

# Terms of Reference (ToR) - Payroll Software

## Section-1: Background

SNV Dutch Development Organization is a Non-Governmental Organisation that implement its programmes in Agriculture, Water and Energy. SNV Mozambique currently employs 84 staff members and requires reducing its payroll risks by doing away with a local server and run its payroll on a secure cloud which gives more data integrity and accessibility. The current payroll system is run on the server including backup with periodic maintenance costs and emergency risks such as power outages. We are looking for a payroll software which can guarantee the efficient and effective processing of salaries on the cloud for more than 100 employees.

## Section-2: Objective of the assignment

- Implement a software solution for payroll processing on the cloud.
- To have payroll processing that runs on the cloud as smoothly as possible, more accurately, and with less likelihood of errors.
- Implement a software solution on the cloud that ensures compliance with legislation, centralize information on each employee, and quickly issue pay slips and files associated with fulfilling tax obligations.
- Reduce the administrative work time spent on payroll processing and accounting for variables such as overtime or vacation (as well as allowing you to filter past receipts, correct errors, or validate exceptional situations). The number of hours invested in this task can be too great a burden for the organisation.
- Reduce the risks and maintenance costs associated with running the payroll software on the external server such as maintenance of the server, power outages, data integrity etc.
- Run a payroll system that can produce user friendly reports that can easily be customised to our requirements.
- Training of 4 users to the software and Installation of the software on the cloud and 4 computers
- The software should include some of the following features:
  - The system must ensure full compliance with Mozambican labour, tax, and social security legislation;
  - Automatic updates must be provided whenever statutory requirements change;
  - The system must maintain historical records of legal parameters applied per payroll period;
  - The system must allow configuration by branch, province, or legal entity where required;
  - The system must maintain a full audit trail of all transactions and changes;
  - Sensitive payroll data must be encrypted at rest and in transit;
  - Multi-factor authentication must be supported;
  - The system must perform automatic daily/weekly/monthly backups;
  - The physical location of servers must be disclosed;
  - The system must allow bulk import of employee data;
  - The system must support export in multiple formats (Excel, CSV, PDF, etc.);
  - The system must maintain full employee payroll history;
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  - Payroll system and salaries calculation in local currencies. The system must support multi-currency processing where applicable;
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  - The system must handle retroactive adjustments and corrections;
  - Allowances reports – Earning and bonuses.
  - Taxes calculation – Accuracy according to Moz respective legislation
  - Social security calculation - Accuracy according to country obligation
  - Generating pay slips
  - link with bank details and platforms
  - Extraction of different reports (Excel and pdf)
  - Link with beneficiaries for tax and medical aid calculations
  - Link with contract expiry dates

- Leave balance reports.
- Severance payment calculation
- Local or regional support availability must be specified;
- All organizational data must remain the exclusive property of the client;
- The provider must guarantee full data export capability upon contract termination;
- The provider must sign a strict confidentiality and data protection agreement;
- Legal/statutory system updates must be included without additional cost;
- The system must have the flexibility to be configured and customized in accordance with specific organizational policies and rules, particularly regarding the management, calculation, and application of employee benefits;
- The vendor must demonstrate the system’s capacity to accommodate tailored benefit structures, eligibility rules, approval workflows, and organization-specific configurations without requiring major system redevelopment;
- The system interface must be available in Portuguese or provide a fully functional Portuguese language option. All menus, fields, reports, and user-facing components should be accurately translated to ensure usability for Portuguese-speaking users.

**Section-3: Expected services/ activities**

- Data migration from the existing system must be included; Installation of the new payroll software on 4 computers
- Train 4 participants on the payroll software
- Complete the project on the payroll software within three months including the test run.
- Submit a proposal and plan of activities and timelines for the implementation of the payroll software.
- The provider must supply both technical and user manuals.

