Procurement of Goods
Under
National Shopping Procedures

Invitation of Quotations

For

Digital Transformation of Payroll Services Management of SriLankan Airlines

Contract No: RFP-Q/PL/199/24

SriLankan Airlines

NPA/SBD/GOODS/01

SECTION I. INSTRUCTIONS TO VENDORS (ITV)

A: General	
1. Scope of Bid	1.1. SriLankan Airlines invites you to submit a quotation as specified in Section III Schedule of Requirements. Upon receipt of this invitation, you are requested to acknowledge the receipt of this invitation and your intention to submit a quotation. The Purchaser may not consider you for inviting quotations in the future, if you fail to acknowledge the receipt of this invitation or not submit a quotation after expressing the intention as above.
B: Contents of Documents	
2. Contents of Documents	2.1. The documents consist of the Sections indicated below. • Section I. Instructions to Vendors (ITV) • Section II. Data Sheet • Section III. Schedule of Requirements • Section IV. Technical Specifications & Compliance with Specifications • Section V. Quotation Submission Form(s)
C: Preparation of Quotation	
3. Documents Comprising your Quotation	3.1. The Quotation shall comprise the following: a) Quotation Submission Form and the Price Schedules. b) Technical Specifications & Compliance with Specifications c) A list of current clientele for the product proposed
4. Quotation Submission Form and Price Schedules	4.1. The vendor shall submit the Quotation Submission Form using the form furnished Section V. This form must be completed without any alterations to its format, and no subtitles shall be accepted. All blank spaces shall be filled in with the information requested. 4.2. Alternative offers shall not be considered. The vendors are advised not to quote different options for the same item but furnish the most competitive among the options available to the bidder.

5. Prices and Discounts	5.1. Unless specifically stated in Data Sheet, all items must be priced separately in the Price Schedules. 5.2. The Price to be quoted in the Quotation Submission Form shall be the total price of the Quotation, including any discounts offered. 5.3. The applicable VAT, NBT & any other taxes shall be indicated separately. (Applicable only to quotations submitted in Sri Lanka Rupees –LKR) 5.4. Prices quoted by the vendor shall be fixed during the vendor's performance of the Contract and not subject to variation on any account. A Quotation submitted with an adjustable price shall be treated as non-responsive and may be rejected.
6. Currency	6.1. The vendors shall quote in quote in local currency for delivered price & foreign currency for FCA.
7. Documents to Establish the Conformity of the Goods	7.1. The vendor shall furnish as part of its quotation the documentary evidence that the Goods conform to the technical specifications and standards specified in Section IV, "Technical Specifications & Compliance with Specifications". 7.2. The documentary evidence may be in the form of literature, drawings or data, and shall consist of a detailed item by item description of the essential technical and performance characteristics of the Goods, demonstrating substantial responsiveness of the Goods to the technical specifications, and if applicable, a statement of deviations and exceptions to the provisions of the Technical Specifications given. 7.3. If stated in the Data Sheet, the vendor shall submit a certificate from the manufacturer to demonstrate that it has been duly authorized by the manufacturer or producer of the Goods to supply these Goods in Sri Lanka.
8. Period of Validity of quotation	8.1. Quotations shall remain valid for the period of Ninety (90) days after the quotation submission deadline date.
9. Format and Signing of Quotation	9.1. The quotation shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the vendor.
**D: Submission and Opening of Quotation**
10. Submission of Quotation	10.1. Vendors may submit their quotations only to the following secure E-mail address **Itproctend@srilankan.com** bearing the specific identification of the contract number & item description. Upon successful submission of bid, vendor will receive an auto generated acknowledgement E-mail certifying the proper delivery of the bid. If the acknowledgement E-mail is not received, please contact the purchaser (Refer Clause 1.1 in Section II) 10.2. The quotation should not be copied to any staff at SriLankan Airlines under any circumstance.

11. Deadline for Submission of Quotation	11.1. Quotation must be received by the Purchaser at the E-mail address set out in Section II, "Data Sheet", and no later than the date and time as specified in the Data Sheet.
12. Late Quotation	12.1. The Purchaser shall reject any quotation that arrives after the deadline for submission of quotations, in accordance with ITV Clause 11.1 above.
13. Opening of Quotations	13.1. The quotation will be opened by SriLankan Airlines. 13.2. A representative from financial division will open & certify the quotations received by the deadline given in section II.
E: Evaluation and Comparison of Quotation	
14. Clarifications	14.1. To assist in the examination, evaluation and comparison of the quotations, the Purchaser may, at its discretion, ask any vendor for a clarification of its quotation. Any clarification submitted by a vendor in respect to its quotation which is not in response to a request by the Purchaser shall not be considered. 14.2. The Purchaser's request for clarification and the response shall be in writing.
15. Responsiveness of Quotations	15.1. The Purchaser will determine the responsiveness of the quotation to the document based on the contents of the quotation received. 15.2. If a quotation is evaluated as not substantially responsive to the documents issued, it may be rejected by the Purchaser.

