



CT 2225/2012

15 April 2014

To all Prospective Bidders:

Corporate Financial Management Solution for the Government of Malta.

**Clarification Number 6**

Reference is made to the above-mentioned tender closing on Thursday 22<sup>nd</sup> of May 2014 at 10.00hrs.

Enclosed herewith please find a set of clarification replies; which is construed to form an integral part of the Tender Document.

**Question 1:**

Form 1.4.2 states that the tenderer must have implemented Solutions of International Standard and in the nature of an Enterprise Resource Planning (ERP) or Management Information Systems (MIS) or Corporate Financial Management Systems (CFMS) within client sites comparable to the Malta Government as outlined in the usage matrix (Volume 5, Section 1A and Section 1B). The form also asks the tenderer to include information on the different technologies used. Paragraph 2.3.13 on page 93 of the tender document makes reference to evidence of sites that have been operational with "the proposed System", and for these to be reflected within Form 1.4.2.

- a) Please clarify how would a site be considered to be comparable to the Malta Government as outlined in the usage matrix (Volume 5, Section 1A and Section 1B). Must the site have a minimum Of 800 users to be eligible?
- b) Please confirm that for tenderers to satisfy the minimum criteria the sites included in form 1.4.2 do not necessarily have to refer to the same solution being proposed.

**Reply 1:**

a) Form 1.4.2 refers to volume 5, section 1A and 1B for purpose of comparability In terms of size, function, organisational structure, and implementation setup as explained in previous clarification No 4 question 10. The 800 users referred to in the question refer to ACTIVE users within the Core systems. Registered users can be as high as the total no of users identified under each system (Nominal Ledger, Budgetary, etc) in the same usage matrix. Equally the implementation of the Solution should be distributed across organisational and functional units which are similar but specific to the particular implementation.

b) The tenderer's minimum experience required in form 1.4.2 needs be in a Solution of International Standard and in the nature of Enterprise Resource Planning (ERP), Management Information System (MIS) or Corporate Financial Management Solution (CFMS) comparable to Malta Government in terms of usage matrix as the form itself specifies. The Solution to be proposed by the tender can be classified as ERP or CFMS. Thus, the experience gained need not necessarily be on the same Solution proposed, provided the other criteria specified in form 1.4.2, form 1.4.3 and other tender provisions are met.

**Question 2:**

Table 1 of Form 1.4.2 asks Tenderers to provide reference sites and to include at least two successful implementations that have been implemented over time and have remained operational over the last five years. Kindly confirm that the Contracting Authority is not necessarily requiring tenders to include sites that have been productive since 2009 but to provide reference sites of successful projects implemented during the last five years, that are still operational today.

**Reply 2:**

Form 1.4.2 table 1 states that tenderers "are to provide reference sites and to include at least **TWO SUCCESSFUL** implementations that have been implemented **OVER TIME** and **HAVE REMAINED OPERATIONAL** over the **LAST FIVE YEARS**. Hence, it is not relevant when the implementation of a Solution was started but that the Solution has been **SUCCESSFULLY** implemented and **REMAINS OPERATIONAL FOR THE PAST FIVE YEARS**. Any Solutions that may have been implemented in the past but have not been operational over the last five years do not qualify for purpose of experience.

**Question 3:**

The tender selection criteria set out in section 6 of the instructions to tenderers state that in order to be considered eligible for the award of the contract, tenderers must meet certain minimum qualifications regarding their financial and economic standing and their technical capacity and that that the minimum criteria are set out in form 1.4.7 for the financial and economic standing and forms 1.4.2 and 1.4.3 for the technical capacity.

For both these aspects the section states that an economic operator may rely on the capacities of other entities, pointing out that the maximum amount of sub-contracted value must not exceed 40% of the total contract value. Please confirm that tenderers may include information in the above mentioned forms relating also to sub-contractors and that such information will be taken into consideration when evaluating the overall eligibility of the tenderer.

**Reply 3:**

Form 1.4.2 is intended to gauge the experience of the tenderer. Consequently the experience of sub-contractors can be added up to the main contractor's experience in view of the eligibility, provided that a written commitment is provided by the sub-contractor that he will put to the disposal of the contractor the necessary experience.

Form 1.4.3, para 3, specifically makes reference to the declaration in terms of employees or sub-contractors. Supporting mandatory information required includes individual Certificates.

Form 1.4.7 contains specific reference to all partners/consortium and sub-contractors in excess of 10% of the contract value. Here, form 1.4.7 needs to be completed for each member of the consortium/partner and for each sub-contractor undertaking in excess of 10% of contract value.

Detailed information on sub-contractors is to be provided in line with Form 1.4.6 – Sub-Contractors. The resources/experience of sub-contractors can be added up to that of the main contractor's in view of the eligibility, provided that a written commitment is provided by the sub-contractor that he will put to the disposal of the contractor the necessary resources/experience.

**Question 4:**

We acknowledge the efforts being taken to protect the interests of companies from European Union member states in the procurement of a Corporate Financial Management Solution for the Government of Malta / CT2225/2012.

This is clearly described on page 113 of the tender documents where it is stated that "The proposed Solution is to be of an Enterprise Resource Planning (ERP) category of International Standard that has been implemented in at least one European Union member state other than Malta, within an organisation comparable to the Malta Government as outlined in Volume 5, Section 1A and Section 1B."

