

Request for Proposals (RFP)

**The Provision of Cloud-based Payroll Solution,
Implementation thereof and Payroll Support Services
to the CSIR for a period of Five (5) Years.**

RFP No. 3594/09/10/2023

Bidders' Question	CSIR Response
Number of employees.	2500
Number of legal entities.	1
Number of payrolls.	1
List tax countries (legislation).	South Africa only
Number of pay runs separate from the main pay run.	Mostly just 1 additional run to allow for late appointments or leave pay due after resignation
Payroll frequencies (monthly, weekly, bi-weekly).	Monthly
CTC/Package Structure or Basic Salary plus Benefits Structure or Combination?	Cost to Company
<p>Elaborate on Payroll complexities (e.g. medical aid(s), provident/pension fund components and options etc.).</p> <p>Kindly provide as much detail as possible.</p>	<p>We work on a Total Cost of employment basis. Any payment to 3rd parties, ie medical aids, pension funds, employee benefits are paid from the individual's annual package and are only reflected as deductions. We do not contribute additionally to employees' medical aid or pensions.</p> <p>We have a CSIR pension fund managed by an external company. The appropriate contribution per individual is calculated and paid over to the pension fund.</p> <p>We allow provident fund amounts for tax implications only. We do not pay over to provident funds.</p> <p>We have some individuals who form part of the CSIR recognised medical aid, and pay over these contributions. Where employees are members of other medical aids, they have to pay over their contributions themselves, but we can calculate the tax implication on</p>

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	<p>the deduction to impact their tax deductible from their salary.</p> <p>We pay over ITAA88 deductions to SARS</p> <p>UIF is paid over as part of our EMP201 submission</p> <p>Our employee benefits includes death benefit and other group life benefits. These are deducted and paid over to the relevant insurance houses.</p> <p>Employees can structure their packages including 13 cheques and can choose how the deduction of tax is implemented.</p> <p>We allow deductions for bursary debt from staff accounts (Where staff owe bursary repayments to the CSIR) or other moneys owed to the organisation.</p> <p>We pay out leave to staff to a certain limit. Leave is forfeited after 18 months.</p> <p>We have an external company making 3rd party payments for garnishees for us, but can consider the proposal for ability to incorporate this in the proposed system</p>
<p>Do you have Unionized employees? What is the largest union?</p>	<p>We do have employees who are members of unions, but the representation is not enough to have a registered union. It does not impact the payroll</p>
<p>Are you subject to a bargaining council?</p>	<p>No</p>
<p>Do you claim ETI (Employment Tax Incentive)?</p>	<p>No – The CSIR is not privy to ETI</p>
<p>Bank used for payments of Net Salaries.</p>	<p>We bank with ABSA, and all salaries are paid from these bank accounts. Our employees can be registered with a multiple number of banks, it is safe to assume that all South African banks are represented.</p>
<p>What is the volume of third party payments (e.g. Provident fund, Garnishees,</p>	<p>We do not pay provident fund payments for staff, only pension fund and</p>

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fines, etc.).	<p>some medical aid payments. All staff are required to be part of the pension fund.</p> <p>We do not pay fines through payroll.</p> <p>Garnishees in September amounted to 20 deductions.</p>
<p>Do you make use of a clocking system? How does this relate to payroll?</p>	<p>No, we do not use a clocking system and it does not impact our Payroll system.</p>
<p>How long does it take to process your payroll weekly/monthly?</p>	<p>We have monthly payrolls. Our payroll usually closes for HR transactions between the 6th and the 9th of the month. We then do an upload from our HR system to our Payroll system. The processing and checking then concludes by the 23rd of the month.</p>
<p>Would you require more than one month parallel before go-live?</p>	<p>We require 6 months parallel before go-live</p>
<p>Number of Payroll and HR Administrators (users).</p>	<p>We have 3 Payroll Accounting Officers, 1 Management Accountant, and 1 Financial Manager that will need access. The requirement is for general staff to have access to a portal where they would be able to view IRP5's, payslips and structure their annual salary packages.</p>
<p>General Ledger</p>	
<p>Which accounting product is currently being used?</p>	<p>Oracle PeopleSoft and Oracle EBS</p>
<p>How many Accounts are posted to?</p>	<p>This is dependent on the type of transactions that might be required, but in our previous financial year, we used 12 different GL accounts.</p>
<p>Do you require export/import functionality (batch process) or direct integration (web services)? Recommendation: Batch Process Note: Direct Integrations will be scoped and quoted on request.</p>	<p>We currently use export/import functionality (batch processing), preferred method would be through direct integration (web service)</p>
<p>Equity and Skills</p>	

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Should a take-on be done from October in order to print the Equity report from Sage 300 People at the end of the year?	Equity reporting is done from our PeopleSoft HRMS modules.
Data Migration	
Do you require a month-by-month take-on for the current financial year or only YTD for the month prior to parallel? Note: if no financial take-on is to take place, employees will receive two IRP5's	We were hoping to target 1 March 2024 as full implementation. So that we do not have a break in a tax year. But this will require us to run in parallel first. So if we are not ready yet in 1 March, we will have to simulate the transactions from 01 March 2024 on the new system.
Do you require historic balances and transactions taken-on? Note: if required, this is normally excluded from quote, pending scoping and estimate based on complexity and history period applicable.	Yes, we need historical data to be included as we want to caution against the availability of data if our old system is no longer available.
Where will the data be coming from?	From our current Payroll system. It is a on site solution, data is stored on our servers. All master data will come from Oracle PeopleSoft HRMS
Reports	
Do you required customized reports to be created?	Yes, as stated in the RFP. We also want the functionality to change reports easily ourselves, so that we do not have to ask for support where possible.
ESS	
Are employees impersonated for leave applications?	We do have proxy application for leave. But leave resides within our PeopleSoft HR module. Leave will not be applied for and approved in our Payroll system.

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Can you kindly provide clarity on the current system the CSIR is using for Payroll Support Services	We are not comfortable to divulge the information of our current payroll system.