



MALUTI TVET COLLEGE

FINANCIAL SERVICES

SPECIFICATION / TERMS OF REFERENCE

BANKING AND INVESTMENT SERVICES

PURPOSE OF THIS DOCUMENT

This Specification / Terms of Reference sets out the minimum requirements, scope of services, compliance obligations, and evaluation criteria for the appointment of a banking institution to provide Banking and Investment Services to Maluti TVET College (MTVET). The document must be read together with the relevant Standard Bidding Documents (SBDs) and applicable legislation.

1. BACKGROUND AND INSTITUTIONAL CONTEXT

Maluti Technical Vocational Education and Training College (MTVET) is a public TVET college established on September 1, 2002. It was formed when the Free State Member of the Executive Council (MEC) for Education merged former educational institutions into a single entity:

- Former Colleges of Education: Bonamelo and Sefikeng
- Former Technical Colleges: Itemoheleng, Bethlehem, Kwetlisong, and Lere la Tshepe
- The college operates under the auspices of the Department of Higher Education and Training (DHET) and is governed by the Continuing Education and Training (CET) Act No. 16 of 2006 (as amended). It is accredited by Umalusi and holds accreditation with multiple Sector Education and Training Authorities (SETAs).

Campus	Town / Location
Bethlehem Campus	Bethlehem
Bonamelo Campus	Phuthaditjhaba
Harrismith Campus	Harrismith
Itemoheleng Campus	Phuthaditjhaba
Kwetlisong Campus	Riverside
Main Campus	Phuthaditjhaba
Lere la Tshepe Campus	Tseki Village
Sefikeng Campus	Rosedale

Governance Structure

A College Council governs Maluti TVET. The governance structures include:

- College Council — strategic oversight, policy approval, and financial governance
- Finance Committee, Audit and Risk Committee— financial oversight, Risk Management, procurement, and audit action plans
- Planning & Resource Committee — enrolment planning, academic oversight, and resource allocation
- Academic Board — curriculum, teaching and learning quality, and examination oversight
- To discharge its governance and fiduciary obligations, the College is required to maintain an effective Enterprise-Wide Risk Management (ERM) system.

Under Section 25 (c) of the CET Act, the College's internal control system, including its risk management framework, must not be inferior to the minimum standards prescribed by the PFMA.

The PFMA sets the benchmark; the Continuing Education and Training (CET) Act 16 of 2006 (formerly the Further Education and Training Colleges Act) (CET Act) is the empowering legislation. The College's Council, through the Audit and Risk Committee (ARC), bears ultimate responsibility for ensuring that risks that threaten the achievement of the College's strategic objectives are identified, assessed, treated, and monitored.

2. OBJECTIVE OF THE BID

The College invites bids from registered banking institutions to provide comprehensive Banking and Investment Services. The appointed service provider must:

- Provide transactional banking facilities adequate to the College's operational scale;
- Offer competitive investment products for the management of surplus public funds in compliance with PFMA s51;
- Maintain a robust and secure digital banking platform compatible with the College's financial management systems (Pastel/SAGE);
- Ensure campus-level banking accessibility across all MTVET campuses;
- Maintain compliance with all applicable financial sector legislation, including the Banks Act and FSCA regulations.

3. SCOPE OF BANKING AND INVESTMENT SERVICES

The following table defines the service categories and corresponding minimum requirements for this engagement:

	Service Category	Requirements
1	Transactional Banking	Current/cheque accounts for operational funds; electronic payments (EFT, RTGS); salary payments; petty cash accounts per campus
2	Investment / Call Accounts	Short-term call accounts; 32/64-day notice deposits; competitive interest rates on idle funds; PFMA s7 compliance
3	Cash Management	Cash collection services; campus cash deposit facilities; coin and note handling; daily sweeping to the master account
4	Foreign Currency Services	International payments; forex conversion; travel allowances for staff development (if applicable)
5	Merchant / Card Services	Point-of-sale devices at campuses, student fee card payments, and reconciliation reports. The service provider must be able to implement internal controls that will enable the college to identify the source of all deposits.
6	Digital & Online Banking	Multi-user internet banking; dual authorisation capability; ERP/PASTEL integration; API access for auto-reconciliation
7	Reporting & Statements	Daily transaction reports; monthly bank statements; audit-ready reports; custom report generation
8	Dedicated Relationship Support	Assigned relationship manager; 24-hour escalation line; quarterly service review meetings