The mandatory requirement that the proposed solution have been implemented in at least one European Union member state does not protect the interests of companies from European Union member states. In fact, solution providers from EU member states that do not meet this criteria but have projects of a similar nature in other European or international governments similar to Malta are being unnecessarily excluded from this opportunity. We believe that it is in the best interest of the Government of Malta to review this mandatory criteria. Increased completion enhances value for money and reduces total cost of ownership.

The Government of Malta has been a member state of the EU since 2004. Malta has also been a member of the Commonwealth since 1964. The parliamentary and public administration system in Malta are closely modelled on the Westminster system that is used by most Commonwealth countries. It should also be noted that the Commonwealth Network of Information Technology for Development (COMNET-IT) has its secretariat in Valletta.

We request that the requirement for the proposed solution to have been "implemented in at least one EU member state other than Malta" be modified to include and recognize similar experience in Commonwealth countries. We firmly believe this is in the best interest of the Government of Malta and will ensure that the goals and objectives of the Corporate Financial Management Solution project are achieved.

**Reply 4:**

The EU requirements are mandatory requirements because Malta is now an EU member state and must honour its obligations already explained in previous clarifications and under the respective tender requirements.

The recommendation to consider changing "EU member states" to "Commonwealth countries" would go against such fundamental Government requirement and EU obligations. Members of the Commonwealth countries are in their majority non-EU countries from across the world and are not obliged to meet such EU acceptable criteria.

**Question 5:**

As stated at the bottom of the page on Form 1.4.12 – Volumetrics on page 60, "Transactions volumes are quoted per annum". If our understanding is correct, then for example, the minimum number of transactions for the Stock Control Module for the whole system (page 61) i :

$2,000,000 \text{ trns} \times 500,000 \text{ items} \times 500 \text{ locs} \times 60 \text{ entities} = 30,000,000,000,000$  (30 Quadrillion transactions every year!)

Another example, it is stated on page 61 that the minimum number of transactions per purchase (supplier) account per entity (per annum) is 1,000,000. This would work out roughly to about 3,850 transactions per working day for EACH supplier for each entity. And if you work out the minimum number of transactions needed for the Purchase Module per annum for the whole system, it would be:

1,000,000 trns X 50,000 accounts X 60 entities : 3,000,000,000,000 (3 Trillion transactions every year!)

As you can appreciate, we need to make sure that the above figures are what is really needed since we need to provide the necessary sizing of the hardware to handle such large volumes of transactions every year.

Please confirm that the minimum acceptable number of transactions on pages 60 to 63 are needed every year.

**Reply 5:**

In Form 1.4.12 – Volumetrics, some errors have been identified in relation to definitions within the “Minimum Acceptable Level”. Tenderers are to be guided by the revised version of form 1.4.12 which clearly outlines the corrections by a cross-over in red on the form. Updated Form is being upload herewith.



Form  
1\_4\_12-Volumetrics\_1

**Question 6:**

Paragraph 2.3.1 in Volume 2 Section 3 (page 87) states that "If a tenderer is offering additional functionality to [the Functional Specifications as requested in the Response Section], then the Tenderer is encouraged to complete the Additional Functionality Statements in the same Response Section (Volume 3, Section 2) under the respective System. However, such statements do not seem to be included separately in the Response Section of the Tender Document. Kindly advise where the Additional Functionality Statements can be found within the Tender document.

**Reply 6:**

The “Additional Functionality Statements” refer to additional functionality which the tenderer would like to submit along with his proposal on top of the requirements as defined under Volume 3 sec 1 – Mandatory Section and Volume 3 section 2 – Response Section. Such Additional functionality is to be attached to the Response Section (Volume 3, Section 2) in both hard and soft copy version of the tenderer’s proposal, with appropriate references being made under each System / deliverable. The first response question under each System / deliverable normally starts as “Tenderer is to outline or describe the functionality of .....”. In addition to “the outline or description“ requested the tenderer can include the “Additional Functionality” it is proposing here; making clear reference to any supporting documentation being submitted.

**Question 7:**

The tender document states that the CFMS will be implemented in the departments listed in volume 5 Section 3, that it will replace the systems set out in Volume 2 Section 3 para 2.3.1.3 and that it will be interfaced with the systems listed in Volume 5 Section 5 with regard to financial information.

However, the tender document does not specify in detail the extent to which CFMS will be implemented within each ministry and departments.

On this basis:

- a. Can you kindly confirm that the extent to which CFMS is expected to be implemented by contractors within each ministry and departments will cover the business processes that are currently covered by the current DAS system.
- b. Can you provide us with a matrix of the system functionality that will be implemented at each ministry and department?

- c. Can you please advise in which ministries/departments were the StoreIT and Stock Ledger (refer page 88) implemented given that these need to be replaced by the new CFMS solution?
- d. Can you kindly confirm that the system will be interfaced only with those systems set out on pages 38-40.
- e. Also, kindly confirm that the interfacing required to be made between the systems listed on pages 338-340 and CFMS should cover only the financial information with the values aggregated in CFMS as stated on page 141 para 1.333 of the tender document.