16. Evaluation of quotation	16.1. The Purchaser shall evaluate each quotation that has been determined, to be substantially responsive.
	
	16.2. To evaluate a quotation, the Purchaser may consider the following:
	  a) the Price as quoted.
	  b) price adjustment for correction of arithmetical errors.
	  c) Price adjustment due to discounts offered.
	
	16.3. The Purchaser's evaluation of a quotation may require the consideration of other factors, in addition to the Price quoted if stated in Section II, Data Sheet. These factors may be related to the characteristics, performance, and terms and conditions of purchase of the Goods.

17. Purchaser's Right to Accept any Quotation, and to Reject any or all Quotations	17.1. The Purchaser reserves the right to accept or reject any quotation, and to annul the process and reject all quotations at any time prior to acceptance, without thereby incurring any liability to bidders.

	F: Award of Contact
18. Acceptance of the Quotation	18.1. The Purchaser will accept the quotation of the vendor whose offer has been determined to be the lowest evaluated bid and is substantially responsive to the documents issued.
19. Notification of acceptance	19.1. Prior to the expiration of the period of validity of quotation, the Purchaser will notify the successful vendor, in writing that its quotation has been accepted.

Section II: Data Sheet

ITV Clause Reference	

1.1	The Purchaser contact details.
	
	Mailing address: SriLankan Airlines Limited
	                  Commercial Procurement Department (IT)
	                  Airline Centre, Bandaranaike International Airport,
	                  Katunayake,
	                  Sri Lanka
	
	Telephone : +94 (0) 1 9733 2751
	
	Fax : +94 (0) 19733 5218
	
	E-mail : charith.d@srilankan.com

5.1	The bidder is not allowed to quote for less than the quantity specified
7.3	Manufacturer's Authorization is required
11.1	**Secured E-mail address for submission of quotations:** **Itproctend@srilankan.com** **Deadline for submission of quotations is before 1100 hours Sri Lankan time (GMT + 5:30 Time Zone) on 27th December 2024.**
13	The quotations shall be opened at the following address: Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka
16	Other factors that will be considered for evaluation are: • Compliance for all required specifications marked as Mandatory in section IV • Credit period provided

Section III: Schedule of Requirements

Digital Transformation of Payroll Services Management

Line Item	Description of Service	Period	Final Destination	Delivery Date	
				Delivery Period	**Bidder's manufacturing & delivery lead time** *(to be filled by the bidder)*
1	RFP for Digital Transformation of Payroll Services Management. *Full details are provided in Section IV: Technical Specification & Compliance.*		IT Department, SriLankan Airlines	As per Purchase Order/purchase release	

Technical Specification

1. INTRODUCTION

SriLankan Airlines, the national carrier of Sri Lanka, is undertaking a strategic initiative to modernize its internal operations, with a particular focus on enhancing the efficiency and effectiveness of its Payroll Services Management for employees and their dependents. Currently, the airline operates a hybrid payroll model, where only selected employment categories are managed externally through a third-party service provider, while the remaining categories are handled by the internal payroll department. This outdated system relies heavily on manual processes and paper-based workflows, necessitating an urgent overhaul.

To address these inefficiencies, SriLankan Airlines is inviting proposals from experienced vendors to design, implement, and support a cutting-edge digital Payroll Services Management platform. The goal is to fully digitize and streamline payroll processes, including key functions such as tax calculations, salary confirmations, and more. The proposed solution should not only accelerate processing times and alleviate administrative burdens but also improve accuracy, transparency, and overall user experience for employees and stakeholders.

2. PURPOSE

The purpose of this RFP is to invite qualified vendors to submit proposals for digitalization and management of the payroll process for the staff of SriLankan Airlines. The organization seeks a reliable partner to set up, process, and manage payroll for its employees, ensuring accurate and compliant payroll services.

Key objectives:

1. Streamline and automate the payroll process, reducing the time and effort required for both employees and administrative staff.

2. Minimize the Total Cost of Ownership (TCO) associated with the current manual processes and outdated systems in practice.

3. Enhance the user experience by providing a seamless, digital solution that simplifies the access to Payroll Services.

4. Ensure that the solution complies with relevant data protection regulations and industry standards.

5. Transition to a paperless process, reducing the environmental impact associated with paper-based workflows.

6. The selected solution shall, as required, integrate seamlessly with SriLankan Airlines' existing systems and infrastructure while providing scalability for future growth and adaptability to evolving business needs.

