national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

RT3-2018

ANNEXURE G1

PROCUREMENT GUIDELINE

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ABBREVIATIONS

B-BBEE	Broad-Based Black Economic Empowerment
CpC	Cost per Copy
CSD	Central Supplier Database
DDs	Digital Duplicators
ICT	Information and Communications Technology
LAN	Local Area Network
Mfps	Multi-Functional Printers
MPS	Managed Print Service
MTA	Master Transversal Agreement
PA	Participation Agreement
PFMA	Public Finance Management Act
SARS	South African Revenue Services
SBD	Standard Bidding Document
TCO	Total Cost of Ownership
WAN	Wide Area Network

1. Goods and Services offered in RT3-2018

The transversal contract consists of four (4) categories of goods and services, two (2) models and (2) payment methods. For the details of the goods and services refer to **Annexure D1** and **D2** of the Contract Circular.

1.1 Category 1 for Monochrome Multi-Functional Printers (Mfps) has nineteen (19) Suppliers.

- Mfp1 has 15 offers;
- Mfp2 has 12 offers;
- Mfp3 has 12 offers;
- Mfp4 has 13 offers;
- Mfp5 has 12 offers;
- Mfp6 has 11 offers;
- Mfp7 has 14 offers;
- Mfp8 has 16 offers;
- Mfp9 has 9 offers;
- Mfp10 has 10 offers;
- Mfp11 has 8 offers; and
- Mfp12 has 6 offers.

1.2 Category 2 for Colour Multi-Functional Printers has eighteen (18) Suppliers.

- MfpC1 has 15 offers;
- MfpC2 has 10 offers;
- MfpC3 has 8 offers;
- MfpC4 has 13 offers;
- MfpC5 has 16 offers;
- MfpC6 has 14 offers;
- MfpC7 has 13 offers;
- MfpC8 has 15 offers
- MfpC9 has 10 offers; and
- MfpC10 has 2 offers.

1.3 Category 3 for Digital Duplicators (DDs) has three (3) Suppliers.

- Dup1 has 2 offers;
- Dup2 has 1 offer;
- Dup3 has 2 offers; and
- Dup4 has 1 offer.

1.4 Category 4 for Shredders has three (3) Suppliers.

- Shred1 has 2 offers;
- Shred2 has 2 offers;
- Shred3 has 2 offers;
- Shred4 has 2 offers;
- Shred5 has 2 offers;
- Shred6 has 2 offers;
- Shred7 has 1 offer; and
- Shred8 has 2 offers.

1.5 Managed Print Service (MPS) model for Category 1 to 3 has 9 service providers.

2. Models

Models are applicable to Category 1 to 3 and not applicable to Category 4.

2.1 Rental and Copy Charge

2.1.1 This is a model solution where Government takes advantage of managing its cash flow. Multi-functional printers are expensive and the capital cost of an outright purchase can be prohibitive. A rental agreement is the preferred Government model which will result in the availability of the latest equipment for an affordable monthly payment.

2.1.2 The rental and copy charge model comprises rental of the awarded equipment configuration to which would be added cost for software or advanced software, other consumables and services amortised over the rental period for a complete office automation solution. Optional software could be utilised for print, equipment management and reporting.

2.1.3 The monthly rental includes delivery, installation, commissioning costs and basic user training. Equipment support and maintenance is at the awarded cost per copy (CpC).

2.1.4 "The "copy charge" is for full coverage of on-site maintenance on a nation-wide basis. The maintenance of all equipment shall include: -

- ✓ Toner or ink;
- ✓ All service calls, repairs and replacement of all defective parts;
- ✓ All spare parts and all other consumables, including rollers, fuser units, developer and drums excluding staples.

2.1.5 The maintenance period of thirty-six (36) months will be effective from the date of commissioning including the additional proportionate twenty-four (24) months where applicable.

2.2 Managed Print Service (MPS)

2.2.1 MPS are services offered to optimize or manage a State institution's document output. Among the main components covered are needs assessment, selective or general replacement of equipment, redeployment/movement/optimisation of equipment if required, service, parts and supplies needed to operate the new and/or existing equipment (including existing third-party equipment if this is required by the State institution). The panel of Suppliers will also track how the MFP fleet is being used, any problems/challenges, and end-user satisfaction. From some of the panel of service providers MPS is standard at no additional cost; refer to **Annexure D1, D2** and **D3** of the Contract Circular.

2.2.2 MPS can comprise both basic and advanced managed print services.

2.2.3 Basic services include but are not limited to proactive monitoring of consumables, proactive monitoring of equipment alerts requiring technical support including incident management, automated meter readings for accurate and timely usage billing, single point of contact through the help desk and meter reading which is also available through some technology for equipment that is not networked. Basic user training is included after installation of the solution.

2.2.4 Advanced services include but are not limited to print policy management to ensure optimal equipment settings are adhered to (secure print, default duplex printing, etc.), load balancing assessment to make recommendations for equipment movements to ensure optimal utilisation, enhanced service levels to accommodate maximum uptime in critical printing areas, service delivery management and reporting to provide regular reviews of print trends, service level metrics, utilisation of score cards and billing management and a single point of contact for escalations and general account management, paper management to reconcile paper usage with print output to identify areas of high wastage / loss and implement remedial processes, dedicated onsite resources covering a variety of services including toner and paper replenishment, first level technical support and technical service engineers.