Preferred Qualifications

- Experience with TVET colleges or other Schedule 3A/3B public entities;
- Demonstrated capacity to integrate with Pastel Evolution / SAGE accounting platforms;
- Established branch or ATM network within the MTVET catchment area (Qwa-Qwa / Phuthaditjhaba / Bethlehem);
- ISO 27001 certification or equivalent for information security management.

4. LEGISLATIVE AND COMPLIANCE FRAMEWORK

All bidders and the appointed service provider must comply with the following legislation and regulatory frameworks:

Legislation / Framework	Compliance Requirement
CET Act, 2006 (Act 16 of 2006) – s25	Primary governing legislation for TVET college procurement; the internal control system must meet PFMA standards as a minimum
Public Finance Management Act, 1999 (PFMA)	Section 38: safeguarding of assets; Section 51: investment of surplus funds; Section 7: designation of bank accounts
Treasury Regulations 15 & 31	Bank account designation; investment of public money; approval requirements
Preferential Procurement Policy Framework Act (PPPFA), 2000 & Regulations 2017	80/20 or 90/10 preference point system; BBBEE compliance verification
Banks Act, 1990 & Financial Sector Regulation Act, 2017	Service provider must hold a valid banking licence issued by SARB and an FSCA registration.
Financial Intelligence Centre Act (FICA), 2001	KYC/AML compliance; reporting obligations
Protection of Personal Information Act (POPIA), 2013	Data protection; student and staff financial data confidentiality
Electronic Communications and Transactions Act (ECTA), 2002	Electronic banking and digital transaction validity

5. SERVICE LEVEL AGREEMENTS (SLA)

The appointed service provider must commit to the following minimum service levels, to be incorporated into the formal SLA signed upon contract award:

5.1 System Availability

- Online banking platform uptime: minimum 99.5% per calendar month;
- Planned maintenance windows must be communicated at least 72 hours in advance;
- Emergency maintenance: maximum 4-hour window with immediate notification to the College.

5.2 Transaction Processing

- Same-day processing of EFT payments submitted before 15:00;
- Urgent payment processing within 2 hours of instruction;
- Failed payment notifications within 30 minutes of rejection.

5.3 Reporting

- Daily electronic transaction reports by 08:00 on the following business day;
- Monthly bank statements by the 3rd business day of the following month;

- Audit reports and confirmations within 5 business days of request.

5.4 Escalation and Support

- Dedicated relationship manager assigned within 14 days of contract commencement;
- Escalation response: critical issues within 1 hour; operational issues within 4 hours;
- Quarterly service review meetings at MTVET Head Office.

6. GENERAL CONDITIONS

- The College reserves the right to accept or reject any bid, or to cancel the bidding process at any stage, without incurring any liability.
- The College is not obligated to accept the lowest price bid and will evaluate all bids holistically against the criteria set out in Section 6.
- Canvassing of College officials or members of the Bid Evaluation Committee (BEC/BAC) will result in immediate disqualification.
- All information submitted with the bid will be treated as confidential and used only for evaluation purposes.
- The successful bidder will be required to sign a formal Service Level Agreement and a Memorandum of Understanding (MOU) within 30 days of notification of award.

7. CONTRACT PERIOD AND PRICING

Contract Duration	3 (three) years, commencing from the date of appointment
Renewal Option	Optional renewal for 2 further years, subject to satisfactory performance and mutual agreement
Pricing Basis	All fees, charges, and interest rates must be submitted on the official pricing schedule
Fee Structure	Monthly service fees, transaction charges, investment rates, and ad hoc charges — all inclusive of VAT
Currency	South African Rand (ZAR)
Price Escalation	Annual escalation not to exceed CPIX as published by Stats SA, effective 12 months after commencement