7. Payroll Management – Completeness, accuracy & timeliness of payroll-related transactions (including, but not limited to, onboarding of new employees/holding, final settlement computations, computation of arrears payments, no pay and overtime computations, journal entries, statutory compliance, error rectifications)

8. Staff loan process – Completeness, accuracy & timeliness of all transactions carried out for the staff loan process (execution of new staff loans, journal entries, normal & early retirement, balance confirmations, loan ledger maintenance, moratorium management)

9. Staff attendance and leave process – completeness, accuracy & timeliness of staff attendance and leave process, overtime computation, no pay processing, error rectification, and archiving.

10. Other compensation and benefits – Completeness, accuracy & timeliness of all other compensation and benefits-related transactions (including, but not limited to, special allowances, leave encashments, medical claims, critical illness claims, reimbursements)

11. Statutory Compliance – Completeness, accuracy, and timeliness of statutory compliance-related tasks (EPF, ETF, APIT, Stamp Duty, Gratuity Settlements & retentions, penalty settlement, compliance dashboard)

12. Medical Benefits – Completeness, accuracy & timeliness of all medical benefit-related tasks (staff recoveries, funds transfers to individual bank accounts)

13. HR Information Systems – Completeness, accuracy & timeliness of all HR information-related transactions (maintenance of transaction logs, backups/archiving of information, BCP arrangements, Change management).

3. SCOPE OF WORK

The scope of work of this RFP encompasses the following components:

3.1. Facilitate Employee Payroll Data Management

1. Facilitate a mechanism that allows for the entry of employee compensation details, including but not limited to basic salaries, fixed allowances, variable allowances, deductions, and any additional compensation items. Detail the process. Preferably a digital platform that allows intuitive interaction for the respective staff.

2. Facilitate a mechanism to support the uploading of third-party transactions, variable payments, and ad hoc (one-time) payments with seamless integration into the existing system. Preferably a digital platform that allows intuitive interaction for the respective staff.

3. HR shall have the facility to monitor and audit transaction modifications. Additionally, include tools for calculating and processing back wages as required.

4. Facilitate a mechanism that allows for the submission process for departmental transactions, covering overtime, shift allowances, holiday payments, and other relevant adjustments. Detail the process. Preferably a digital platform that allows intuitive interaction for the respective staff.

5. Facility to retrieve and integrate leave data from the Human Resources Information System, allowing accurate and real-time leave balance tracking and compensation adjustments, without manual intervention.

3.2. Monthly Payroll Processing:
1. Capture monthly transactions uploaded by HR department and process salaries.
2. Generate transaction logs, control reports, and salary slips.
3. Include monthly payroll adjustments, including new appointments, allowances, remuneration recoveries, third party transactions, and variable payments.
4. Handle statutory payments such as EPF, ETF, and tax deductions.
5. Process special payments like bonuses and incentives, as necessary.

3.3. Final Payment Process:
1. Calculate final payment including gratuity and process discharge receipts.
2. Issue necessary documentation required for EPF/ETF claim purpose.
3. Prepare the final settlement register monthly ensuring timeliness.

3.4. Setting Up New Payroll Business Process:
1. Create an employee master file and a loan master file.
2. Set up payroll parameters.
3. Capture fixed and variable salary transactions.
4. Salary processing and reconciliation with existing reports.
5. Conduct a parallel run to ensure a smooth transition.

3.5. Loan Processing:
1. Provide required documents for loan processing.
2. Handle monthly loan deduction processing for selected banks.

3.6. Bonus, Lump Sum, Advances, and Leave Payments Processing:
1. Capture and compute bonus transactions and recover any advances.
2. Apply relevant tax tables based on the type of payment.
3. Provide salary slips and detailed reports of ad-hoc payments to the company.

3.7. Additional Requirements:
1. Provide automated monthly and ad-hoc reports, including but not limited to cost center summaries, overtime and shift allowance breakdowns, and comprehensive payroll reports.

2. Facilitate tax filing processes and the issuance of T10 tax certificates in compliance with regulatory requirements.

3. Generate and distribute monthly salary slips/e-slips, along with verification letters for salary, tax, and loan balances as required.

4. Maintain and update staff loan ledgers with detailed monthly and annual records.

5. Provide monthly breakdown reports of payroll-related transactions for transparency and auditing purposes.

6. Interested Bidders are required to provide a solution to retaining current payroll data.

7. Interested bidders are required to retain all payroll data throughout its engagement with the company with no limitations.

8. Interested Bidders are required to integrate the proposed solution with the Enterprise Resource Planning (ERP) System for General Ledger posting for all payrolls.

9. Interested Bidders shall support SriLankan Airlines HR Department in addressing questions and issues related to payroll, including, but not limited to, discrepancies or tax withholding.

