



UBUHLEBEZWE MUNICIPALITY
CHIEF FINANCIAL OFFICE
SUPPLY CHAIN MANAGEMENT UNIT
Tel : 039 834 7700
Fax: 039 834 2978
Email: scm.procurement@ubuhlebezwe.gov.za

REF: 3326
QUOTE NO: UBU-Q-03/04/18
Date: 12 April 2018

Dear Sir / Madam

REQUEST FOR A FORMAL WRITTEN PRICE QUOTATION FOR ACTUARIAL VALUATIONS.

Kindly furnish me with a written quotation for the supply of the goods/services as detailed in the enclosed schedule. The quotation must be submitted on the letterhead of your business and must be submitted in a sealed envelope to the Tender BOX. The envelope must be clearly marked **"ACTUARIAL VALUATIONS." - UBU-Q-03/04/18"** not later than **20 April 2018 at 12h00 to: 29 Margaret Street, Ixopo 3276.**

The following conditions will apply:

- Price(s) quoted must be valid for at least thirty (30) days from date of your offer.
- Price(s) quoted must be firm and must be inclusive of VAT.
- The quote must be submitted on a separate page containing the letterhead of your business.
- This quotation will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Policy Framework Act (No 5 of 2000) and for this purpose the enclosed forms MBD 2, MBD 4, MBD 6.1, MBD 8 & MBD 9 must be scrutinized, completed and submitted together with your quotation.
- Valid Tax Clearance Certificate(MBD2)
- Proof of registration in the Central supplier database
- **A valid certified copy of BBBEE Certificate or sworn affidavit**
- Copy of Company Registration Document
- Copies of ID for Company Directors or Members
- Letter/Statement confirming status of municipal accounts (i.e. rates, water) not older than 2 months or an Affidavit signed by Commissioner of Oath if you do not pay municipal accounts.
- Attach the affidavit signed by Commissioner of Oath confirming that none of the Directors/Shareholders are employed in the Service of the state.

NB: No quotations will be considered from persons in the service of the state.

The council does not bind itself to accept the lowest or any quotation and reserves the right to accept the quotation as whole or in part, at the rates quoted

Failure to comply with these conditions may invalidate your offer.

Yours faithfully

Mr G M Sineke
MUNICIPAL MANAGER

ITEM NO	QUANTITY	DESCRIPTION	PRICE INCLUDING VAT
		Request for Actuarial Valuations to calculate Post Employment Benefit	
		Medical Benefits Retirement Benefits for the year ending 30 June 2018	

DELIVERY ADDRESS:
29 MARGARET STREET
IXOPO
3276

Project scope

The appointed service provider must perform actuarial valuations of the Post – employment Medical Aid Benefits liability and the Long Service Award liability of the Municipality in line with the requirements of International Accounting Standards 19 (IAS 19), Actuarial Society of South Africa and will also be in line with the principles outlined in Generally Recognised Accounting Practice 25 (GRAP 25). The valuation reports must be signed off by a Fellow member of the Actuarial Society of South Africa.

The valuation report must contain the following:

- Analysis of changes in membership over the valuation period;
- Liability of the Municipality in respect of employee benefit arrangements;
- Projected expenses in respect of employee benefit arrangements in the year following the valuation date;
- Sensitivity analysis to demonstrate the variability of the results to changes in the more important assumptions used;
- Interpretation of results in order to help focus management attention on the most important factors affecting the liability;
- Reconciliation of results to previous valuation;
- Projected change in the unfunded liability over the next 4-5 years.

The aim of the valuation reports will enable the Municipality to raise appropriate provisions in its annual financial statements.

- **Evaluation criteria**

Stage 1: Functionality

In order to reach the final stage, the bidder must obtain at least 60% of the points for functionality. The company should demonstrate the relevant experience of the project. Bidders who do not score more than 60% will not be considered for the 2nd stage and will be eliminated. The points scored in this stage are for qualification only and they will not be added to the final stage.

Experience of the business in similar projects (maximum points = 20)

(Please provide a table indicating the nature of previous work, value, commencement date and completion date)

5 – 7 years	=10 points
8-10 years	=15 points
11+	= 20 points

Personnel experience (Relevant to actuarial valuations, please attach detailed CV) (maximum points = 20)

5 – 7 years	=10 points
8-10 years	=15 points
11+	= 20 points

Appointment letters/ orders issued (service providers to attach appointment letters/ orders for similar projects) (maximum points = 20 points)

5 points per appointment letter or order issued

References (service providers to attach reference letters for similar projects) maximum points = 20 points

5 points per reference letter provided

Capacity and expertise to undertake the project (Maximum points= 20) (service providers must attach certified copies)

- Proof of registration of the company with the Actuarial Society of South Africa (10)
- Proof of registration of the project manager with the Actuarial Society of South Africa (5)
- Qualification of the project leader: B COM (Actuarial Science) or equivalent (5)

STAGE 2: PRICING

80 points for price

20 points for BBBEE

This is the final stage of evaluation which is purely based on 80 points for the price and 20 points for the BBBEE level. In order to claim the 20 points bidders are required to complete MDB 6.1 and submit their certified copy of the BBBEE certificate.

Deliverables

- Draft reports must be submitted to the municipality before the 31st May 2018
- Final report must be submitted to the municipality before the 30th June 2018