2.3 When to use each model?

2.3.1 Each model utilisation will be informed by the analysis of the printing environment. The below are probable indications for each model utilisation.

2.3.2 The **Rental and Copy Charge model** can be used in small printing environments (just a few equipment), or if a State Institution already has a print management structure and a process in place to manage the equipment, obtain reports and contain costs.

2.3.3 The **MPS model** can be used for large printing environments where visibility of usage and costs are important, and also where user-level functionality is required (as an example follow-me printing and more). The below are some of the objectives for consideration on MPS model:

- Visibility of :
  - ✓ Document output volumes, type (mono, colour, duplex, simplex, paper size), and trends per week/month/year,
  - ✓ Device usage trends (over-utilisation, underutilisation),
  - ✓ Content output which can allow State Institutions to identify usage that qualifies as unwarranted or personal and non-business related,
  - ✓ Document print coverage's (which allows insight into aspects such as how much colour is printed on the average documents, this will assist in determining whether colour printing is warranted),
  - ✓ Managed output, this is the actual step in generating savings in three (3) ways: **volume allocation** per month which includes the type of output (Colour, Mono, A3), **budget allocation** per month, and **print policy** which includes endless system based rules that would dictate and manage user print conduct.
- Redundancy built in through services as follow me printing will allow users to release their print jobs from any device on the same network (LAN or WAN), Disaster Recovery and endless Reporting.

3. Procurement Options

State institutions have different printing needs; provision has therefore been made for different procurement options from the transversal contract to cater for the different printing needs on existing rental agreements emanated from RT3-2012, RT3-2015 and new rental agreements to emanate from RT3-2018. The needs assessment analysis performed by the Service Provider will inform any option suitable to the State institution.

3.1 Option 1

State institutions can procure (rent) a complete printing solution;

3.2 Option 2

State institutions can procure (rent) equipment only;

3.3 Option 3

State institutions can procure (rent) services only (e.g. software to perform a certain service or function);

3.4 Option 4

State institutions can procure (rent) accessories only; and

3.5 Option 5

State institutions can procure (rent) a combination of any of the above options.

4. Payment Methods

Payment methods are applicable to Category 1 to 3 and not applicable to Category 4 as Shredders are an outright purchase.

- The State Institutions reserves the right to decide which payment method it will employ, that being either pre-payment or thirty (30) days from receipt of invoice payment.
- Where the pre-paid payment method has been selected, the Service Provider concerned will illustrate to the State Institution on the operation or utilisation of the payment method.
- A State Institution should be allowed by the panel of Service Providers to migrate to any of the available payment methods during a rental agreement as part of optimisation.
- In the case where an order is placed on a Service Provider, the price applicable at the date of order placement is the price to be invoiced.

4.1 30 days from receipt of invoice

- A net 30 payment method is a payment thirty (30) days after invoice receipt. It specifies the net amount (the total outstanding on the invoice) expected to be paid in full and received by the Service Provider within thirty (30) days after the office automation solution has been deployed.

- Therefore there are twelve (12) monthly payments annually. The invoice will reflect office automation solution rental price per month, "x" number of prints and any additional goods or services excluded from the number of prints.

- In accordance with Section 38(1)(f) of the Public Finance Management Act (PFMA) which requires accounting officers to settle all contractual obligations and pay all monies owing within the prescribed or agreed period, State Institutions participating on RT3-2018 are expected to comply.

- The payment method can be selected with either the MPS model or the Rental and Copy Charge model.

4.2 **Pre-paid**

- The Pre-Paid payment method offers easy and accurate budgeting because of the selection of the right office automation solution with the correct print volumes for the correct area, and within the allowed financial budget. Payments are made for exactly the right amount of prints and therefore there are no unexpected invoices for excess prints made.

- It offers simple and effective administration because pre-paid invoices are raised quarterly and paid in advance quarterly. Therefore, there are only four (4) payments per annum versus twelve (12) monthly payments annually. It is one (1) invoice reflecting number of copies paid for.

- Service Providers who prefer the pre-paid payment method will advise on how the payment method operates.

- It is the responsibility of the State Institution to verify that the Service Provider allocates the correct "credit" values in line with the payment received.

- Service Provider(s) must, in writing, acknowledge receipt of payment and indicate the total number of "credits" allocated per equipment to the relevant State Institution.

- The payment method can be selected with either the MPS model or the Rental and Copy Charge model.

5. Procurement Process from the Transversal Contract

5.1 **Participation Letter**

In order to access any of the above mentioned options of the transversal contract, a post award participation letter (**Annexure C** of the Contract Circular) must be completed and submitted to **transversal.contracting2@treasury.gov.za**

5.1.1 National Treasury will acknowledge participation letter via email (**no written post award consent letter will be issued to State Institutions as the participation letter is customised to consent to participation on completion and signatures**) and inform the panel of Service Providers.

5.1.2 A participation letter should be completed by all State Institutions who wishes to utilise the transversal contract. There is no automatic participation for State Institutions who were participants on previous RT3-2012 or RT3-2015 as RT3-2018 is a new transversal contract with its terms and conditions.