3.8. Paperless Processing
The proposed platform shall facilitate a fully digital, paperless process for Payroll Services Management. This includes eliminating the need for any manual computations and reducing reliance on physical documentation. The system should ensure that all records and documents are securely stored and easily accessible within the digital platform.

3.9. Efficient Backend Infrastructure
The solution must include a robust backend system capable of handling the volume processed by SriLankan Airlines.

3.10. Seamless Bank Integration
The proposed solution shall integrate with SriLankan Airlines' banking partners to facilitate direct transfers of approved payments to employees' bank accounts. This feature should eliminate the need for in-house SLIPS processing, thereby enhancing the overall user experience.

3.11. Ongoing Support and Maintenance
The bidder must provide comprehensive support and maintenance services post-implementation. This includes:
a) Regular system updates and patches.
b) 24/7 technical support for issue resolution.
c) Training for administrative staff and end-users.
d) Continuous monitoring and optimization to ensure peak performance.

3.12. Mobile and Web Apps for Staff to Access Payroll Services
The web and mobile applications should have an intuitive and easy-to-navigate interface, ensuring that employees can access payroll services without any technical difficulties. This shall include, not limited to;

1. The design should be responsive, adapting seamlessly to different devices and screen sizes, providing a consistent user experience across web and mobile platforms.
2. Employees should be able to view their payroll details, including salary breakdowns, allowances, deductions, and net pay, in a clear and detailed manner.
3. The application should provide historical payroll data, allowing employees to access past payslips and payment records. Provide details.
4. The platform should enable employees to request various payroll-related services and/or integrate (e.g.- API) with the existing service request system at SriLankan Airlines. This shall include, not limited to, information such as tax calculations, salary confirmations, and adjustments.
5. The digital platform should integrate seamlessly with SriLankan Airlines' existing systems and infrastructure, ensuring data consistency and accuracy. This shall include, not limited to, HRIS, Service Request Management System, Oracle eBusiness Suite, etc.
6. The application should offer reporting and analytics tools to provide insights into payroll processing and trends.
7. Comprehensive support and maintenance services should be provided post-implementation, including regular system updates, technical support, and training for administrative staff and end-users. Provide details.
8. Continuous monitoring and optimization should be ensured to maintain peak performance.

4. GENERAL REQUIREMENTS

1. The proposed solution shall be scalable, allowing for future expansions and integration with other systems as required.
2. The proposed solution shall have security measures to protect sensitive employee and organizational data. Such controls shall include, and not limited to, encryption, access controls, and regular audits.

3. The proposed solution shall provide a high level of availability and reliability, with minimal downtime.

4. The proposed solution shall support multiple types of employment categories and multiple currencies and offer flexibility for customization based on SriLankan Airlines' policies.

5. The proposed web and mobile application shall be user-friendly, with a focus on ease of use and accessibility. Both Web and Mobile apps shall address the End User Requirements of this RFP.

6. The solution shall offer reporting and analytics tools to retrieve insights into payroll processing and trends.

7. The proposed solution shall provide customizable branding, including logos, colors, and custom URLs, and the option to customize the user interface to meet the specific needs and requirements of the organization.

8. Bidder's Background and Experience - Provide details as to the extent to which the bidder's background aligns with the requirements stated in this RFP.

9. For details, please refer to *Annex A - Information on The Existing Employment Categories and Estimated Volumes of Transactions for Payroll Management Services*.

10. Interested Bidders shall provide a detailed price breakdown, including per-employee payroll processing, off-cycle payroll processing, and trial pay-slip requests.

11. The proposed solution must be capable of integrating with Microsoft Active Directory (AD) to enable Single Sign-On (SSO) functionality. This integration is required to:
    a. Allow seamless authentication for users using their existing AD credentials.
    b. Support role-based access control (RBAC) based on AD group memberships.
    c. Ensure secure and efficient user access management, leveraging existing organizational security policies and protocols within AD.

12. Interested bidders **MUST** ensure that their proposed solutions, systems, and services are compliant with applicable Cyber Security and Data Protection standards/regulations, including but not limited to ISO27001, ISO 27701, and EU GDPR. Please provide details. Please complete **Annex B – Information Security and Data Protection**.

13. Interested bidders **MUST** complete the Compliance Sheet available in **Annex C – Compliance Sheet** below.

5. Compliance Requirements

1. The proposed solution shall comply with relevant data protection regulations, including the European Union General Data Protection Regulation (EU GDPR), the Personal Data Protection Act of Sri Lanka, and other local laws in Sri Lanka.

2. The bidder shall demonstrate their commitment to maintaining compliance through regular audits, certifications, and adherence to industry best practices. Please provide details.