**Reply 7:**

- a) **Definitely, the CFMS is expected to cover business processes in excess of those currently implemented in DAS since the requirements are wider in the light of the implementation of Accounting standards and business process re-engineering. The mandatory section 3.1, Volume 2 Section 3 – Business Requirements, and Response Section (Volume 3 Section 2) detail the full requirements of the Solution.**
- b) **Volume 5, Section 1A and 1B provide the required systems and functional distribution by Ministry and department that each tenderer is required to provide for including user licences.**
- c) **c)For purpose of where the new solution is required for deployment please be guided by volume 5, section 1A and Section 1B.**
- d) **The mandatory section Volume 3, section 1 states the integration requirements necessary. The tender document provides an outline of the integration necessary in volume 2.2.3 diagrams 3 and 4.**
- e) **Pages 338-340 refer to the dynamic list of applications which contain financial information. The financial information shall be exported to the Corporate Financial Data Repository (CFDR) based on the Corporate Financial Data Standard (CFDS) [Volume 5 Sec 7]. The tender shall be required to build the required software interfacing to integrate the data within the CFDR as described in the relative Response sections (Volume 3 Section 2) from para 1.287 to 1.340. Other sections of the tender including volume 3 section 9 and 10 apply.**

**Question 8:**

Paragraph 15.1(a) on page 10 of the Instructions to Tenderers states that 'The Tenderer should also provide one other identical copy in digital format (PDF format) submitted on a write-once CD'. Given that the three package procedure is being used, and since paragraph 16.1 (page 12) states that 'any indication of the financial offer in packages 1 and 2 will automatically disqualify the tender', should 3 separate write-once CDs be submitted, one for each of the packages comprising the tender document?

**Reply 8:**

**Yes 3 separate write-once CDs are to be submitted, one for each of the packages, each one submitted within the respective package.**

**Question 9:**

Quoting from the tender document on page 23 article 34.7 "*The performance guarantee referred to in the General Conditions is set at 10% of the amount of the contract and must be presented in the form specified in Volume 4, Section 2 to the tender document.....*". However, we could neither find the form nor Volume 4 Section 2. This section is not even mentioned in the Table of Contents. Please advise.

**Reply 9:**

**Volume 4, Section 2 is on page 216 of the tender document. The General Conditions are in Schedule 15 of Volume 4, Section 2. Attaching the specimen performance guarantee here.**



**Specimen  
Performance Guarant**

**Question 10:**

- a) With reference to the Tender Procedure CT 2225/2012 for the Corporate Financial Management Solution for the Government of Malta, and having in mind the several clarification answers that are published lately we would like to request two-three weeks extension of submission.
  
- b) We refer to our emails of the 5th March and 11th March requesting clarifications. In view that we are still waiting for a reply from your good-selves and since these clarifications have a bearing on the sizing and pricing of the Tender, may we kindly request that the closing date of the Tender is extended?

**Reply 10:**

**Tender has been extended till 22nd May 2014 as per Clarification 5 issued on the 26<sup>th</sup> March 2014.**

**Question 11:**

Article 31. of the Draft Contract Form (p. 197) mentions that during the execution of the project "The escrow custodian shall be appointed by the Customer, [...]". Volume 3 Section 1 case 01.08 (p. 99), requires that the tenderer nominates the Escrow Custodian in the proposal. Please explain if the an escrow custodian needs to be suggested in Proposal Package 2 or if all relevant actions will take place during project execution by the Contractor.

**Reply 11:**

**Tenderers are to propose an escrow custodian in their proposal as indicated in Volume 3. Kindly note that during project execution, the Customer is not bound to appoint the escrow custodian indicated in the Tenderer's proposal and reserves the right to appoint another escrow custodian.**

**Question 12:**

Volume 1 Section 2 - Tender Form stipulates that the form needs "to be completed and signed by the Tenderer (including each partner in a consortium)." In the case of a consortium with say three members, would three distinct copies of the tender form need to be submitted, each one signed by the respective consortium members?

**Reply 12: One Tender Form is to be completed, listing in the first table the LEADER of the Consortium and each partner. Furthermore, the Form should be signed by each member of the consortium.**

**Question 13:**

Refer Form 1.4.1 - Statement on Conditions of Employment. This form needs to be signed and dated by "the person or persons authorised to sign on behalf of the Tenderer". In the case of a consortium, should one consolidated form be submitted for the consortium, or should each consortium member submit a separate signed form?

**Reply 13:**

**Each member of the consortium is to complete a separate form, and provide the worker's hourly costs required in Point 10 of the document.**

**Question 14:**

Form 1.4.3 (page 36) states that "In the case where experts listed are employed with foreign Tenderers, documentary evidence is to be presented that the experts are under their employment including the duration of their employment contract". Will a self-declaration made by the Tenderer's legal representatives and a recent payslip suffice as the required "documentary evidence"?

**Reply 14: Yes**

**Question 15:**

Paragraph 14.2 (Page 10) of the Instructions to Tenderers states that "Supporting documents and printed literature furnished by the Tenderer may be in another language, provided they are accompanied by an accurate translation into English." Form 1.4.3, Table B (page 40) requires that for each key expert put forward by the Tenderer, relevant Expert's Certificates should be attached. Certificates issued by many universities, including the University of Malta, are in Latin. Do such certificates also need to be translated?

**Reply 15:**

**Certificates are not to be translated, however the Degree title should be in English. Any transcripts submitted are to be in English.**

**Question 16:**

Price Schedule 12 requires tenderers to indicate the "Fee for Maintenance and Support services of Hardware quoted in Price Schedule 12 over a 9 year period". Kindly confirm that this should read "Fee for Maintenance and Support services of Hardware quoted in Price Schedule 11 over a 9 year period".

