

Call for Quotations - OHSA CQ008/2019

PROVISION OF TEMPORARY ACCOUNTANCY & PAYROLL SERVICES

Issued by:

Awtorità għas-Saħħa u s-Sigurtà fuq il-Post tax-Xogħol (OHSA)

17, Triq Edgar Ferro Pieta' PTA 1533, Malta

Website: www.ohsa.org.mt

Issue Date: 29/08/2019

Response/Submission Date and Time: 09/09/2019 @ **10:00 hrs**

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Section A: Instructions

- 1) Response to this CQ, including clarifications, are to be submitted through the dedicated e-mail procurement.ohsa@gov.mt
- 2) Clarification period for requests: 29/08/2019 - 03/09/2019 – 10:00h
- 3) Clarification answers: 04/09/2019 – 10:00h
- 4) CQ addenda/updates will be made available on the Contracting Authority's website: ohsa@org.mt by not later than 04/09/2019 – 10:00h

All submissions will be dealt with in strictest confidence.

Section B: General Information

1) Purpose

The purpose of this Call for Quotation (CQ) is the provision of temporary services of a **Certified Public Accountant**, to provide Accountancy & Payroll services to OHSA for a maximum of three (3) months. Total fees shall not exceed the procurement regulation threshold (€5,000 excl. VAT) for this CQ. This assignment may also include the preparation for the closing of the financial year 31st December 2019 and the preparation of Financial Estimates and Budget Plans for the forthcoming year as per prevailing policies issued by the Ministry for Finance.

2) Beneficiary

The beneficiary, being Awtorità għas-Saħħa u s-Sigurtà fuq il-Post tax-Xogħol (OHSA) is the point of contact for this CQ.

The place of acceptance of the services shall be:

Awtorità għas-Saħħa u s-Sigurtà fuq il-Post tax-Xogħol (OHSA)
17
Edgar Ferro Street
Pieta'
Malta

3) Scope and Terms & Conditions

3.1 The scope of the services is defined in Section C: 2.2 – 2.5.

3.2 The sole award criterion will be the price. **The contract will be awarded to the bidder submitting the cheapest priced offer satisfying the administrative and technical criteria.**

3.3 This is a fee-based, pay per use service contract.

3.4 No tender guarantee (bid bond) is required. No Performance Guarantee is applicable for tenders below the threshold of Euro10,000 net of VAT.

3.5 The winning bidder will be asked for CV's and warrant of nominated experts. These documents will need to be submitted for verification not later than one (1 day) before the signing date.

3.6 The Contractor is to ensure strict confidentiality on all matters to which s/he becomes knowledgeable of, during the effective duration of the contract.

3.7 Further to the provisions of the General Conditions governing public procurement, bidding is open to both individuals and organisations. In the latter case, the submission must include a named individual who is being nominated to provide the service as Contractor and any eventual selection shall be linked to that particular individual.

3.8 Performance of the contract is expected to commence by 2nd week of September 2019 and expected to come to an end by not later than 2nd week of November 2019.

3.9 A fine of €20 (twenty euro) per day's delay up to €2,000 (two thousand euros) shall be incurred by the Contractor, following the last signing of the contract, or if service rendered is not within the time stipulated in the quote submitted by the winning bidder.

The Contracting Authority reserves the right to purchase a service on behalf of the awarded tenderer, if the awarded tenderer fails to render the service within the time agreed with the Contracting Authority.

3.10 The Contractor shall invoice the Authority monthly quoting the Contract Reference number on the Invoice. The Authority shall, within thirty (30) days of receiving such written statement, either approve, or following discussion with the Contractor, amend the amount, claimed by the Contractor. The Authority shall notify the Contractor of any such amendment or approval. In the event that the Authority approves any written statement, or in the event of an agreement between the Authority and the Contractor on any adjustment proposed by

the Authority, the Contractor shall forthwith invoice the Authority for payment of the agreed amount, which shall be due and payable within thirty (30) days after receipt of such invoice.

The invoice for services shall include a **time-log** detailing services rendered and the number of hours consumed, specifying location where services have been carried out during the month in question. This time-log shall be endorsed both by the Contractor and by a representative of the Authority to indicate agreement about this time-log. The visiting Expert will adhere to signing in/out of premises as per *Visitors' Log* procedure in place at OHSA. No payment under the Contract shall be due by the Authority where services are not requested.

