by the same as required.
- The Bank will ensure that required information is provided, if available, upon request by the proponent and will execute it's obligations to the project in a timely manner.

3. Business and Technical Requirements

Requirements and Project Scope

Background

The Central Bank of Lesotho has embarked on acquiring and implementing automated budget system as a way of strengthening the financial and operational guidance needed to implement board policies and directives.

The Central Bank invites vendors to design and install a robust and fully automated Budget system with advanced features and functionalities, capable of speedy processing of budget inputs, analysis and consolidation.

Project Objectives

The specific objectives of the project are;

- a) To implement a budget solution that will cater for the current functional requirements for budgeting and to address the identified shortfalls in the current semi-automated system.
- b) To minimize manual intervention through full automation of concerned budgeting processes.
- c) To improve management reporting and auditability of the system.

Project Scope

In order for the Bank to gain the maximum benefit from the exercise, the proponent will be expected to: -

- a) Study the Central Bank's budgeting environment and propose, supply, test and implement the system and/or related hardware and software at the Bank.
- b) Supply the system's documentation in the form of installation media, software licenses, user manuals, administration manuals, etc.
- c) Provide onsite user and administration training to selected personnel from the Bank.

Deliverables

The following deliverables will be expected from this exercise:

- a) Project Charter
- b) Project Plan for carrying out the implementation
- c) Budget Software to implement
- d) License keys for the software and all its components
- e) Software Test Report
- f) Operational Budget System
- g) System's documentation in the form of installation media, user and administration manuals, software licenses, etc.
- h) Trained personnel in the usage and administration of the system
- i) Maintenance Contract/Service Level Agreement
- j) Project Sign-off

Required Functionality

The key components of the required solution are as follows:

1. The Budget Application System with the following functionalities:
 - (a) Budget call inputs and data consolidation in real time
Financial consolidation must be done with ease and instantly with multiple or preferably a single control button. Data must be automatically consolidated, which saves time and improves quality control.
 - (b) Salary and position planning

- Budget for positions
 - Automatically calculate wages, benefits and associated labour costs
 - Allocate more than one employee to a position
 - Allocate a position across many cost centres
 - Forecast labour and benefit costs automatically for multi-years
- (c) Prepare budgets based on historical information or zero-based.

Many finance professionals want to grasp the big picture of the company's position by having the flexibility to evaluate and understand the effect of various factors. The solution must provide the ability to review previous years' budgets, add or remove accounts or change budgeting assumptions with ease. The system should allow one to drill down to details to understand what is driving the numbers. Provide a consistent, extremely easy to use interface to allow quick accurate data entry, automate consolidation, dynamically build financial statements and provide multi-level security.

(d) Reporting

Reports must be generated in real time, at a user's command, must be comprehensive and effective.

The system must have the following reporting features:

- Automated Distribution
 - Highlights & Alerts to Identify Outliers
 - Drill down options to facilitate rapid analysis
 - Consolidated reporting & analysis
 - Trend analysis reporting
 - Key Performance Indicator graphs and tables
- (e) All of the above described functions are a requirement for the Central Bank's budgeting Solution including the ones listed below:
- Budget based on fiscal or calendar year

- Automate recurring expenses
- Budget for capital asset and payroll expenses
- Set payment schedules for each line item
- Import actual and compare to budget results
- Support multiple currencies

(f) Privacy

In order to ensure adequate protection of the system from unauthorised accesses, the system should have the following features;

- It should allow administrative users to specify a level of password complexity to be used and to enforce the specified password complexity.
- It should allow administrative users to set the period by which the passwords should expire and enforce the expiry of the passwords after the specified period.
- It should allow administrative users to set the number of previous passwords that should not be used upon changing a password and enforce that the specified number of previous passwords cannot be used upon changing passwords.
- It should allow administrative users to set the number of unsuccessful sign-on attempts before logging out a user and enforce the unsuccessful sign-on attempts upon logging in.
- It should prohibit simultaneous use of the same user ID.
- It should allow administrative users to set the period in which a session is allowed to be idle and to prompt for login credentials to access the system, after the system has been idle for a period beyond the allowed time.
- It should allow administrative users to specify a minimum password length and to enforce that passwords used are of this length or more

- It should allow administrative users to define users' access profiles at both group and individual level and grant or deny accesses to the system's objects based on the specified access profile.
- It should prompt and force users to change passwords given to them by administrator when they make first logon to the system.