**Reply 16: Correct. Price Schedule 12 should read : "Fee for Maintenance and Support services of Hardware quoted in Price Schedule 11 over a 9 year period"**

**Question 17:**

Under Price Schedule 14, kindly confirm that the description for Price Schedule 9 should read "Implementation, Training and BPR of Potential Systems"

**Reply 17: Correct. Price Schedule 9 in Price Schedule 14 should read: "Potential Systems Implementation, Training and BPR"**

**Question 18:**

Under Price Schedule 15, kindly confirm that the description for Price Schedule 3 and 9 should read "Implementation, Training and BPR of Core and Potential Systems"

**Reply 18: Correct. Price Schedule 3 and 9 in Price Schedule 15 should read: "Implementation, Training and BPR of Core and Potential Systems"**

**Question 19:**

In the event that a tender is submitted by a consortium that includes members who are registered in another EU member state, kindly confirm whether the Audited Financial Statements, which need to be submitted by each consortium member as part of Form 1.4.7, may be submitted in the language other than English.

**Reply 19: If the Audited Financial Statements are not in English, a translation in English should be also submitted.**

**Question 20:**

Please explain if the term mentioned in item "Row 4" in page 36 of the RFP, as well as in other relevant sections of the RFP, related to "Operational Software Technology" and whether it is equivalent to "Operating Systems Technology".

**Reply 20: Yes, the term "Operational Software Technology" mentioned in Volume 1, Section 4, Form 1.4.3 – Key Experts, Row 4, is equivalent to the term "Operating Systems Technology" found in other sections within this Tender document.**

**Question 21:**

Number of Users.

Does the term "cater" in page 88 paragraph 2.3.7 phrase "However, the Solution shall cater for a minimum of 2,000 Registered Users on implementation of the Core Systems [...]" indicate a commitment from the Contracting Authority to purchase at least 2,000 Registered User Licenses or is there a probability that less Registered User Licenses will be purchased? What is the minimum number of Registered User Licenses that the Contracting Authority commits to purchase.

**Reply 21: In volume and section (2.3.7), it is specifically stated that the Solution should be able to handle a minimum of 2,000 registered users for the implementation of the Core Systems, and an additional minimum of 500 registered users for the Potential systems. Therefore, Tenderers are to be guided accordingly (please refer to Volume 1, Section 5 – Glossary, for the definition of Active Users and Registered Users)**



**Question 22:**

p.88 par. 2.3.7 - Assuming (to simplify the 5 sub-questions below) that a single Registered User License offers both the Core and Potential System Functionality:

- a. In regards to Reply 4 in Clarification 4: Are the total number of people, working in the President's office, eligible to use the Core System four (4)?
- b. In the same context to the previous item: Are the total number of people, working in the Ministry of Foreign Affairs, eligible to use the Core System 27? If yes, shouldn't the last column indicate 27 Active Users instead of 21?
- c. In regards to p.22, section 2.3.7, are the 500 Registered Users on implementation of the Potential Systems a) "included" in the 2000 Registered Users on implementation of the Core Systems or b) calculated over and above the 2000 Registered Users on implementation of the Core Systems, in which case the total number of users will be 2500?
- d. In VOLUME 5 SECTION 1A – CURRENT USER PROFILES BY ACTIVE USAGE, Is the max. number of existing Core users indicated by column Active Users 814 (requiring one registered User License each, based on our assumption)?
- e. In VOLUME 5 SECTION 1B – DIRECT SYSTEM INTEGRATION POTENTIAL USER PROFILES please a) specify whether the max. number of people (i.e. Registered User Licenses) is 500 F30 and b) provide Column Active Users in a similar way as in VOLUME 5 SECTION 1A – CURRENT USER PROFILES BY ACTIVE USAGE.

**Reply 22: Volume 2 Section 3, item 2.3.7, which makes reference to Volume 5 Section 1, clearly states "These numbers are only indicative and are to be used as a basis to calculate the cost of training and software modules in terms of licences."**

**With regards to Reply 4 in Clarification 4:**

- a) **Yes, Volume 5 Section 1A specifically identifies the number of Active users in the Office of the President as 4. The registered number of registered users however may vary subject to the human resource turnover in line with the definition of "Registered user" under Volume 1 Section 5 – Glossary.**
- b) **No. Volume 5 Section 1A specifically outlines the number of Active users in the Ministry of Foreign Affairs as 21.**
- c) **In Volume 2 Section 3, item 2.3.7 it is clearly stated that "The Solution shall cater for a minimum of 2,000 Registered Users on implementation of the Core System" (this refers to phases 1 and 2) and "and a minimum of 500 Registered Users on implementation of the Potential Systems" (phase 3) (refer to previous question above).**
- d) **Based on the current usage, 814 is the number of users who are actively working on the live systems, however the Tenderer is always to be guided by the minimum of 2,000 number of registered users for the Core System and 500 for the Potential System (Volume 2, Section 3, Item 2.3.7 refers).**
- e) **Since the Direct System Integration is based on a new model and not all systems identified in the model are currently in place, it is therefore not possible to quantify the exact number of active users. However, in this case, the Tenderer is to take the 500 registered users as the basis for licences.**

**Question 23:**

In order not to make an "error in licenses" as per. p.99 please specify how many people will need to have access to "Nominal Ledger - Consolidation Facility". Also to facilitate similar calculation of required Registered User Licenses please explain if a projection should be made from the current 814 users of VOLUME 5 SECTION 1A into the desired 2000 users (e.g. the number of people using Nominal Ledger in Ministry of Finance should be 43, as presented in the VOLUME 5 SECTION 1A or  $106 (=43 / 814 * 2000)$ ).