3.11 The request for payment shall have a time-log attached to the invoice with the following format:

[*Date* | *Expert* | *Accountancy* | *Payroll* | *Hrs worked at OHSA* | *Hrs worked remotely* | *Total*]

3.12 It is calculated that OHSA consumes up to **seven hundred fifty (750) hours per annum** of such combined services which may be spread unevenly throughout the period of a whole year as required by OHSA. Since the assignment is intended to be of a temporary nature, the annual amount of 750 hours is to be taken as indicative. It is calculated that the current work-load involves an average of 62.5 hours a month. Bidders are requested to quote for one flat rate per hour for this pay-per-use, fee-based assignment. No payment under the contract shall be due by OHSA where services are not requested.

3.13 The contractor shall be required to render services primarily at the offices of OHSA. Occasionally, OHSA's exigencies may give rise to remote support at the Contracting Authority's discretion. The Key Experts shall have office space available at the OHSA premises (Refer to Section B2). Unless otherwise agreed with OHSA, work carried out by the experts is to be performed on OHSA's hardware and software facilities. All physical filing is to be kept at OHSA offices. Electronic data shall be stored as directed onto the appropriate MITA file sharing system. Adequate back-up of data is to be taken for all financial items managed and implemented by the experts. A copy of pertinent data shall be retained by Contractor so as to facilitate remote support when required.

Section C: Details of information requested

1. General Economic Operator Information

The Contracting Authority is asking interested Economic Operators to submit a response containing the following information:

- a) Declaration concerning Exclusion Grounds
- b) Selection Criteria
- c) CPA Warrant (copy of certificate) for Expert A
- d) Evidence of relevant qualifications iro Expert B
- e) Financial Bid Form

2. Specific Project Overview

2.1 Background

The Occupational Health & Safety Authority Act, Cap. 424 was published on the 17th November 2000, and brought fully into force on the 29th January 2002. In terms of the Act, it is the responsibility of the **Occupational Health & Safety Authority (OHSa)** to ensure the physical, psychological and social wellbeing of all workers in all work places are promoted and safeguarded by whosoever has such a duty. By virtue of L.N. 36/2012, the OHSa brought into effect the provisions of the Act whereby companies or individuals are intimidated by a letter to pay an administrative fine in lieu of being brought before the judicial authorities and answer to the charges against them.

The Authority strives to meet its goals by making full and efficient use of its resources, and in particular by meeting its own high standards of corporate governance. OHSa conducts its financial and administrative business by virtue of the relevant provisions of the Act. As a Contracting Authority, OHSa operates an accrual-based accounting system. OHSa issues its own Calls for Tender and procures its requirements according to its Financial & Procurement Policy which is kept in line with regulations of public procurement issued from time to time. Currently, the Authority has four sources of revenue – the annual grant advanced

by the Ministry of Finance, the Authority's own revenues from services for which a fee is charged, the payment to OHSA of administrative fines by persons intimated that they have been found contravening the law, and funds which are made available through foreign assistance, including EU Structural Funds. OHSA is an Equal Opportunities Employer. The entity is empowered to recruit its own staff according to prevalent public sector procedures.

The management structure of OHSA is entrusted to its Chief Executive Officer. All decision-making processes are to be vetted by the CEO, OHSA. Throughout the period of execution of the contract, the Experts are expected to keep close contact with the CEO and/or with any other person delegated by the CEO for such purpose. In particular, the Experts shall, at all times, keep the CEO and the Senior Manager (Corporate Services) informed about the general progress of the work entrusted to them.

Further information, including Report of Activities, the audited financial statements for the period ending December 2017 and budgeted income and expenditure account may be accessed at:

<http://ohsa.org.mt/Portals/0/Docs/Reports/2017%20Annual%20Report%20c.pdf>

2.2 Contract Objectives and Expected Results

The purpose of this Call for Quotation (CQ) is the provision of temporary services of a Certified Public Accountant, to provide Accountancy & Payroll services to OHSA for a maximum of three (3) months. Total fees shall not exceed the procurement regulation threshold (€5,000 excl. VAT) for this CQ. This assignment may also include the preparation for the closing of the financial year 31st December, 2019 and the preparation of Financial Estimates and Budget Plans for the forthcoming year as per prevailing policies issued by the Ministry for Finance.