(g) Accuracy

To ensure the information maintained by the budget system is free from mistakes or errors and that it always has the value expected by the end users, the budget system should have the following capabilities;

- It should have data validation controls to ensure the data input is always correct and accurate.
- It should be able to provide warning messages to inform the users about the effects of their actions before the actions can be committed.

(h) Data Authenticity

To ensure that the information maintained in the budget system has been acted upon through authorised means, the system must generate and maintain non editable audit trails and reports that detail the system activity so as to avoid any compromise to the integrity of the audit trails.

(i) Compatibility

The system should

- Communicate using popular network protocols including TCP/IP
- Have the capability to deploy over the web

(j) Portability

The system should

- Work with a variety of standard operating systems including Windows, Unix and Linux
- Support multiple database platforms including Oracle, SQL Server and MySql

(k) Customizability

The system should

- allow creation of custom reports to enable the Bank to create its own reports in addition to the system's standard reports
- be parameter driven to allow the Bank to select options which are more suitable to it

(l) Reliability

The system should be robust with proven minimal mean time between failures in previous implementation.

2. The Access Control Security module
3. Administration module – with facilities to configure, manage the system, monitor positions, enquire and statistical data
4. Front-end applications for data entry for Cost centre managers and Accounts and budget Division.

Business Requirements

The Project involves the following:

1. Assisting the Central Bank of Lesotho to establish an appropriate business environment for Budget system including defining related policies and practices.
2. Implementing the core system at the Central Bank of Lesotho together with implementation of the front-end system.
3. Providing training in the operation of the system to the Central Bank of Lesotho.

Technical Requirements

It is the expectation of the Bank that based on the specified functionalities and business requirements above, the proponent will advise on technical aspects that may have not been provided below but a necessary for the operation of a budget system.

1. System architecture will include system software for primary and secondary (back up) sites and workstations for accessing the system
2. System platform will allow for multi users
3. System capacity will be adequate for storage, processing volumes and speed
4. There will be total security at point of entry into the system, network security, and information security
5. System maintenance and upgrades should be on an ongoing basis
6. Disaster recovery and backup facilities should be available

Evaluation Criteria

The following criteria will form the basis upon which the evaluation of the proposals will be made and scores assigned:

Mandatory Criteria

Proposals not meeting mandatory requirements (or not demonstrating that they meet them) will receive no further consideration during the evaluation process. Proposals must include the following mandatory requirements:

- a. One original and one copy (suitable for photocopying) of the proposal must be received on time and be signed by the authorised persons;
- b. Comprehensive project management strategy, including technical problem resolution procedures;
- c. Project Team Skills Matrix (Appendix A), showing all proposed team members;
- d. Service level agreement
- e. Pricing

All-inclusive fixed price quotes with breakdown of fees and administrative expenses.

Desirable Criteria

Proposals meeting the mandatory criteria above will be further evaluated in accordance with the second part of Annex B. This second part of Annex B shows criteria and weights (in percentage terms), that have been assigned to each criterion.

Appendix A Project Team Skills Matrix

It is mandatory for proponents to complete the Project Team Skills Matrix correctly as required.

The Bank has been using this Skill Matrix for some time on a number of RFPs and has received varying degrees of accuracy in submissions. In order to derive the most effectiveness from this technique, proponents are requested to pay careful attention to the requirements for completing this matrix, specifically:

- For each member of the project team, only complete elements of the matrix that are relevant to the role or project;
- All elements completed must be substantiated by appropriate entries in resource resume(s);
- For this project proponents **must** have expert knowledge of design and implementation of budget systems.
- Pay careful attention to the definitions of E, W, P and X ratings in order to accurately reflect the skill ratings of the proponent team;
- Ratings provided which cannot be substantiated by appropriate entries in resumes will be deemed not provided;

The following is the Project Team Skills Matrix. It must be completed and returned with your proposal.

Failure to meet this mandatory qualification will result in immediate disqualification.