**Reply 23: Please be guided as follows:**

- a) For the number of user access please refer to clarification 4 reply 4.
- b) As for the number of registered users, please refer to clarifications above.

**Question 24:**

Regarding VOLUME 5 SECTION 1A – CURRENT USER PROFILES BY ACTIVE USAGE in RFP page 285 and Clarification 4 reply #4, please explain if only the Active Users listed in column "Enquiry & Report" are the desired users to use the BI reporting Platform or, if not, specify the number of users that will require BI level reporting.

**Reply 24: In addition to clarification 4 reply number 4, please also refer to Clarification 4, number 5 and number 7 and be guided accordingly.**

**Question 25:**

While we understand the purpose of breaking the cost in functional areas / components, as indicated in the Price Schedules 1,2,7,8 included in p. 167-171 of the RFP. Assuming (in order to simplify the question below) that a single Registered User License offers the functionality of more than one areas / components, there will be one price for a group of components. Even if the price of this single user license is broken down in e.g. 3 components this will not mean that the Contracting Authority will be able to acquire only part of a Registered User License so as to implement functionality of "some" components. To take it to the extreme, please explain how the Price Schedule rows must be completed if a single user license provides the functionality of 9 out of 12 components.

**Reply 25: It is up to the Tenderer to decide how to determine and present it prices. However, the Tenderer is to make sure that all licences costs are reflected in the "Total Cost in Euro", right-most column and in the "Totals in Euro", bottom row of the Price Schedules under volume 3 section 3. Supplementary Information on Price Schedules 1 to 17 may also be used to explain further the licences provision and structures.**

**Question 26:**

In Price Schedules 1,2,7,8 included in p. 167-171 of the RFP the 2nd column indicates "TotalCost" and "(per user)". Please explain

a. How a bidder should indicate that in a "per user" Licensing model the 2000 Core users have a total cost of X Euro. To be more specific in which cell of the table should the 2000 (licenses) be placed?

b. Furthermore, where should the 25% annual growth potential be placed, as from Clarification 4 Reply 8, it is obvious that this cost should be added in the Financial offer but it is not obvious whether it should be included in Tables 1 and 7 or in some other table.

**Reply 26:**

a. Since different solutions offer user licences cost in different ways, it is not possible to provide a schedule that satisfies all. Therefore, costs for user licences are to be entered in either column "a" or column "b" of Price Schedule 1 and Price Schedule 7 (Volume 3 Section 3), depending on whether licences are offered per user or corporate, and include column "c" in case of third party licences. Moreover, the Tenderer is to make sure that quoted prices shall provide for a minimum of 814 active users and at the same time provides for a minimum of 2,000 registered users for the Core System (price schedule 1 and 2). It is also to provide for a minimum of 500 registered users in the absence of active user for the Potential Systems (schedule 7 and 8).

b. Volume 2, Section 3, Item 2.37 – Number of End Users, paragraph 3, states "The Tenderer is to consider a growth potential of up to 25% requirements in terms of users and transactions volume, over a period of 5 years from implementation". Volume, 3 Section 3 - Components License Costs (Price Schedule 1 and Schedule 7), paragraph 3 states "Tenderer quoting licensing costs per user are to quote for specific ranges of users (e.g. every additional 50/100/200 users) and to account for usage growth as detailed in Volume 2 Section 3 and to provide a breakdown and supplementary information under the corresponding 'Price Schedule Supplementary information' section". Therefore the Tenderer is to quote prices in Price Schedules 1, 2, 7 and 8, that include the 25% growth over a period of 5 year (and not per annum). The break down details may be entered in the " Price Schedule Supplementary information". Please refer also to clarification 4 reply to question 8.

Hence, both 1 and 2 above are to be taken into account in completing the pricing in the Price Schedules.

**Question 27:**

The RFP on p. 165 requires "cost per user" in the case that "specific ranges of users (e.g. every additional 50/100/200 users)", meaning additional users is required, in the context of the 25% yearly growth potential indicated in p. 88. In which table / schedule does this "Single User License cost" need to be entered?

**Reply 27: Please refer to Clarification above.**

**Question 28:**

In contrast to the RFP sections mentioned in the previous question, Price Schedule 17 in p. 174 requires licensing only for every 10 users (under the umbrella of a "Single Entity") as well as a price for 5 entities (i.e. 50 users).

a) Will the Contracting Authority only acquire user licenses in 10-user increments?  
b) Does column D (referring to the 5 Single Entities) need to be five times the amount of column c or can a tenderer make a volume discount and offer a volume discount and e.g. give a price less than the product 5 x Column C?

**Reply 28:**

a. Licenses are to be quoted per 10 users as indicated in the price schedule. However, the tenderer may give further explanation in the "Supplementary Information on Price Schedules 1 to 17", regarding pricing structures.

b. It is true that in the column header there is "(d = c x 5)", however prices on the units and totals are to correspond. The tenderer is always responsible to determine its pricing. However, tenderer is to be guided in accordance to Volume 1 Section 1, item 30 "Correction of Arithmetical Errors"

**Question 29:**

Table In VOLUME 5 SECTION 1B – DIRECT SYSTEM INTEGRATION POTENTIAL USER PROFILES in page 289 does not include a column for: a) Business Intelligence System (required in p. 151) and b) E-Government and Support Services System (required in p. 152). In order to be able to compile a Financial Offer that meets exactly the needs of GOM, please supply the required columns of data or indicate how many users (out of the 500) should need to have access to each one of these systems.