6. Financial Requirements

1. Bidders are required to provide a comprehensive monthly breakdown of all costs associated with the proposed solution.

2. Additionally, bidders may suggest alternative costing models for the app's provision, allowing flexibility in the overall financial approach. These may include, and not limited to, options such as a pay-per-processed-employee model, where costs are directly linked to the number of payrolls processed, or a model where the bidder provides a digital application to facilitate internal payroll processing. By offering these alternative financial structures, bidders enable SriLankan Airlines to choose the approach that best aligns with their operational goals and budgetary needs. The bidder shall clearly state the fees associated with each proposed model.

3. Payment terms should be clearly defined by bidders, including any specific milestones or deliverables tied to payment schedules. This ensures transparency and alignment between both parties regarding financial obligations throughout the project's duration.

4. Bidders must provide a detailed breakdown of costs associated with any required customizations and/or the deployment to tailor the solution to the specific needs of SriLankan Airlines. These costs should be itemized to offer full transparency regarding the additional expenses. This will allow SriLankan Airlines to assess the necessity of each customization and consider potential alternative approaches, ensuring that the solution is both cost-effective and aligned with operational priorities.

7. PROPOSAL SUBMISSION GUIDELINES

Bidders are required to adhere to the following submission guidelines:
1. Executive Summary - A high-level overview of the proposed solution, including key benefits and differentiators.
2. Technical Proposal - A detailed description of the solution's architecture, features, and how it meets the specific requirements outlined in this RFP.
3. Financial Proposal - A complete financial breakdown to meet the requirements of this RFP.
4. Project Plan - A comprehensive project plan outlining the timeline for implementation, key milestones, and resource allocation.
5. Bidder Qualifications - Information on the vendor's experience in delivering similar solutions, including relevant case studies and client references.
6. Support and Maintenance Plan - Details of the support and maintenance services that will be provided post-implementation, including service level agreements (SLAs) and escalation procedures.
7. Compliance Documentation - Evidence of compliance with relevant data protection regulations and industry standards, including certifications and audit reports.

8. EVALUATION CRITERIA

Received proposals will be evaluated based on the following criteria:
1. Adherence to the guidelines and specifications outlined in this RFP.
2. The robustness, scalability, and innovation of the proposed solution.
3. The quality and scope of post-implementation support and maintenance services.
4. The financial viability of the proposed solution, including potential savings and return on investment.
5. The bidder's track record in delivering similar projects, including client references and case studies.

ANNEX A - INFORMATION ON THE EXISTING EMPLOYMENT CATEGORIES and Estimated VOLUMES OF TRANSACTIONS for payroll management services.

1. **EXISTING EMPLOYMENT CATEGORIES**

#	Employment Grade	Payroll	Count
1	Grade 1-7	Graded/Contract	3450
2	Grade 8.1,8.2,8T	Executive	470
3	Grade C-C5	Graded/Contract	980
4	Grade E1-E4	Executive	80
5	Grade L1-L3	Executive	110
6	Grade P-P2	Executive	270
7	Grade T-T3	Graded/Contract	370
8	TRA	Graded/Contract	70

2. **ESTIMATED VOLUMES OF TRANSACTIONS FOR PAYROLL MANAGEMENT SERVICES**

The table below outlines the average volume of transactions for payroll management services. This can vary on some months where usage can significantly increase/decrease:

#	Input Type	Average Monthly Count
1	New Appointments (Executives/Non-Executives)	70
2	Absorption to Permanent Cadre	25
3	Contract Extensions/Completions	25
4	Incentive payments	5
5	Staff Movements	90
6	Final Settlements	40-50
7	Loan Eligibilities	10
8	Letters (Income Confirmations)	300
9	Ad-hoc Third-party transactions	2
10	Variable transactions	2