5.1.3 A list of participants will not be published on National Treasury's website as the list is meant for the panel of Service Providers who will be updated as and when new participation letters are received.

5.1.4 All Service Providers on the transversal contract can supply nationwide, their main location on the Contract Circular does not mean they only supply in that province.

5.2 Analysis Questionnaires

This is a step where State Institutions are assisted to define the printing or shredding business requirements. A State Institution is expected to **specify** what it intend to use the equipment for. All the relevant questions that will assist the State Institution to specify or define its printing or shredding business requirements are incorporated on the analysis questionnaire.

The **analysis questionnaire is not a Request for Quotation** instead it is more of a requisition form that assist the State Institution to specify or define its printing or shredding business needs/requirements by indicating or stating what the equipment will be used for on answering the relevant questions on the form.

The Service Providers are expected to engage State Institutions on receipt of the analysis questionnaire to discuss the printing or shredding requirements and conduct the analysis to be in a position to provide an optimal printing or shredding solution proposal to the State Institution.

There are three (3) analysis questionnaires as follows:

- **Annexure F1** for unmanaged print environment (Rental and Copy Charge) – Category 1 to 3 for Digital Duplicators and Multi-Functional Printers;
- **Annexure F2** for Shredders – Category 4; and
- **Annexure F3** for Managed Print Service – Category 1 to 3 for Digital Duplicators and Multi-Functional Printers.

5.2.1 Annexure F1 – Printing Needs Analysis Questionnaire for Digital Duplicators and Multi-Functional Printers

Unmanaged printing environment – Rental and Copy Charge Model

5.2.1.1. National Treasury will acknowledge the participation letter;

5.2.1.2. When the printing need arises within a State Institution, the end-user(s) must complete the analysis questionnaire (as a requisition form) and give to Supply Chain Management unit to process;

5.2.1.3. In order to be in a better position to optimise the printing environment it is preferable that Supply Chain Management unit consolidate the printing requirements for the entire State Institution by allowing all end-users at once to complete the analysis questionnaires than to process each individual end-user printing requirements as and when the need arises.

5.2.1.4. There are three (3) indicators that will direct Supply Chain Management unit to which category of Service Providers they must issue the analysis questionnaire to and their as follows:

5.2.1.5. If a State Institution intends **only printing in black and white** (monochrome) then the completed printing needs analysis questionnaire will be issued to ALL nineteen (19) Category 1 panel of Service Providers.

5.2.1.6. If a State Institution intends **printing in both black, white and colour** then the completed printing needs analysis questionnaire will be issued to ALL eighteen (18) Category 2 panel of Service Providers.

5.2.1.7. If a State Institution requires a **copier** and prints in either black and white (monochrome) or colour, the printing analysis questionnaire should be sent to ALL three (3) Category 3 panel of Service Providers.

5.2.1.8. Supply Chain Management unit must ensure that all Service Providers in any category are offered the same specified or defined printing requirements to allow them to respond on the same printing needs requirements.

5.2.2 **Annexure F2 – Shredding Needs Analysis Questionnaire**

5.2.2.1 National Treasury will acknowledge the participation letter;

5.2.2.2 When the shredding need arises within a State Institution, the State institution must complete the analysis questionnaire (as a requisition form) and give to Supply Chain Management unit to process;

5.2.2.3 The shredding analysis questionnaire will be issued to ALL three (3) Category 4 panel of Service Providers.

5.2.2.4 Supply Chain Management unit must ensure that all Service Providers in the category are offered the same specified or defined shredding requirements.

5.2.3 **Annexure F3 – Managed Print Service Needs Analysis Questionnaire (Annexure F1 plus Annexure F3 to be issued to the Service Providers)**

Managed printing environment

5.2.3.1 National Treasury will acknowledge the participation letter;

5.2.3.2 Based on the ICT strategy of the State Institution and the end-user(s) specifies that it requires gaining visibility, control of its printing environment which will help save the State Institution money, boost productivity and document security then the Manage Print Service analysis questionnaire (as a requisition form) must be completed, given to Supply Chain Management unit and be issued to ALL nine (9) panel of Service Providers.

5.2.3.3 In order to be in a better position to optimise the printing environment it is preferable that end-user driving the ICT strategy consolidate the printing requirements for the entire State Institution.

5.3 State Institutions are not allowed to issue the analysis questionnaire to a few of the panel of Service Providers or to preferred Service Providers but only as directed above on 5.2.1 to 5.2.3.

5.4 In addition to the analysis questionnaire(s) issued to the Service Providers, State Institutions can have a needs analysis (requirements) discussion or briefing meeting with the Service Providers to firm up the requirements by both the Participant and Service Providers.

5.3 Analysis by Service Providers

5.3.1 On receipt of the analysis questionnaire, Service Providers will contact the State Institution to interrogate the printing requirements for better understanding of the printing requirements and conduct an analysis in a practical and suitable method at no cost to the State Institution.

5.3.2 The analysis method will vary dependent on the understanding and discussions with State Institutions. State Institutions are to provide the relevant information in conducting the analysis to the panel of Service Providers as will be requested.

5.3.3 All the panel of Service Providers will be afforded an equal opportunity to respond to printing or shredding needs of a State Institution as directed on 5.2.1 to 5.2.3 above.