**Reply 29:**

a. For Business intelligence Systems, please refer to Clarification 4

b. For e-Government and Support Services an estimate of 100 users will be required across the whole of Government with a minimum of 1 person in each department. The e-gov service is a internet service is to be made available to the public at large.

**Question 30:**

Training: In p. 101 and 281 the RFP specifies a) 6 Course Subjects (ERP - Financial Accounting, ERP - Management Accounting, ERP - Business Intelligence, System Administration, Security, Procurement) and two levels (Entry and Intermediate), resulting in 12 discrete course subjects and certifications and b) "120 participants split between the courses". Please confirm that a) the above requirements in the RFP mean that the average number of participants per each one of these 12 course sessions is 10 people, and b) the total participants in all the 12 Course Subjects is 120.

**Reply 30:** As per Volume 4 Section 1, "Schedule 14 Strategic Initiatives" paragraph 3.1.1, the training to be provided is for 6 courses in entry level and another 6 courses in intermediate level (both on the mentioned subjects) with a maximum of 120 participants. They have also to meet provisions mentioned in Volume 3, Section 1 "Mandatory Requirements", Item 4 " Strategic Initiatives", as well as that in Volume 3, Section 2 "Response Section, Part 5.

**Question 31:**

Please specify the article to which point "d" of article 29.1 of the draft contract (p. 195) refers to.

**Reply 31: Article 29.1(d) should read: The Customer hereby grants to the Contractor a royalty-free, non-exclusive, non-transferable licence during the Term to use, where necessary: the Specially Written Software from the date the relevant rights are transferred to the Customer in accordance with Article 30.2**

**Question 32:**

Please specify the article to which point "a" of article 29.2 of the draft contract (p. 195) refers to.

**Reply 32: Article 29.2: The licence granted in Article 29.1 includes the right to grant sub-licences to Sub-contractors provided that any relevant Sub-contractor has entered into a confidentiality undertaking with the Contractor on the same terms as set out in Article 35 (Confidentiality)**

**Question 33:**

In p. 86 par. 2.3.1.3.3 & p. 112 (under "StoreIT") - In order to be able to confirm that the proposed solution will provide for data conversion and migration as well as for the required functionality of "item unit grouping", as stated in the RFP, please explain (preferably with an example) what functionality the term "item unit grouping" refers to. Does it refer to groupings such as box, carton, etc. or to groupings such as units in groups: volume, length, temperature, etc.?

**Reply 33: At this stage the name of the group is not relevant, as long as the Solution provides a grouping mechanism.**

**Question 34:**

The RFP in 1.190 (p. 129) and 1.199 (p. 130) specifies requirement for "Valuation method (AVCO, NRV)" and for "Valuation of stock in accordance to AVCO and other valuation methods". As there are different algorithms through which AVCO is calculated, please explain if "Moving Average Price" is the desired AVCO valuation method.

**Reply 34: In the case of AVCO, the "Moving Average Price" methodology is the preferred method. However, the other valuation methods, indicated in Volume 3, Section 2, Item 1.90 and 1.99, are also to be available.**

**Question 35:**

The RFP in 1.121 (p.125) requires "Purchase Refunds". Please explain (preferably with an example) if the term "Purchase Refunds" refers to the process of issuing a Credit Note / Memorandum for the refund of purchased goods.

**Reply 35:** In certain circumstances, the Government may request cash reimbursement after having settled purchases of goods or service. The "Purchase Refunds" mentioned in Volume 3 Section 2, Item 1.121, refers and the Credit Note is listed as another requirement.

**Question 36:**

On page 126, The RFP requires "Authorized purchases will produce a Purchase Order, Letter of Acceptance or Debit Advice Notification (depending on the type of purchase) [...]". Please list and explain all types of purchases to be supported by the system as well as how the "Letter of Acceptance" and "Debit Advice Notification" are linked to these types of purchases.

**Reply 36:** Volume 3 Section 2, item 1.131 clearly states that the solution is to produce the "Purchase Order, Letter of Acceptance or Debit Advice Notification, either in Printed format or in Electronic format". Therefore this is referring to a document to be produced by the solution, as part of the purchasing process, which may arise through a direct order, a call for tender, a call for quotation or by other means available to Government.

**Question 37:**

Please clarify "shown" in the requirement 1.150 (p. 126) "Discounts values are shown separately from invoice value". Does it refer to a) shown on the invoice hardcopy b) shown on the electronic invoice record or c) shown in the reports containing invoice data?

**Reply 37:** All mentioned items are reporting facilities, therefore the Solution should be able to show discounts separately from the invoice value on all of them.

**Question 38:**

Please explain in the different procurement cycles below, what the requirement 1.166 (p.127) refers to:

a) The "Tender Letter of Acceptance" implies a request for a Quotation (i.e. a price for a standardised product or service)?

b) Please explain the purchasing department organisational structure and to what organisational unit "another Department or Ministry" refers to. Is there a main procurement department / ministry and for specific purchases other peripheral departments / ministries are employed as well?

**Reply 38:**

a) Volume 3, Section 2, Item 1.166 is under the Purchases and Payables section and refers to the post tendering process. Therefore, "Tender Letter of Acceptance" is referring to a type of purchase that occurs after a tender has been awarded and a contract for the supply of goods or services has been signed. This type of purchase has to be clearly identified from other types of purchases.

b) Each Ministry/Department within the Malta Government has its own procurement and accounting section. Therefore, "another Department or Ministry" is referring to purchases made from another Government Department or Ministry and not from an external supplier. This is often referred to as an Interdepartmental service.