ANNEX B – INFORMATION SECURITY AND DATA PROTECTION

#	Check List	Compliance Yes | No	Remarks
1	**Privacy Policies**		
1.1	The Service Provider shall comply with the obligations under the EU General Data Protection Regulation (GDPR) as morefully set out in [https://gdpr.eu/tag/gdpr/] in relation to any Personal Data of customers, employees, and the Board of Directors of SriLankan Airlines.		
1.2	The Service Provider shall process any Personal Data solely for the purposes identified by the relevant Agreement.		
1.3	The Service Provider shall have in place appropriate technical and organizational measures to ensure a level of security commensurate with the risks associated with the Processing of Personal Data, such measures shall be appropriate to protect against accidental or unlawful destruction, loss, alteration, or unauthorized disclosure of or access to Personal Data.		
1.4	The Service Provider shall notify SriLankan promptly and without undue delay and in any event within 24 hours of becoming aware of any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Personal Data ("Personal Data Breach") of the existence, nature, and scale of the Personal Data Breach and shall comply with its obligations under the EU GDPR in respect of the Personal fine; and co-operate with SriLankan to make any reasonable changes to its processes or procedures to prevent a reoccurrence of the Personal Data Breach.		
1.5	The Service Provider shall not engage any third parties or non-employees to process Personal Data unless SriLankan has expressly consented in writing in advance to the use of such third parties. The Service Provider shall ensure that any person acting under its authority in relation to the Personal Data, including a Data Processor, is obligated to Process the Personal Data only on the instructions of SriLankan and have in place appropriate technical and organizational measures to ensure a level of security commensurate with the risks associated with the Processing.		
2	**Security Governance**		
2.1	The Solution and the Service Provider should be certified with the latest ISO/IEC 27001 Information Security Management System (ISMS) standard and the certification should be up to date.		
2.2	The Service Provider shall designate a named individual or a team with overall accountability for Information Security, to review compliance and enforce information security requirements in the agreement with SriLankan Airlines and liaise with the SriLankan Information Security team as required.		
3	**Security Risk and Compliance**		
3.1	The Service Provider shall perform Information Security risk assessments periodically and maintain a register of security risks related to the provision of its services to SriLankan and the processing of SriLankan information and/or information systems.		
3.2	The Service Provider shall comply with all applicable SriLankan corporate and Information Security policies, standards, and procedures.		
3.3	The Service Provider shall notify SriLankan Airlines where the sub-contractor is engaged to provide services and shall ensure that the subcontractor also abides by this policy.		
3.4	The Service Provider shall abide by the contractual agreements put in place with respect to SriLankan Airlines requirements which includes but is not limited to data ownership and intellectual property rights.		
3.5	The Service Provider agreed that SriLankan Airlines may perform a periodic assessment of the Service Provider's publicly visible security posture where necessary and the results will be,		

#	Check List	Compliance Yes | No	Remarks
	3.5.1. Shared with the Service Provider and the Service Provider shall take reasonable action to fix the anomalies/vulnerabilities within an agreed timeline by both parties. 3.5.2. Considered in the future engagement with the SriLankan Airlines.		
4	**Personnel and Physical Security**		
4.1	The Service Provider shall implement all applicable physical and environmental security controls to provide adequate protection to SriLankan information & information systems.		
4.2	The Service Provider shall maintain a formal employee separation process which includes but is not limited to revocation of access, return of assets, and exit interview.		
5	**Security in Applications, Systems, and Networks**		
5.1	The Service Provider shall ensure that SriLankan information and/or information systems are physically or logically segregated from other customers.		
5.2	The Service Provider shall design, implement, and operate suitable controls to ensure continuity of services in accordance with system uptime and performance requirements, Recovery Time Objective, and Recover Point Objective.		
5.3	The Service Provider shall maintain an established process to provision, review access rights of, and de-provision user and service accounts. Periodic access review reports shall be submitted to SriLankan.		
5.4	The Service Provider shall implement and operate a robust network, system, and application access controls to authenticate, authorize, and log all access attempts pertaining to SriLankan information and information systems. This applies to access attempts made by users, services, and devices.		
5.5	The Service Provider shall not process or store SriLankan information on end-user systems like laptops, desktops, mobile devices, etc. Where this is a legitimate requirement, adequate security controls including but not limited to encryption, access control, and Mobile Device Management shall be implemented and operated.		
5.6	The Service Provider shall conduct annual vulnerability assessments and/or penetration tests on applications, systems, and networks that transmit, process, or store SriLankan information. Reports shall be shared with relevant stakeholders in SriLankan. The Service Provider shall apply security patches in a mutually agreed timeline without any cost escalation.		
5.7	SriLankan Airlines may perform Vulnerability Scans at least annually and findings will be notified to The Service Provider. If any vulnerability is found, The Service Provider shall agree to apply security patches in a mutually agreed timeline without any cost escalation.		
5.8	The Service Provider should provide to SriLankan Airlines on request, the status of the closure of high vulnerabilities.		
6	**Security in System Delivery Lifecycle**		
6.1	The Service Provider shall have an established Software/Systems delivery Lifecycle process embedding adequate security at all stages, including but not limited to secure by design, secure by default, and security in deployment in accordance with the applicable external standards, regulations, and SriLankan requirements.		
6.2	The Service Provider shall conduct security code reviews for all versions of the application prior to release. Reports shall be shared with relevant stakeholders in SriLankan.		
6.3	The Service Provider ensures that access to program source code is restricted and strictly controlled.		
6.4	The Service Provider shall conduct security code reviews for all versions of the application prior to release. Reports shall be shared with relevant stakeholders on a request basis.		
7	**Data Security**		