5.4 Proposals by the panel of Service Providers

5.4.1 The format for Service Provider's proposal(s) should **ONLY** address the following:

- ✓ Response to the printing or shredding requirement(s) including implementation/roll-out project plan informed by the analysis; and

- ✓ Total Cost of Contract / Ownership (TCO) based on pricing as awarded on RT3-2018 (**Annexure D1, D2** and **D3** of the Contract Circular). Although it is not the intention of the transversal contract to own the office automation solution(s) but only to rent, TCO will be the analysis that will place a single value on the complete life cycle of the capital rental including the cost of operation.

5.4.2 State institutions **SHOULD NOT:**

- ✓ Create a tender/bid from the transversal contract but only implement it as prescribed;
- ✓ Request Service Providers to submit proposals in a tender/bid box but only via email; and
- ✓ Conduct compulsory briefing session that is aimed at disqualifying Service Providers under the transversal contract but have needs/requirements discussions with the Service Providers as may be necessitated by the circumstances.

5.4.3 State institutions **SHOULD NOT** request any of the following documents from the panel of Service Providers as the transversal contract has considered all these documents and governance during the procurement process:

- ✓ Standard Bidding Documents (SBDs);
- ✓ Subcontracting related documents;
- ✓ Functionality related documents;
- ✓ Central Supplier Database (CSD) report or tax pin from South African Revenue Services (SARS);
- ✓ B-BBEE Certificate; and /or
- ✓ Or any documentation relating to a procurement process.

5.4.4 The above documents will be issued on request where required by participating State institutions from National Treasury.

5.4.5 The panel of Service Providers should be given a certain suitable and reasonable period by the State institution to submit their proposal. It should not necessarily be the prescribed advertising period as this is an operational process within a transversal contract. The State institution should proceed with evaluation of the received proposals.

5.4.6 The panel of Service Providers will propose an optimal printing or shredding solution (this can be any of the procurement options on section 3 above) based on the analysis conducted including buying-back of any existing equipment (e.g. outright procured stand-alone desk top printers) as part of optimising the printing environment.

5.4.7 Participants should not focus on “nice to have” on printing or shredding proposal(s) but the proposal should address the printing or shredding requirements to ensure the Participant realises value for money.

5.4.8 The panel of Service Providers can only propose optimal printing or shredding solutions based on their offers as awarded on RT3-2018.

5.4.9 If a Service Provider is not in a position to offer an optimal printing or shredding solution due to the limitation of the awarded offer(s), the Service Provider should not impose such a solution that will not be fit for purpose for a State Institution. The State Institution is not obliged to procure a printing or shredding solution that is not optimal and fit for purpose for its analysed printing or shredding environment.

5.5 Evaluation of proposal

5.5.1 It is at the State Institution’s level where the adjudication of the preference point system will be effective. The Finance unit can play an important role in ensuring that the TCO calculations are accurate.

5.5.2 Participants are to proceed with the received number of proposals from the responded Service Providers that meets the requirements as indicated on any of the analysis questionnaires.

5.5.3 The adjudication (awarding) of the proposal(s) will be based on TCO (not the lowest rental price or copy charge price) and B-BBEE Level on page 3 of **Annexure G2** which is calculated automatically. Only the attached **Annexure G2** evaluation sheet is to be used for evaluation purpose. **The additional period to be completed should be the remainder of the maximum 24 (twenty-four) months as per number 6 below.**

5.5.4 Where more than 1 type of equipment is offered by the Service Provider, in order to get to the total proposal TCO, a State Institution can use the following two (2) options:

(a) Copy the entire sheet and calculate the TCO for each different equipment offered and add the total TCO’s for all equipment offered, **OR**
(b) Use the above method and add each equipment TCO on additional rows downwards (add sufficient rows based on the number of equipment offered) to calculate the total TCO.

5.5.5 Received proposals from the panel of Service Providers are to be discussed, evaluated internally within a State Institution by relevant representatives either from the Supply Chain

Management, Information Technology, Finance or any relevant units or divisions and approved as per the State Institution's delegation of authority.

5.5.6 The relevant representatives from any of the units or divisions should be representatives who possess knowledge of the commodity who will add value and assist the State Institution in making an informed decision on its optimal printing or shredding solution.

5.5.7 The relevant representatives need not be appointed officially as a committee but State Institutions are encouraged to ensure that its internal processes are documented and kept in order as per the implementation process of the transversal contract.

5.5.8 In terms of regulation six (6) of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive proposal will be adjudicated by the State Institution on either the 80/20 or 90/10 preference point system and that the lowest acceptable TCO will be used to determine the applicable preference point system.

5.5.9 The following formula will be used to calculate the points for TCO:

Ps = 90 or Ps = 80

Where

Ps = Points scored for comparative TCO of proposal under consideration

Pt = Comparative TCO of proposal under consideration

Pmin = Comparative TCO of lowest acceptable proposal

5.5.10 A maximum of either 10/20 points may be allocated to a Service Provider for attaining their B-BBEE status level of contributor in accordance with the table below:

BBEE Status Level of Contributor	Number of Points	Number of Points
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5.5.11 The points scored will be rounded off to the nearest two (2) decimals.