**Question 39:**

In Requirement 1.451 (p. 148) please explain what is required in regards to contract management:

- A) Management of enquiries, quotations and issue proposals
- E) Contract billing based on time, meter usage or flat rate
- F) Revenue recognition based on user defined method

**Reply 39:** With reference to response section Volume 3 sec 2 item 1.451, the tenderer is to understand that he is tendering for a Contracts Cost Management system which Government at large will be using in order to include Contract information for newly created contracts, others being drafted and potentially new contracts which are still in proposal stage. (Question, item A)

Such application should be capable of retaining information on contract for services based on time (hourly), or based on a fixed fee (flat rates) or other measure which may be derived from measuring devices such as meter usage in case of water and electricity or other similar services. (Question, item E)

The Contract Cost management system must be able to recognize financial budgets and integrate with the Core Financial Systems. Thus Contracts are to be tagged against specific approved, yet-to-be-approved, previous years, current year, next year or multi-year budgets. (Question, item F)

**Question 40:**

In Requirement 1.34 (p. 120) please explain the needed functionality regarding the following types of accounts:

- To what accounts do the Project Accounts refer to?
- Do the Control accounts refer to reconciliation accounts?
- Do the Statistical and Memorandum accounts refer to "Off-Balance" Accounts?

**Reply 40:**

a) "Project Account" refers to any project/programme that the Government may decide to create and its financial transactions are posted in the General/Nominal Ledger and reflected in the Project Cost Management System (if the latter is implemented). While a "Control Account" refers to a "Main Account" that will have various sub accounts, as defined in any financial application and some may also be subject to reconciliation.

b) "Statistical and Memorandum" accounts are specifically meant for those accounts that do not form part of the Government Financial Statements. These include "Off Balance Sheet" accounts.

**Question 41:**

In Requirement 1.41 (p. 120) please explain the functionality of "re-numbering of accounts". Does it involve creation of a new GL acct, mapping to existing and transfer of balances?

**Reply 41:** "Re-numbering and re-classification" refers to the re-numbering of the account codes or classifications, that sometimes is required due to business re-alignment and may potentially include remapping historical information.

**Question 42:**

In Requirement 1.58 (p. 121) the term "specific conditions" in regards to accounting of interdepartmental set offs is not obvious. Please explain what these "special conditions" are / may be.

**Reply 42: The term "specific conditions" found in Volume 3, Section 2, Item 1.58, refers to conditional interdepartmental setoffs which for example may be subject, but not limited to:**

- a) **Specific Accounts**
- b) **Transaction Value Capping**
- c) **Approvals and Authorisations**
- d) **Partial Setoffs**

**Question 43:**

Please explain if the RFP requirement 1.152 (p.127) "Applying fines and retentions during payment run" refers to a) withholding tax calculated during payment, b) all other retentions posted prior to payment, in order to be considered in the payment run or c) to something else, which we would like to be clarified. Also please clarify the source of the possible "fines" that need to be supported.

**Reply 43: Usually a "Fine" (withholding part of the payment) is applied on the payment of services provided by a supplier. In case of default the supplier is subject to a fine as stipulated in the supplier contract (as per Volume 4 of the Tender Document) with Government.**

**A "Retention" is usually applied on a payment when the contracted supplier provides a service or products but may still be subject to Quality or other contractual obligations which have to be satisfied for an effective use of the service or product. Under these conditions the supplier issues the invoice which is paid subject to a retained percentage. The retained part is eventually released upon certification of quality assurance and client satisfaction.**

**Question 44:**

p.133, The requirement (1.264) "A routine to import income details from an external source, using current technology." clearly implies an interface to import data. Please explain the term "income details" and what kind of data it refers to.

**Reply 44: Volume 3, Section 2, Item 1.264 is referring to an import facility capable of importing Cash Management data elements. "Income details" refer to such data elements.**

**Question 45:**

Clause 7.1 of the tender document states that a tenderer may submit multiple tender offers.

In such instances, the tender document stipulates that a separate tender form would need to be completed for each option. Given that different options may require the involvement of different resources, can you please confirm:

- a.) whether the consortium partners % allocation can be different for the different options
- b.) that an option can include a partner in the consortium that is not present in another option and neither in any other bid by other consortia
- c) that regardless of (a) and (b) above the subcontractors can be different between the options
- d.) only one bid bond will be required for all options together



**Reply 45:** A tenderer can submit multiple tender offers. This means that a tenderer can submit 2 or more different tenders having different partners, solutions, resources, costs, etc. This will require a bid bond and tender participation fee for each tender submitted. The tenders are to be totally separate and submitted in different envelopes.

A tenderer can submit different options. This means that a tenderer can submit 2 or more different solutions within the same tender, but the requirements in Item 6 of Volume 1, Section 1 will be common for all the different options. In this case, a separate distinct Tender Form and Response to Volume 3, Section 1, 2, and 3 must be submitted for EACH OPTION but within the same respective envelopes. In this case only one bid bond and one tender participation fee is to be provided.

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**Note to Bidders:**

A second clarification meeting is being scheduled on the 23<sup>rd</sup> April 2014 at 10:00am at Gattard House, MITA Premises, Regional Road, Blata I-Bajda.

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Any pending clarification not answered through this clarification will be replied to shortly.

All other tender documents, conditions and requirements, which are not superseded by this Clarification, remain in place.



