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TERMS OF REFERENCE

**APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF PROJECT MANAGEMENT UNIT
FUNCTION INCLUDING PRODUCTION ACCOUNTING SERVICES FOR THE KWAZULU-NATAL FILM
COMMISSION FILM FUND**

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BACKGROUND INFORMATION

The KZN Film Commission seeks Service Providers to assist in administering the KZNFC Film Fund

1.1. Abbreviation, Acronyms and Definitions

TOR	Terms of Reference
KZNFC	KwaZulu-Natal Film Commission
KZN	Province of KwaZulu-Natal
SP	Service Provider
SCM	Supply Chain Management
CEO	Chief Executive Officer
CFO	Chief Financial Officer
PFMA	Public Finance Management Act, 1999 (Act No 29 of 1999) as amended
SLA	Service Level Agreement

1.2. Introduction

The KwaZulu-Natal Film Commission (KZNFC) is a provincial state entity, under the Department of Economic Development, Tourism and Environmental Affairs (EDTEA), in the Province of KwaZulu-Natal South Africa established in terms of the KwaZulu-Natal Commission Act, 2010 (Act No 3 of 2010).. The KZNFC has been established to promote the film industry in the province, and has as part of its objectives:

- To promote and market the province as a global destination for film production;
- To develop, promote and market, locally and internationally, the film industry in the province;
- To facilitate investment in the film industry in the province;
- To provide and encourage the provision of opportunities for persons, especially from disadvantaged communities, to enter and participate in the film industry in the province;
- To address historical imbalances in the infrastructure and in the distribution of skills and resources in the film industry in the province; and
- To contribute to an enabling environment for job creation in the film industry in the province.



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1.3. Project purpose

The KZNFC wishes to appoint a suitable service provider to provide Project Management Unit function including production accounting services and administering of projects within the KZNFC film fund. The KZNFC film fund has grown in magnitude over the years and the management of projects is currently managed inhouse following PFMA guidelines and procedures. The film fund is funding 128 active projects with a total value of R46 582 964,95

Purpose of the Terms of Reference

The Terms of Reference (TOR) would serve to guide the process of selecting and appointing a suitably qualified company by ensuring a match between KZNFC's requirements and the knowledge and experience of the service provider.

These TORs and the service provider's proposal will form the basis of the service level agreement to be entered into between the parties.

- Background to the project KZNFC facilitates support throughout the value chain to local and international film industry stakeholders.
- KZNFC needs to appoint an experienced company to assist in administering the film fund budget by finalising cost reports conducted by the film commission and approved internally and ensuring correct allocation of payments to projects.
- KZNFC is a small to medium sized government entity that attracts local and international film investors.

2. SCOPE OF WORK AND DELIVERABLES

2.1. Scope of work

The successful service provider will be expected to provide project management unit function inclusive of production accounting services to the KZNFC Film fund. Cost reporting for KZNFC funded projects is conducted internally. The service provider will be expected to conclude the process of production accounting to the projects, ensure projects are paid according to project milestones, ensure that KZNFC processes as determined by the PFMA and treasury guidelines are observed and implemented.

2.2. Deliverables

The following outputs/deliverables will be expected for the duration of the project contract period:

- a) Maintain a database of all approved projects with supporting documentation
- b) Allocation of funding to KZNFC projects with approved cost reports and creative milestone met on a monthly basis.



- c) Ensure the payment to KZNFC funded projects as per the project milestones and the approval of cost reports and creative elements of a project on a monthly basis.
- d) Verify milestones achievement by projects and maintain supporting documentation
- e) Assist KZNFC funded projects that experience challenges with cost reports and ensure that cost reports are concluded and approved in line with KZNFC processes as determined by the PFMA and treasury guidelines, as and when there is a need for assistance.
- f) Provide monthly financial reconciliation reports per project (Expenditure, Commitments and Cashflow).
- g) Disclose of any conflict of interest in any project submitted to the service provider for assistance.
- h) Monitor project milestones and ensure prompt payment to projects..
- i) Ensure projects comply with conditions and deliverables as per signed SLAs

The following expertise is required from the service provider:

- Production Accounting and project management skills.

3. REPORTING

- For contracts management, performance monitoring and relationship management, the service provider will be accountable to the **Production Accountant: M.E Ncube**



4. QUOTATION REQUIREMENT

4.1. Project Proposal

Bidders will be required to submit a **SEPARATE technical** and **financial** proposal. A compulsory briefing will be held.

4.1.1. Technical proposal

- The technical proposal should comprise of the complete project plan

4.1.2. Financial proposal

- The financial offer must contain a monthly retainer fee and total fee for the duration of the period
- All costs should be inclusive of VAT and conditional and/or unconditional discounts where applicable.

5. EVALUATION CRITERIA

The bid for the appointment of each service provider will be evaluated on pre-qualification, Mandatory Requirement, functionality and price and preference points.

Pre-qualification criteria

- B-BBEE Status level 1 or 2, an EME or QSE

Mandatory Requirements (*disqualifying requirement*)

- The service provider must be a certified Accounting firm (Provide Certificate)

Functionality

- Bidders that score less than 70% of the points for functionality will not be considered for further evaluation process.

Price and Preference Points

- 80/20 preference points system will be applicable for the evaluation of this tender

6. NON-APPOINTMENT

The KZNFC reserves its rights to either NOT to make an appointment and/or appoint the bidder with the lowest price. The KZNFC also reserves its right to negotiate the final price of those bids deemed technical compliant.



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7. FUNCTIONALITY: EVALUTATION GRID

PROJECT NAME PROVISION OF PROJECT MANAGEMENT UNIT FUNCTION INCLUDING PRODUCTION ACCOUNTING SERVICES FOR THE KWAZULU-NATAL FILM COMMISSION FILM FUND			
CRITERIA	SCORING GUIDE	WEIGHT	MAX POINTS
Company Profile	Detailed Company Profile = 10		10
3 Written reference (contactable references from previous contracts) in a form of letters of company/entity's experience in Production Accounting services and Project Management	10 = 3 letters dated between 2017-present 15 = 2 letters dated between 2017-preent 5 = 1 letters dated between 2017- present		10
Relevant Team experience Accounting and/or production accounting. (attach CV's)	10 = 2 - 5 years' experience 15 = 5 or above years' experience		15
Company's Experience (attach relevant Portfolio of Evidence with previous work done on in accounting or production accounting and Project Management	15 = 10 accounting/production accounting projects concluded. 10 = 5 accounting/production accounting projects concluded 5 = less than 5 accounting/production accounting projects concluded		15
A detailed project plan/Implementation	10 = Detailed Project Plan with time lines and deliverables.		10



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plan, with timelines and deliverables	0= No Detailed Plan		
Total			60