5.5.12 In the event that two (2) or more Service Providers have scored equal total points, the proposal will be awarded to the Service Provider scoring the highest number of preference points for B-BBEE. The B-BBEE levels are provided on the evaluation sheet **Annexure G2**.

5.5.13 However, as the functionality was part of the evaluation process and if two (2) or more Service Providers have scored equal points including equal preference points for B-BBEE, the proposal will be awarded to the Service Provider scoring the highest for functionality. The functionality scores are provided on the evaluation sheet **Annexure G2**.

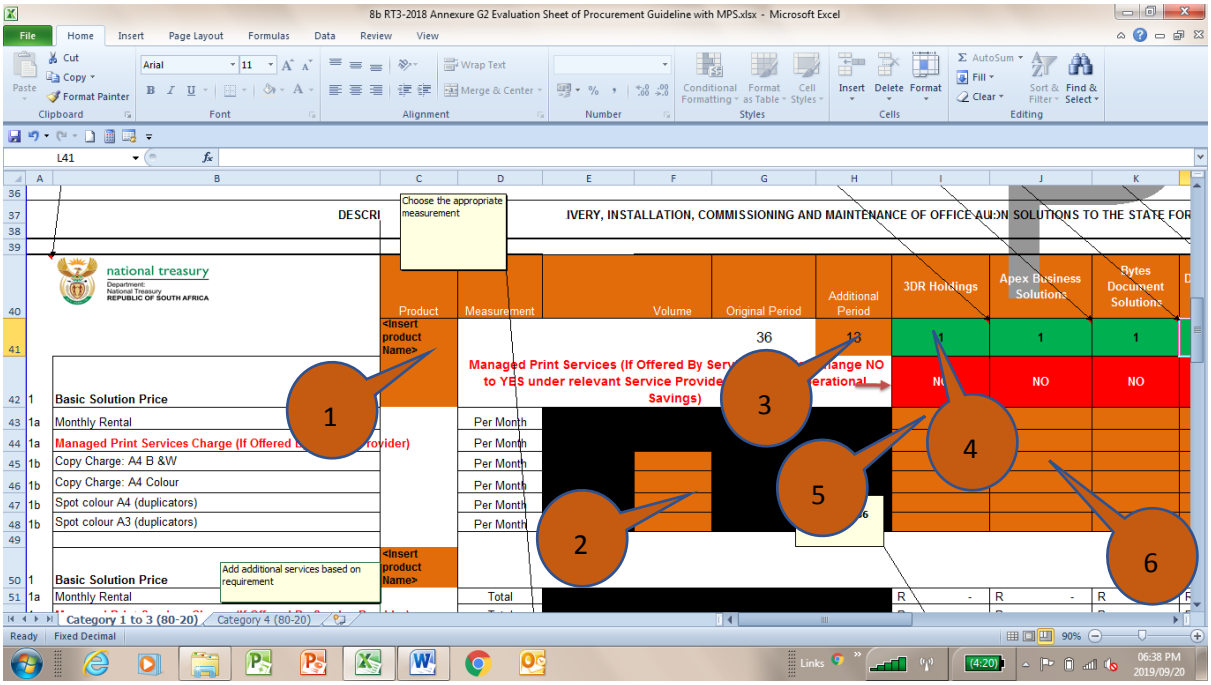
5.5.14 Should two (2) or more proposals be equal in all respects, the proposal shall be awarded by the drawing of lots.

5.5.15 State institutions should take a period of **<u>not more than</u>** eight (8) weeks (2months) to finalise the procurement process from the transversal contract which should allow all the proposals to include an accurate extension period.

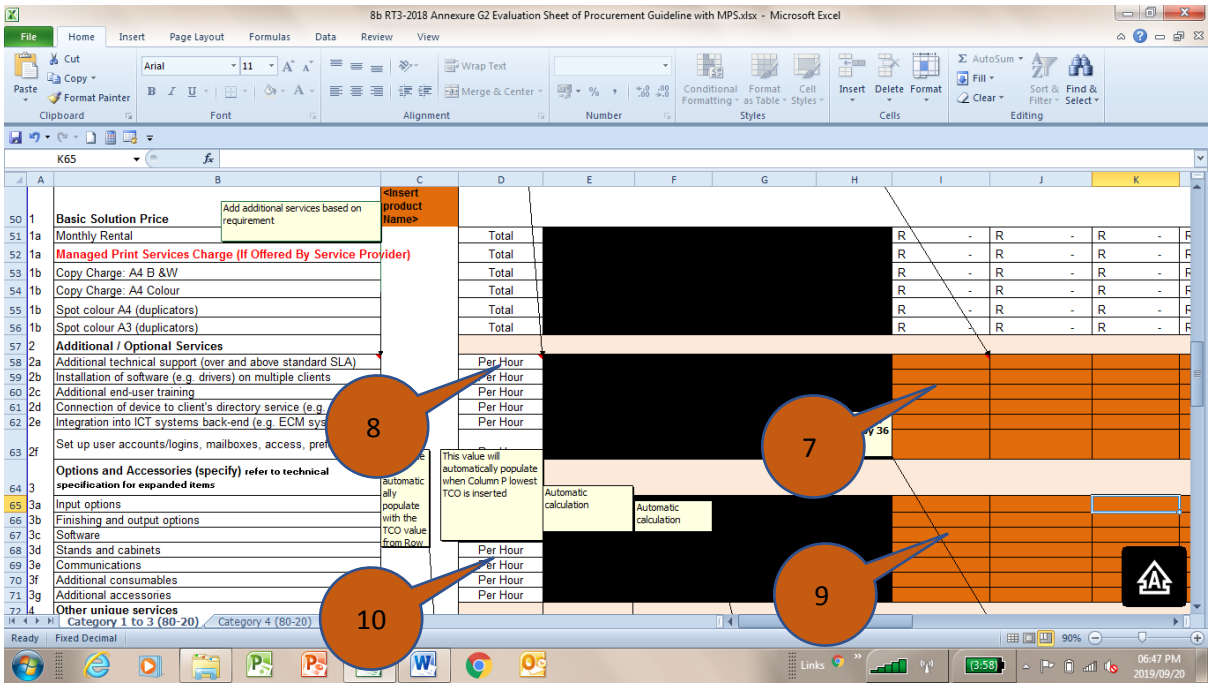
5.5.16 The following are important sections to be completed on **Annexure G2** evaluation sheet:

✓ **<u>Categories 1 to 3</u>**

- Page 1 is for information only and should not be printed unless the technical scores have been used as a deciding factor where both TCO and B-BBEE level were equal
- Page 2 is the completed page by State institution as illustrated below:
- Page 3 is automatic calculation for preference point system



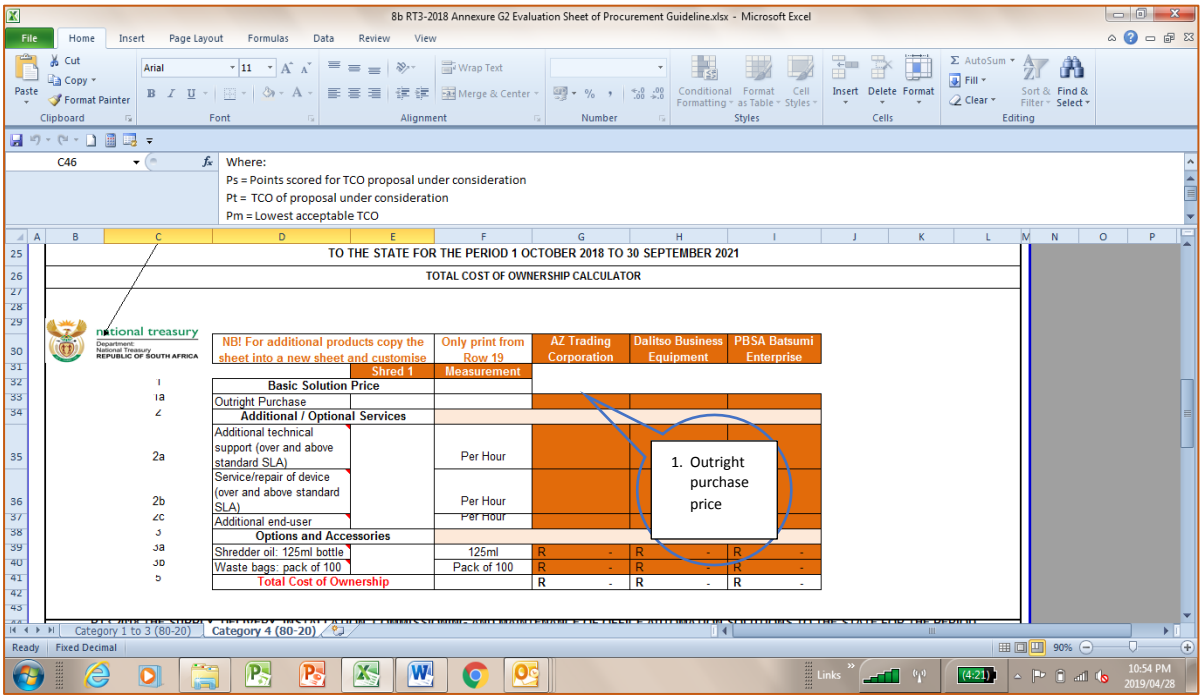
(1) Complete the size (e.g. MfP4) of a multi-functional printer or digital duplicator
(2) Complete the actual or estimated volumes
(3) Select the extension period (months) to start after the initial thirty-six (36) months period has ended
(4) Complete the quantity of equipment but default should be one (1)
(5) Complete monthly rental
(6) Complete cost per copy charge



(7) Complete additional / optional services (complete list of additional / optional services will be found on **Annexure D1** and **D2**)
(8) Select the measurement for the additional / optional services
(9) Complete options and accessories
(10) Select the measurement for the additional / optional services
The TCO will automatically calculate

5.5.17 **<u>Category 4</u>**

- Page 1 is for information only and should not be printed unless the technical scores have been used as a deciding factor where both TCO and B-BBEE level were equal
- Page 2 is the completed page by State institutions as illustrated below:
- Page 3 is automatic calculation for preference point system
- It is imperative to note that the accessories for shredders should not be procured initially with the shredder equipment but as and when required



5.6 Copy of proposal to National Treasury

5.6.1 Final selected proposal(s) to be **submitted to National Treasury** via email to transversal.contracting2@treasury.gov.za and be executed by the State Institution. Communication to the panel of Service Providers on the rejected proposal(s) should be via email by the State Institution.