#	Check List	Compliance Yes | No	Remarks
7.1	The Service Provider shall design, implement, and operate adequate security controls to protect the confidentiality, integrity, and availability of SriLankan data and/or information in accordance with the classification levels (As mentioned at the end of the document).		
7.2	Security controls for adequate protection shall include but not be limited to access control, cryptography, data backups, Data Loss Prevention, Digital Rights Management, and Anti-Malware.		
7.3	The Service Provider shall retain SriLankan data and/or information based on SriLankan data retention policy which is 12 years as per the Right to Information Act, No. 12 of 2016.		
8	**Backups**		
8.1	Scheduled data backups should be available within the solution and the backup retention period should be 12 years for all SriLankan/service-related data.		
9	**Authentication & Password Compliance**		
9.1	The Solution should be capable of integrating with Microsoft Active Directory or The Service Provider shall use Role Based Access and workflow Approvals (Segregation of Duties) within the solution. The Service Provider shall apply the following minimum of the Password Policy rules within the solution; Password age – 90 Days, Minimum password length – 8 Characters, Password change at initial login, Password Complexity (at least one 'UPPERCASE' character, at least one 'lowercase' character, mixture of numbers and/or symbols), lockout after 5 unsuccessful attempts, 30 minutes lockout duration, password history – 8 passwords)		
9.2	The Service Provider shall transfer Authentication information through secure protocols.		
9.3	The solution should be able to display the time and date of the last successful login, and any failed login attempts to the user.		
10	**Audit & Event Logs**		
10.1	Application Audit Logs (including transaction logs), Database Level Audit Logs, and Event Logs (including successful/unsuccessful login attempts) should be available within the solution.		
10.2	The solution should be capable of keeping logs for all user activities, including administrative and privileged user activities, and system configuration changes.		
10.3	Solution and/or Service Provider(s) shall agree to transmit collected audit, security, and transaction logs to SriLankan Airlines on demand.		
11	**Encryption**		
11.1	The Service Provider shall use industry-standard encryption to encrypt data in transit and Data at rest.		
12	**Connectivity and Access Control**		
12.1	The solution should be enabled with current TLS version certificates.		
12.2	The Service Provider shall protect Remote diagnostic and configuration ports.		
12.3	The Service Provider shall configure inactive Session timeout (for Application, Database, OS, Console)		
13	**Service Continuity (The following values are expected minimum, and this is subject to change based on the criticality of the solution)**		
13.1	Availability - 99.95% or higher		
13.2	Recovery Time Objective - 1 hour or less		
13.3	Recovery Point Objective - 1 hour or less		
14	**Right to Audit & Monitor**		
14.1	The Service Provider shall agree that the performance of the Services will be subject to audit and monitoring by SriLankan Airlines.		
15	**Legislative, Standards & Regulatory Compliance**		

#	Check List	Compliance Yes | No	Remarks
15.1	The Service Provider shall agree to sign a Reciprocal Non-Disclosure Agreement with SriLankan Airlines		
15.2	Information shared or services obtained as part of SriLankan Airlines engagement The Service Provider will be governed by requirements set forth in the latest ISO/IEC 27001 Information Security Management System (ISMS) and subjected to signing this policy which will become an integral part of the Service Agreement(s).		
15.3	In the event that the Solution and/or Service Provider(s) handle payment card information, the Solution and/or Service Provider(s) should be compliant with PCI DSS (Payment Card Industry Data Security Standard) standard and the certification should be up to date.		
15.4	Solution and/or Service Provider(s) shall comply with acts, regulations, circulars, and guidelines related to eLaws and policies of the Sri Lanka government (published on https://www.icta.lk/act/), including and not limited to, Sri Lanka Computer Crime Act No 24 of 2007 and Information and Communication Technology Act No.27 of 2003.		
16	**Evaluation of The Service Provider/Cloud Service Provider (CSP)**		
16.1	SriLankan may perform periodic assessments of the Cloud Security Provider's security posture where necessary.		
16.2	The Service Provider/CSP hosting SriLankan data shall maintain a certification in good standing against an approved Information Assurance Framework. The certification by an independent and recognized third party may be required to get a reasonable assurance that security controls are planned and properly implemented.		
17	**Protection of SriLankan Data in Cloud Environment**		
17.1	The Service Provider must operate a Layered Security model at the perimeter, core network, systems, application, and data layers to adequately protect SriLankan data.		
17.2	SriLankan data and application environment must be segregated from other entities' environments.		

ANNEX C – COMPLIANCE SHEET

[Bidders are required to complete the table below for the requirements outlined in Sections 3, 4, and 5. Please ensure that you reference the exact requirement or requirement number as specified in the respective sections. The first five rows have been filled in as examples.]