- The Project Team Skills Matrix identifies the skills outlined in Mandatory Requirements clause 3.2.1 of this RFP. If the skill set is not applicable to the role of the team member, DO NOT COMPLETE the element of the matrix.
 - Proponents may list additional skills which they feel will contribute to the strength of their proposed project team and approach.
- (*1) Proficiency Levels - Assign a level followed by the number of months cumulative experience (nm)

E	<i>Exposure</i>	Has exposure to/education in this area but has not implemented a system using this skill set
W	<i>Working</i>	Has limited working experience using this skill set
P	<i>Proficient</i>	Has hands-on experience using this skill set to implement between 2 to 5 systems of various scope/complexity
X	<i>Expert</i>	Has hands-on experience using this skill set in a key role to implement more than 5 systems of various scope/complexity

Team Member	Name	Name
Role on Project Team	Title	Title
ANALYSIS/RELATED SKILLS:	Level of Proficiency (months) (*1)	Level of Proficiency (months) (*1)
Business Process Re-engineering		
Design and implementation of suitable budget Systems		
Training/Documentation		
Definition of budget system's related policies and practices		
Project Management		
TECHNICAL SKILLS:		
Business Administration		
Information Technology		
Systems Analysis		
Technical Specifications		
Communication Skills		
Writing Skills		
LEADERSHIP SKILLS:		
Capacity Building		
Skills Transfer		

Appendix B Evaluation Criteria Model

MANDATORY CRITERIA	
Two (2) copies of the proposal received on time and signed by authorized persons	Yes/No
Comprehensive management strategy including technical problem resolution procedures	Yes/No
Project Team Skills Matrix (Appendix A), showing all proposed team members	Yes/No
Compliance to the proposal format	Yes/No
All-inclusive fixed price quote with breakdown of both into fees and disbursement.	Yes/No
Service level Agreement	Yes/No

SELECTION CRITERIA

BUSINESS REQUIREMENTS FULFILMENT	25%
This refers to the extent to which the proposed system meets the features desired by the Bank as mentioned in items 1(a) to (e) under 3.1.6	
SOLUTION FEATURES	20%
1. Scalability and Modularity	
2. Customisability	
3. Interfacing capabilities	
4. Security features	
5. Reliability	
6. Ease of use	
7. Number of users	
8. Platform/Network independence	
VENDOR COMMITMENT AND RELIABILTY	5%
9. Product guarantee	
10. Project, risk and change management strategy	
11. Stability of vendor company (Financial statements, Listed company, Tax Certificates, etc)	
12. Availability of reference sites	
13. Previous implementation history	
PRICING/COST	15%
14. Product cost	

15. Licence	
16. Support/Maintenance	
17. Implementation	
18. Training	
19. Upgrades	
20. Customization	
21. Consulting	
SUPPORT AND TRAINING	10%
22. Guaranteed response time	
23. Support staff	
24. Support mechanism	
25. Package support through 'Help' facility	
26. Locality of support	
27. Training offering	
28. Training format	
29. Training material	
30. Mean time before proficiency	
MARKET PERCEPTION AND PRODUCT EXPOSURE	5%
31. Number of sites implemented	
32. Market share relative to competition	
IMPLEMENTATION	15%
33. Methodology/Approach	
34. Implementation Period	
35. Skills transfer/mentoring	
36. Required Preparations	
PACKAGE DIRECTION	5%
37. Frequency of upgrades	
38. Development staff	
39. Development language	
40. Research and Development (R & D) turnover	
SERVICE LEVELS	5%
41. Service Level Agreements Appropriateness	
TOTAL	100%

Appendix C Receipt Confirmation Form

Please complete this form and return or fax to:

Mr. N. Molapo
Secretary to the Tender Committee
Central Bank of Lesotho
Cnr. Moshoeshoe & Airport Roads
P.O. Box 1184
Maseru 100
Telephone: (+266) 2231 4281 ext. 2042
Fax: (+266) 22310051/ 22310679
Email: nmolapo@centralbank.org.ls

We have received a copy of the above noted RFP.

Proponent Name: _____

Address: _____

Contact Person: _____

Title: _____

Phone Number: _____ FAX Number: _____

We understand that whether or not we submit a proposal will not affect our status as a potential supplier to the Central Bank Lesotho in the future. We understand that if we do not return this form we will not receive any further communication regards this RFP.

Authorized Signatory

Date: _____

Name (Printed)