**Section-4: Deliverables**

- Submission of Technical Proposal, Financial Proposal and Administrative Documentation for a new software package for processing of salaries with clear timelines
- Training of 4 users to the software
- Installation of the software on the cloud and 4 computers
- The vendor must demonstrate proven experience supporting payroll operations compliant with Mozambican legislation.
- Evidence of active clients operating in Mozambique must be provided.

**Section-5: Required qualifications and eligibility (Pass/Fail- Mandatory)**

Bidders must be an organization or firm legally registered and certified to provide Payroll Software Services in Mozambique by submitting the documents listed below. To be considered, the candidate must have at least 3 years of proven experience on the market.

Any bidder failing one of these is disqualified before technical evaluation.

#	Eligibility Requirement	Required supporting document	Evaluation method
1	Legal registration of the company	Certificate of Incorporation / Business Registration	Pass/Fail
2	Valid Tax Registration	Tax Registration Certificate (NUIT / TIN)	Pass/Fail
3	Tax compliance	Valid Tax Clearance Certificate	Pass/Fail
4	Social Security compliance	Social Security Clearance Certificate	Pass/Fail
5	No conflict-of-interest declaration	Signed Declaration Form	Pass/Fail
6	No bankruptcy / insolvency	Self-declaration signed by authorized representative	Pass/Fail
7	Authorization to provide payroll software (if reseller)	Manufacturer Authorization Letter	Pass/Fail
8	Minimum 3 years of experience in payroll systems	Company profile + registration date	Pass/Fail

		(webpage link to be provided as well)	
9	At least 3 similar contracts completed	Reference letters / contracts copies	Pass/Fail

- Customer satisfaction
  - Market positioning based on a quick survey from the relevant references provided including other references SNV may consult.
  - Quarterly engagement/evaluation meetings with staff coordinated by the HR department.
  - Consultations with the Country Council
  - Consultations from the HR NGO forum/Recommendations from other organisations.
- Budget availability

Beyond to the above eligibility information the **Technical** and **Financial** proposal must contain the following:

#### Technical Proposal Documents

- Detailed technical proposal
- System architecture diagram
- Demo access or presentation
- Implementation plan
- SLA document
- Data protection policy

#### Financial Proposal Documents

- Detailed price breakdown (licenses, setup, training, support)
- Cost per employee (if SaaS model)
- Annual maintenance fees
- VAT clearly indicated

By submitting an offer in response to this request, the offeror certifies that it and its principal officers are not debarred, suspended, or otherwise considered ineligible for an award by the Mozambican Government. SNV will not award a contract to any firm that is debarred, suspended, or considered to be ineligible by the SNV or its Donors.

#### Section-6: Evaluation and award criteria

The award will be made to a responsible offeror whose offer is the most responsive to the tender, meets the eligibility requirements, and meets or exceeds the minimum required technical specifications, and is judged to be the best value based on a lowest-price, technically acceptable basis.

An evaluation committee will be designated to review each proposal. SNV will be the sole judge of the proposals submitted under this tender. SNV reserves the right to accept or reject any or all offers, and to cancel the tender process and reject any or all offers for any reason at any time prior to award of the Service Agreement, without thereby incurring any liability to the affected bidder or bidders. During the evaluation, the bidder may be requested to supply additional information in writing concerning content and/or to clarify points in their responses.

The bidder shall bear all costs associated with the preparation and submission of its bid, and SNV will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the tendering process.

Please note that if there are significant deficiencies regarding responsiveness to the requirements of this tender, an offer may be deemed “non-responsive” and thereby disqualified from consideration. SNV reserves the right to waive immaterial deficiencies at its discretion.

Best-offer proposals are requested. It is anticipated that award will be made solely on the basis of these original proposals. However, SNV reserves the right to conduct any of the following:

- SNV may conduct negotiations with and/or request clarifications from any offeror prior to award.
- While preference will be given to offerors who can address the full technical requirements of this tender.
- SNV may cancel this tender at any time.
- SNV may reject any and all offers, if such action is considered to be in the best interest of SNV.

All complete proposals will be evaluated by SNV personnel according to the following criteria:

The evaluation of the contract will be based on the following.