The contractor shall:

- Be responsible for the accounting and reporting requirements of specific projects, which require such service, including, but not limited to, OHSA's awareness raising activities, OHSA's Collection of Administrative Fines, fees and payroll.
- Report to management on monthly management accounts.
- Prepare for the annual Financial Statements as per statutory requirements, including Cap.456 of Laws of Malta and report to management

- Prepare and submit the necessary monthly online reporting on the Financial Data Reporting System (FDRS)
- Submit online FSS reports and lodgements as necessary with IRD
- Prepare and submit ad hoc reporting requirements such as NSO Statistics, MFIN reporting, as and when requested by OHSA.

2.3 Overall Objectives

The overall objectives of the project of which this contract will be a part are as follows:

- Objective 1: Accountancy services
- Objective 2: Payroll services

2.4 Specific Objectives

The objectives of this contract are as follows:

Objective 1 - Accountancy:

- Maintain the accounting system by entering all transactions of the entity in the system on a regular basis
- Update sales purchases and bank transactions into the accounting software
- Cross-check that all transactions entered in the accounting system are supported by proper documentation as per OHSA procurement policy.
- Execute the depreciation function in the accounting system and check that the depreciation charge is being correctly calculated
- Update Fixed Asset Register on a monthly basis
- Prepare monthly management accounts, annual Financial Statements, timely financial data request submissions and any other documentation
- Once a month, or as often as requested by the Senior Manager (Corporate Services) print a Trial Balance, a list of payables, and a list of receivables, from the accounting system for eventual discussion with Management
- Prepare monthly statements for Receivables (Debtors) and ensure that they are sent to debtors
- Prepare VAT Returns
- Maintain Suppliers and Debtors ledger
- Performing monthly bank reconciliations
- Prepare monthly cash flow statement
- Maintenance of source documents filing to ensure continuation and audit trail

- Liaise with Government institutions as and when required
- Timely furnish appointed Auditors with all financial requirements
- Prepare OHSA Budget and Financial Plans
- Identify shortcomings which might deter Recurrent and Capital expenditure to be maintained within budget and suggest efficiency gains leading to identifiable cost savings
- Prompt Senior Manager (Corporate Services) to problem areas
- Draft requests for the Quarterly Tranche to line ministry officials
- Support Senior Manager (Corporate Services) liaise with the relevant authorities, as and when may be required
- Responsible for drafting and forwarding in a timely manner to the CEO or designated Senior Manager (Corporate Services), replies to Parliamentary Questions of a financial nature
- Ad hoc requests such as monitoring project funding
- Maintain adequate back-up of data for all financial items managed and implemented by the Experts. A copy of the pertinent data shall be retained by the Contractor so as to facilitate remote support as and when required.

Objective 2 - Payroll:

- Interpret employees' payroll data, contract terms and collective agreement provisions, as applicable
- Enter the entitled fringe benefits accurately
- Computation of the income tax withholding to be deducted from the gross salary of the employee in accordance with the Final Settlement System rules
- Computation of the social security amount to be deducted from the employee's gross salary and the corresponding amount to be contributed by the employer
- Computation of the net amount payable to the employee after all pre-tax and post-tax adjustments
- Preparation of the monthly payslip based on data supplied by Senior Manager (Corporate Services) and distribution of same to the employee together via individual private email with a hard copy filed for OHSA records
- Preparation, on a monthly basis, of the FS5 form for submission to the Inland Revenue Department in respect of income tax deductions and social security contributions
- Submission of the FS5 form to the Inland Revenue Department together with the payment (from contracting authority funds) of the income tax and social security amounts due
- An employee listing for bank reconciliation purposes

- A basic salary report showing the basic salary rate for the employee and other monthly reports as provided through the current payroll software
- Perform any other task associated with the payroll cycle
- Process termination payments accurately and on time
- Comply with the legislation effecting the payroll process
- Be responsible for self-checking calculations and all workings
- Maintain adequate back-up of data for all financial items managed and implemented by the Experts.

At the time of award, the service is expected to cater for 44 operatives (whether employed on a part-time or full-time basis, detailed, on loan, seconded or appointed). There shall be no additional cost to the Contracting Authority where the number of operatives in any one month exceeds 44 up to 50. The four-weekly cycle service will also include preparation and submission of the forms FS3, FS5 and FS7 to the Inland Revenue Department; and annual file maintenance and closing (as and where applicable).