5.6.2 The submission of the final selected proposal to National Treasury is not an approval process but it is for tracking of the procurement from the transversal contract since State Institutions will not be procuring from gCommerce until further notice.

5.7 Signing of Master Transversal Agreement

5.7.1 National Treasury has signed Master Transversal Agreements (MTA) with all the panel of Service Providers. Signed copies of the MTA (**Annexure H1a and H1b** of the Contract Circular) are for State Institutions information purposes only to have a view of the signed terms and conditions.

5.7.2 The selected Service Provider by a State institution for Categories 1 to 3 will sign a Participation Agreement and a Schedule(s) (**Annexure H2a and H2b** of the Contract Circular) of the MTA immediately upon acceptance of the final proposal and within fourteen business (14) days the signing of the Participation Agreement should be completed. The Participation Agreement should not be customised by neither the Service Provider nor the Participant as vetting was completed by all legal parties. The Participation Agreement should be signed as published.

5.7.3 The selected Service Provider by a State institution for Category 4 will sign a Participation Agreement (**Annexure H3** of the Contract Circular) of the MTA immediately upon delivery of the equipment and within fourteen business (14) days the signing of the Participation Agreement should be completed. The Participation Agreement should not be customised by neither the Service Provider nor the Participant as vetting was completed by all legal parties. The Participation Agreement should be signed as published.

5.8 **Customising printing policy**

5.8.1 Selected Service Provider(s) will assist in customising the printing policy (**Annexure I** of the Contract Circular can be used as a base) for the State Institution at no cost; the State Institution will adopt and enforce the printing policy.

5.8.2 The rules which are not limited to the below can include user print conduct that allows management on certain print behaviours, for example:

- Duplex print, when more than (x) amount of pages are printed in a print job,
- Colour document with a page coverage of (x)% and less will only be released in monochrome and not colour,
- Document batches larger than (x) will be diverted to the closest larger MFP / print room where applicable that prints at a lower CpC and not to the smaller work group equipment that prints at a higher CpC,
- Documents sent to any equipment and not collected within (x) amount of time will be deleted from the print queue and thus not available for release (this feature will contribute to one of the largest cumulative savings for a State Institution, it will almost completely eliminate the common sensation that refers to documents printed and no longer required for various reasons such as the user noticed an error post printing or printed an incorrect document or the document just was not actually needed, the endless piles of printed documents that end up laying at the printer or ends up in the recycle bin accounts for millions of Rand's of print and paper costs wasted).

5.9 **Change management within State institutions**

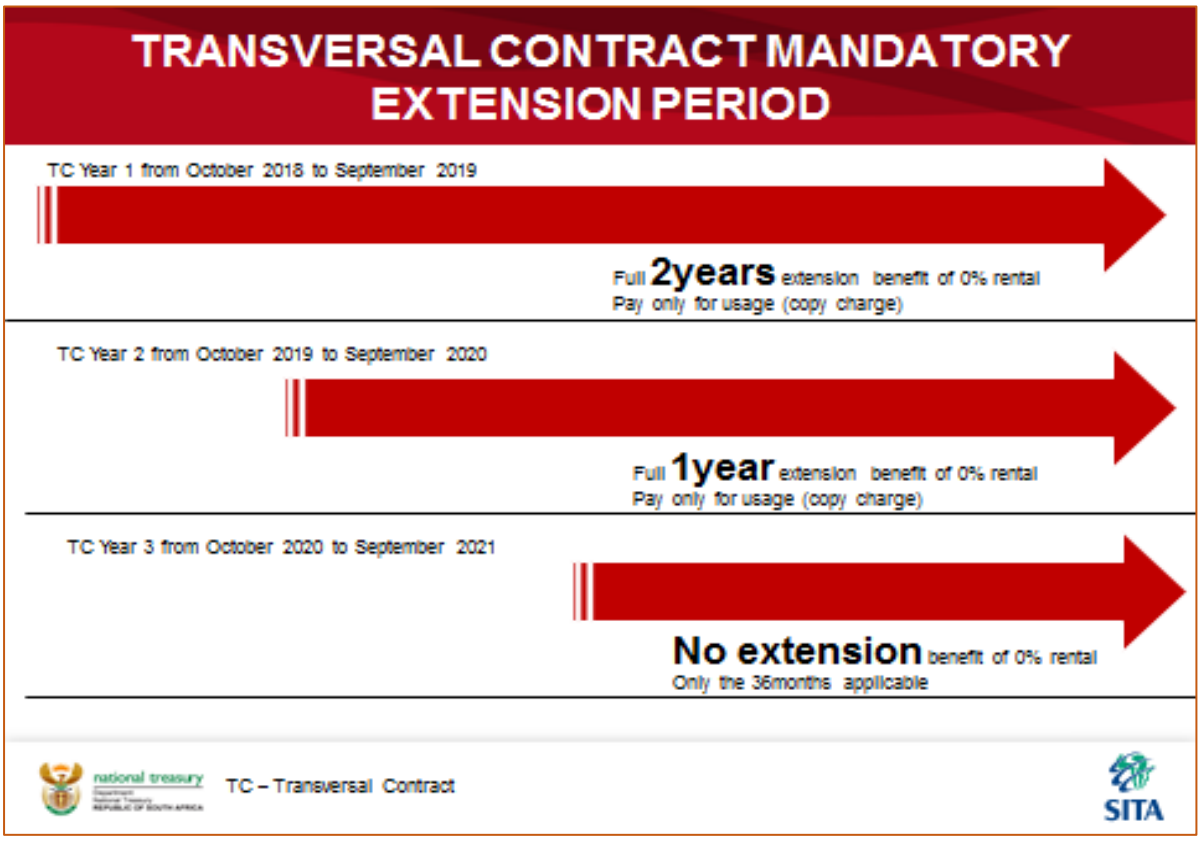
5.9.1 It is up to the State Institution to decide which unit or division is to manage the office automation solutions contracts (Participation Agreements with Schedules) including change management. Traditionally this function resides effortlessly with Information Technology.