- Best price vs quality
- Market position – recommendations from the market
- System features, User friendly and employee self service capability

### Technical Evaluation Matrix (Technical Weight: 70 Points)

Only bidders who pass eligibility proceed to technical scoring.

#### Minimum Technical Threshold: 50/70 to pass for financial evaluation

#	Technical Criteria	Scoring Method	Max Points
1	Functional Compliance with Payroll Requirements	Full compliance = 25; Partial = proportional (Automatic PAYE calculation=5; INSS calculation=5; Leave accrual automation=5; Payslip generation=5; Payroll reporting=5)	25
2	Compliance with Mozambique Labour & Tax Legislation	Fully automated statutory compliance = 15	15
3	System Features & Modules	Leave mgmt, overtime, tax calc, reports, multi-currency	10
4	Data Security & Backup	Encryption, role access, cloud/on-premise options	5
5	Integration Capability	Integration with accounting/ERP systems	5
6	Implementation Plan & Timeline	Clear methodology & realistic timeline	5
7	Training & Capacity Building	Quality and duration of training plan	3
8	After-Sales Support & SLA (service Level agreement)	Response time, local support availability	2

#### Financial Evaluation =30%

Only bidders meeting the minimum (50%) technical threshold proceed.

#### Financial Weight: 30 Points

Lowest price gets full 30 points.

**Formula:**  $Financial\ Score = (LowestPrice/BidderPrice) \times 30$

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Contract is awarded to the **highest combined score**, provided all compliance requirements are met.

### Section-7: Anticipated period of performance

The anticipated period of performance for this scope is approximately 12 months, commencing from the day of contract signing with possibility of renewal for further equal period, depending on the Project needs, funds availability and satisfactory performance.

#### **Section-8: Price Offer**

The per-unit pricing in proposals in response to this request must be priced on a fixed-price, all-inclusive basis, including delivery, taxes, duties, VAT, and all other costs. Pricing must be presented in Mozambique Meticaís. Offers must remain valid for not less than ninety (90) calendar days after the offer deadline. Offerors are requested to provide proposals on official letterhead or format

#### **Section-9: Reporting line**

- The service provider reports to the Country Human Resource Manager who shall approve and supervise the scope of the work.
- The Human Resource department shall be responsible for checking that the deliverables are in line with the quality required by SNV.

#### **Section-10: Payment terms**

As part of the proposal the service provider shall include the percentages or amounts to be paid. The service provider shall indicate when such payments could be made, with consideration given to if the payments will be time-based, deliverables-based or a combination of both. Consider:

- Deliverables must be completed in order for payment to be released.
- Advance or upfront payments shall not be accepted.

#### **Section-11: Level of effort & timeframe**

**Level of effort** - The service provider shall agree the number of days that are required per each activity to complete the work and will be working closely with the HR department.

**Timeframe** - The work including test should be completed within three months.

#### **Section-12: Key compliance issues**

- The service provider should always comply with the government of Mozambique regulations pertaining to the relevant services and any other confidentiality regulations, including all legal requirements in the configuration of the payroll system such as tax obligations and regular reports.
- The service provider will adhere to the following SNV's policies regarding:
  - Safeguarding
  - Code of Conduct
  - Fraud, Bribery and Corruption

#### **Section-13: Proposals Submission and Deadline**

All proposals must be submitted no later than **2026 March 15<sup>th</sup> 11h59PM** Maputo time, through e-mail: [mozbid@snv.org](mailto:mozbid@snv.org) ; e-mail Subject: **'Tender-2/OPSNV/2026-SNV- Payroll Software Service Provider'**.

All necessary questions and clarifications can be submitted to the address mentioned in section 13, and will be answered within 24h00 of submission.

Only proposals that meet the minimum requirements, according to the Terms of Reference, will be accepted, and only pre-selected candidates will be contacted at each stage of the proposal's evaluation.

Full feedback will be provided only to shortlisted bidders, who may be invited for an interview during the proposal evaluation stage.