The Contracting Authority shall appoint an authorised representative, who will communicate with the Contractor any adjustments required to the monthly payroll such as the overtime/extra hours worked under different categories of overtime rates (e.g. time and a half, double pay etc), special allowances due to particular employees, any unpaid leave, bonuses and any other monthly adjustments through a single excel spread sheet report for all employees at least five (5) working days prior to value date.

2.5 Results to be achieved by the Contractor

- Maintain OHSA's accounts including payroll on an ongoing basis in accordance with best practice and established guidelines, including relevant financial and procurement policies
- Ensure all procurement is in accordance with best practice and Government regulations
- Ensure all travel related subsistence and reimbursements are calculated as per latest MFIN directives.
- Contractor to ensure that all work performed on processes listed in this call is compliant with prevalent policies and regulations and delivered, without exception, in a timely manner.

3. Assumptions and Risks

3.1 Assumptions Underlying the Project Intervention

The Contractor shall have a team of competent persons (including the facility of back up replacement) with competence in the areas indicated, knowledgeable operating in a Public Sector environment. In particular, the Expert deployed on Payroll shall be competent in Payroll and Employment Administration, Payroll related Tax & NI Contribution matters, Payroll Accounting & Control and the essentials of Employment Law.

The current software in use at OHSA is *Megabyte HRMS* (Human Resources Management System) for payroll, *SAGE v24* (line 50), *O/S Win 8.1 and 10*, *MS Office 365 ProPlus*. The Contracting Authority is reserving the right to replace this system at any time in the near future with another brand, and/or make use of back up services/platforms such as cloud. This decision shall not incur a change in the hourly rates charged by the Contractor.

The Contractor shall report directly to OHSA's Chief Executive Officer (CEO), or as delegated by the Contracting Authority (CA). The Contractor shall undertake to provide, when so requested and as and when required by OHSA, the services listed throughout this call, for a period of no longer than three (3) months, subject to satisfactory performance. Total fees shall not exceed the procurement regulation threshold (€5,000 excl. VAT) for this CQ.

A kick-off meeting will be held within one (1) week from the date of signing of the Contract. This meeting between the Contractor and the CEO will discuss the way forward and provide any clarifications regarding the objectives. Timeframes shall be discussed and agreed between the Contractor and the Senior Manager, Corporate Services during this meeting. The Contractor shall be responsible for taking the minutes of meeting, and draft of these minutes sent to the CEO within two (2) working days from date of meeting. The minutes shall be considered valid once these are formally approved within two (2) working days from receipt of same minutes, by the CEO, OHSA.

Regular Update Meetings - Other regular meetings between the Contractor, the Senior Manager Corporate Services and the relevant authorities, as may be required

from time to time, are expected during the course of the Contract. These will be held as the need arises throughout the period of the Contract. The objective of these meetings is to enable the Contractor and the Senior Manager Corporate Services to provide each other with updates as may be required and to discuss any difficulties the Contractor may be encountering or any clarifications that may be required. The Senior Manager (Corporate Services), shall ensure the prompt provision of requested information; clarifications and/or documentation. The Contractor shall present the CEO with draft minutes of such Update Meetings within two (2) working days from date of meeting. The minutes shall be considered valid once these are formally approved within two (2) working days from receipt of same minutes, by the CEO, OHSA.

Venue for meetings: OHSA.

3.2 Risks

Time limits should not impede on quality of service and should not be used as justification for sub-standard quality of service. It is expected that the service provider has sufficient organisational capacity to handle pressure and maintain high quality work standards.

Continuity of service in terms of handover from current service provider to successful contractor, as well of any substitution during the awarded contract is of paramount importance. Of equal importance would be the continuity and smoothness of service provision in terms of handover from the exiting contractor of this project to any newly appointed service providers.

Towards termination of this assignment, the Contractor shall ensure a complete handover of accounting procedures within thirty (30) days and as instructed by the Contracting Authority.

Delays in the execution of any segment of this assignment are unacceptable and are subject to penalty clause as at Article 3.9 (Section B). Unsatisfactory performance may lead to immediate termination of the Contract.