**Lorraine Mangion Duca**  
**f/Director General (Contracts)**

### Form 1.4.12 - Volumetrics

Please provide the information concerning transaction volumes to confirm that the Solution can support the specified *minimum requirements* applicable for every financial period.

System	Minimum Acceptable Level <sup>1, 2</sup>	Tenderers are to indicate if the minimum levels are supported	Maximum Limit <sup>3</sup> (a blank response denotes no maximum limit)
<b>Budgetary Management</b>			
<b>-Budgetary Administration</b>			
Number of accounts	5,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	150,000 per account	Yes minimum level supported <input type="checkbox"/>	
<b>- Commitment Authorisation and Tracking</b>			
Number of transactions	7,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
<b>Financial Management</b>			
<b>- Nominal Ledger-</b>			
Number of accounts	2,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	10,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
Number of accounting periods	13	Yes minimum level supported <input type="checkbox"/>	
Number of Chart of Accounts	4	Yes minimum level supported <input type="checkbox"/>	
<b>- Services and Receivables-</b>			
Number of accounts	50,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	

<sup>1</sup> Currently there are approximately 60 entities in place

<sup>2</sup> Transactions volumes are quoted per annum

<sup>3</sup> Maximum Limit is for information purposes only

Number of orders	100,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Financial Management</b>			
<b>- Purchases and Payables -</b>			
Number of accounts	50,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of orders	100,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Fixed Assets</b>			
Number of assets	10,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	100,000 per asset per entity	Yes minimum level supported <input type="checkbox"/>	
<b>- Stock Control</b>			
Locations	500 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Stock Items	500,000 per location per entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	2,000,000 per item per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Cash Management</b>			
Number of accounts	500 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Systems Integration</b>			
<b>Access to Corporate Data Sharing and provisioning</b>			

<b>services</b>			
<b>New DBMS - Vendor Database</b>			
Number of accounts	100,000 accounts	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account	Yes minimum level supported <input type="checkbox"/>	
All Transactions financial values	18 digits with floating point and leading sign	Yes minimum level supported <input type="checkbox"/>	
<b>Direct Systems Integration Other Potential Systems and Services</b>			
<b>Budgetary Preparation &amp; Forecasting</b>			
Number of accounts	5,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	150,000 per account	Yes minimum level supported <input type="checkbox"/>	
<del>Number of transactions</del>	<del>7,000 per accounting entity</del>	<del>Yes minimum level supported <input type="checkbox"/></del>	
<b>Financial Assets &amp; Liabilities Management</b>			
<b>Financial Assets &amp; Liabilities</b>			
Financial Assets & Liabilities Accounting	5,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Public Debt Management &amp; Loan Financing Accounts</b>	3,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Grants Management Accounts</b>	3,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	

<b>EU Co-Funding Accounts</b>	5,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Cost Management</b>			
<b>Project Cost Management Accounts</b>	5,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Contracts Cost Management Accounts</b>	3,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Transfer Pricing Accounts</b>	3,000 per accounting entity	Yes minimum level supported <input type="checkbox"/>	
Number of transactions	1,000,000 per account per entity	Yes minimum level supported <input type="checkbox"/>	
<b>Business Intelligence</b>	None		
<b>E-Government Systems &amp; Support Services</b>	None		
<b>Historical Data</b>			
Specify Online Historical Data	Number of Years: 5	Yes minimum level supported <input type="checkbox"/>	
Specify Archiving Facilities	Number of Years: 10	Yes minimum level supported <input type="checkbox"/>	

# SPECIMEN PERFORMANCE GUARANTEE FORM

(LETTERHEAD OF THE REGISTERED FINANCIAL INSTITUTION PROVIDING THE GUARANTEE)

Name of Contracting Authority  
(Address)

[Date]

Dear Sir,

Our Guarantee Number ..... for €.....

Account: [Account Holder's Name]

In connection with the contract entered into between the Director of Contracts on your behalf / yourself and [Name and Address of Contractor] hereinafter referred to as "the Contractor" as per the latter's tender and your acceptance under [Contract Reference], whereby the contractor undertook the [title of contract] in accordance with the General Conditions and/or Special Conditions for Service/Supply/Works Contracts forming part of the contract documents, we hereby guarantee to pay you on demand a maximum sum of €[amount in words and numbers] in case the obligations of the above-mentioned contract are not duly performed by the Contractor.

This guarantee will become payable on your first demand and it shall not be incumbent upon us to verify whether such demand is justified.

For avoidance of doubt it is hereby declared that although this instrument gives rise to legal relations between the guarantor and the beneficiary, it is hereby specifically declared for all intents and purposes of law that this guarantee does not exempt the above-mentioned Contractor from any obligations, acts of performance or undertaking assumed under the tender documents as ratified in the contract.

Any payments due to the contractor in respect of the obligations entered into under the contract above referred to shall be made through this Bank.

This guarantee expires on the [expiry date] and unless it is extended by us or returned to us for cancellation before that date any demand made by you for payment must be received in writing not later than the aforementioned expiry date.

This document should be returned to us on utilization or expiry or in the event of the guarantee being no longer required.

After the expiry date and in the absence of a written demand being received by us before such expiry date, this guarantee shall be null and void, whether returned to us or not, and our liability hereunder shall terminate.

This guarantee is governed by Maltese Law, it is personal to you, and is not transferable or assignable.

Yours Faithfully,

.....  
[Signatory on behalf of Guarantor]  
[Designation]