5.9.2 The relevant internal unit or division within the State Institution will drive change management in line with its adopted printing policy.

5.10 Quarterly Reporting by State Institutions

As part of contract management and supplier performance management, State institutions are required to submit quarterly reports on the performance of the Service Provider. The reporting will assist in addressing any transversal contract performance issues that might arise during the implementation of the transversal contract.

6. Transversal Contract duration



6.3 The transversal contract period is for thirty-six (36) months commencing on 01 October 2018 to 30 September 2021 with a **MANDATORY** extension period for State Institutions of twenty-four (24) months at a **zero percent (0%) rental**. Only the cost per copy (usage) will be charged inclusive of support and maintenance by appointed Service Providers during the extension period. This means the rental price of the office automation solution shall be **reduced by one-hundred percent (100%) of the original rental price** during the extended period.

Below is a guide on how the extension period of twenty-four (24) months will be effected:

6.4 All Schedules to Participation Agreements emanating from the RT3-2018 transversal contract ***should*** never go beyond the extended twenty-four (24) months period with an exception of Schedules that will commence from September 2021 as they will end in 2024.

6.5 All Schedules to Participation Agreements commencing on the ***first year*** of the transversal contract (i.e. 1 Oct 2018 to 30 September 2019) irrespective of the starting month within the first year, the extended 0% rental Schedule period will be up to 30 September 2023. This means the participants will enjoy a **twenty-four (24) months 0% rental or proportionately** as per the starting month of the Schedule to the Participation Agreement.

6.6 All Schedules to Participation Agreements commencing on the ***second year*** of the transversal contract (i.e. 1 Oct 2019 to 30 September 2020) irrespective of the starting month within the second year, the extended 0% rental Schedule period will still be up to 30

September 2023. This means the participants will enjoy a **twelve (12) months 0% rental or proportionately** as per the starting month of the Schedule to the Participation Agreement.

6.7 All Schedules to the Participation Agreement commencing on the ***third year*** of the transversal contract (i.e. 1 Oct 2020 to 30 September 2021) irrespective of the starting month within the third year will only be for the initial thirty-six (36) months period. This means the participants **will not enjoy the 0% rental or proportion** thereof. There will be no extension period for Schedules to the Participation Agreement commencing on the third (final) year of the transversal contract.

6.8 The Service Provider must notify the State institution in writing or system generated notification sixty (60) days prior to the expiry of the first thirty-six (36) months rental period. Upon expiry of the initial thirty-six (36) months contract, the State institution will extend the rental Schedule for an additional (24) months or proportionate at 0% rental and copy per copy (usage) charges in accordance with 6.3 to 6.5 above and the Practice note 5 of 2006 issued by the Accountant General.

6.9 The office automation solution can be leased at any stage within the transversal contract period for an initial period of thirty-six (36) months commencing on the day the solution equipment is delivered, installed and commissioned to the State institution. If the rental is commencing during the first and second year of the transversal contract, there is a mandatory extension period as detailed on 6.3 to 6.7 above. For shredders, the outright purchase can be at any time during the transversal contract period and the maintenance of the shredders is up to the end of the transversal contract expiry.

7. Call Logging

The transversal contract requirement to the Service Providers is that they will provide online management and support for the printing environment. It is thus not required for State institutions to log calls for faults and reports, since the Service Provider will be able to pick up any faults themselves and the State institutions can draw their own reports from the system.

The following are exceptional occurrences when State institutions will be required to log calls:

- Copy quality issues;
- No Internet for automatic monitoring; and
- If equipment is off and the reason for the downtime is unknown.

ORIGINAL DATE OF ISSUE	**:**	**01 NOVEMBER 2018**
REVISION 1	**:**	**06 NOVEMBER 2018**
REVISION 2	**:**	**10 DECEMBER 2018**
REVISION 3	**:**	**07 JANUARY 2019**
REVISION 4	**:**	**09 APRIL 2019**
REVISION 5	**:**	**28 APRIL 2019**
REVISION 6	**:**	**14 MAY 2019**
REVISION 7	**:**	**20 SEPTEMBER 2019**
REVISION 8	**:**	**14 NOVEMBER 2019**
REVISION 9	**:**	**10 APRIL 2020**
REVISION 10	**:**	**27 APRIL 2020**

END