6.1 Personnel and Key Experts

6.1.1 Experts

Key Expert A (Certified Public Accountant – CPA):

- Must be a Certified Public Accountant in possession of a valid Warrant (issued by the Ministry of Finance) to practice Accountancy. **A copy of the Warrant is to be submitted with the offer.**
- Is expected to be fully conversant with mainstream Office and Accounting and HR software in use at OHSA. The current software in use at OHSA is *Megabyte HRMS* (Human Resources Management System) for payroll, *SAGE v24* (line 50), *O/S Win 8.1 and 10*, *MS Office 365 ProPlus*.
- Should be supported by a substitute, having the same qualifications and attributes as detailed above to ensure continuity of service in any circumstances which might arise. A copy of the Warrant of the nominated substitute is also to be submitted for OHSA consideration in advance of any change.
- Is expected to be knowledgeable and fully adhering to all accounting standards, regulations and relevant legislation, possess knowledge in financial reporting, budgeting, taxation, employment law, interpretation of collective agreements and other recurring and ad hoc requirements in respect of Government Entities, including directives, circulars and procedures, in carrying out his/her duties and in providing such services listed as part of this Call.
- Will be expected to deliver sound advice to OHSA's Chief Executive Officer (CEO) and Senior Manager (Corporate Services) on issues related to all finance related matters including taxation, accounting and payroll matters in accordance with the relevant legislation, procedure, agreements and fund eligibility rules and regulations which may in some way impact OHSA.
- Will be present as and when called by the OHSA's CEO, or his delegate for financial related meetings with OHSA and other stakeholders.

- Is expected to lead the team assigned to work on this contract and shall be responsible for work undertaken, backup and support staff in the execution of this contract.
- Must be proficient in the Maltese and English languages.

Key Expert B (Accounting & Payroll):

- Shall be in advanced stage of ACCA's study and shall have successfully completed eleven (11) papers of the ACCA qualification and/or level 6 degree Accounting from the University of Malta or a recognized equivalent and appropriate comparable qualification.

It is clarified that:-

Recognised means that the qualification emanates from an accredited institution.

Comparable means that it has been recognized as an equivalent qualification by the National Commission for Further and Higher Education (NCFHE <http://www.ncfhe.org.mt>) – i.e. at the same level of difficulty.

Appropriate means that the subject-matter covered by the qualification is relevant to the area of specialization sought.

- Is expected to be fully conversant with mainstream Office and Accounting and HR software in use at OHSA. The current software in use at OHSA is *Megabyte HRMS* (Human Resources Management System) for payroll, *SAGE v24* (line 50), *O/S Win 8.1 and 10*, *MS Office 365 ProPlus*.
- Should be supported by a substitute, having the same qualifications and attributes as detailed above to ensure continuity of service in any circumstances which might arise.
- Is expected to be knowledgeable and fully adhering to all accounting standards, regulations and relevant legislation, possess knowledge in financial reporting, budgeting, taxation, employment law, interpretation of collective agreements and other recurring and ad hoc requirements in respect of Government Entities, including directives, circulars and procedures, in carrying out his/her duties and in providing such services listed as part of this Call.

- Shall be expected to deliver sound advice to OHSA's Chief Executive Officer (CEO) and Senior Manager (Corporate Services) on issues related to all finance related matters including taxation, accounting and payroll matters in accordance with the relevant legislation, procedure, agreements and fund eligibility rules and regulations which may in some way impact OHSA.
- Will be present as and when called by the OHSA's CEO or his delegate for financial related meetings with OHSA and other stakeholders.
- Must be proficient in the Maltese and English languages.
- Evidence of the expert's relevant qualifications are to be submitted with the offer.
- All experts must be independent and free from conflicts of interest in the responsibilities accorded to them.

The Key Experts shall be supported by a substitute, having the same qualifications and attributes as detailed above to ensure continuity of service in any circumstances which might arise.

7. Reports

7.1 Reporting Requirements

There must be a final progress report and final invoice at the end of the period of execution. The draft final progress report must be submitted at least 1 week before the end of the period of execution of the contract.

7.2 Submission & Approval of Progress Reports

One copy of the progress reports referred to above must be submitted to the CEO, OHSA and another to the Project Manager identified in the contract (Senior Manager, Corporate Services). The progress reports must be written in English. The Project Manager is responsible for submitting the progress reports with recommendation or otherwise for CEO's approval.

8. Monitoring and Evaluation

8.1 Definition of Indicators

These shall be of a qualitative nature, based on judgements and perception derived from subjective analysis of tasks performed.

8.2 Special Requirements

Nominated experts may be asked to attend a verification interview, to assess language proficiency before commencement of the assignment.

Section D: Additional Information

Not applicable

Section E: Financial Bid

Financial Bid Form attached