Requirement	Compliance [Yes/No}	Remarks
3.1.1. Facilitate a mechanism that allows for the entry of employee compensation details, including but not limited to basic salaries, fixed allowances, variable allowances, deductions, and any additional compensation items. Detail the process. Preferably a digital platform that allows intuitive interaction for the respective staff.		
3.1.2. Facilitate a mechanism to support the uploading of third-party transactions, variable payments, and ad hoc (one-time) payments with seamless integration into the existing system. Preferably a digital platform that allows intuitive interaction for the respective staff.		
3.1.3. HR shall have the facility to monitor and audit transaction modifications. Additionally, include tools for calculating and processing back wages as required.		
3.1.4. Facilitate a mechanism that allows for the submission process for departmental transactions, covering overtime, shift allowances, holiday payments, and other relevant adjustments. Detail the process. Preferably a digital platform that allows intuitive interaction for the respective staff.		
3.1.5. Facility to retrieve and integrate leave data from the Human Resources Information System, allowing accurate and real-time leave balance tracking and compensation adjustments, without manual intervention.		

Requirement	Compliance [Yes/No}	Remarks

Section V: Quotation Submission Form

[The Vendor shall fill in this form in accordance with the instructions indicated. No alterations to its format shall be permitted and no substitutions will accepted.]

Date:

To: SriLankan Airlines Limited

We, the undersigned, declare that:

a) We have examined and have no reservations to the document issued;

b) We offer to supply in conformity with the documents issued and in accordance with the Delivery Schedules specified in the Schedule of Requirements the following Goods *[insert a brief description of the Goods]*;

c) The total price of our quotation including any discounts offered is: *[insert the total quoted price in words and figure]*;

d) Our quotation shall be valid for the period of time specified in ITV Sub-Clause 8.1, from the date fixed for the quotation submission deadline in accordance with ITV Sub-Clause 11.1, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;

e) We understand that this quotation, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us.

f) We understand that you are not bound to accept the lowest evaluated quotation or any other quotation that you may receive.

Signed: *[insert signature of person whose name and capacity are shown]*

Name: *[insert complete name of person signing the Bid Submission Form]*

Dated:

Section VI: Pricing Schedule

Digital Transformation of Payroll Services Management

Item No	Description	Period	Cost Per Month - LKR	Total Cost for 01 year - LKR
1				
	Local Support	<mark>24 x 7 Remote support with on-site support as and when required.</mark>		
	Payment term			
	Delivery Lead time			

Payment Terms - Payment quarterly in arrears with 45 days credit or better. Proposals with higher credit period will be at a distinct advantage. Advance payment is not acceptable.

Company Seal & Signature:

Date:

Section VII: Manufacturer's Authorization

[If required under ITV clause 7.3, the Bidder shall require the Manufacturer to fill in this Form in accordance with the instructions indicated].

Date:

WHEREAS

We *[insert complete name of Manufacturer]*, who are official manufacturers of *[insert type of goods manufactured]*, having factories at *[insert full address of Manufacturer's factories]*, do hereby authorize *[insert complete name of Bidder]* to submit a quotation the purpose of which is to provide the following Goods, manufactured by us *[insert name and or brief description of the Goods]*, and to subsequently negotiate and supply the goods.

We hereby extend our full guarantee and warranty, with respect to the Goods offered by the above firm.

Signed*: [insert signature(s) of authorized representative(s) of the Manufacturer]*

Name: *[insert complete name(s) of authorized representative(s) of the Manufacturer]*

Title: *[insert title]*

Duly authorized to sign this Authorization on behalf of: *[insert complete name of Bidder]*

Dated on _____ day of _____, _____ *[insert date of signing]*

Section VIII: Sample Purchase Order

PURCHASE ORDER

Busi. Regis. No: PB 67

SRILANKAN AIRLINES LIMITED Commercial Procurement Dept., GSE Procurement Section Airline Centre Katunayake, Sri Lanka TEL: NO: 0094 (0) 19733 2721/2734/2829 FAX:NO: 0094 (0) 19733 5276	TO :
SHIP TO:	**FREIGHT FORWARDER'S CONTACT/ADDRESS**

PURCHASE/WORKS ORDER NO	DATE	RFQ NUMBER	CURR	PAYMENT TERMS

The Purchase/Works order number must be indicated on all invoices, correspondence and consignments.

SL NO	ITEM CODE/DESCRIPTION	UOM	QTY	UNIT PRICE	AMOUNT

Invoices should be sent to: **Payments Manager, SriLankan Airlines Ltd., Administration Building, B.I.A., Katunayake, Sri Lanka.**
Other instructions and annexures overleaf

G.S.T.
D.L.
Other Taxes

Amount (in words):

TOTAL VALUE

Special Instructions:

This Purchase Order, including all terms and conditions with which it is issued, is accepted.

FOR　　:
TITLE　:

....

SIGNATURE :　　　　　　　　DATE:　　　FOR SRILANKAN AIRLINES LIMITED

R2625010

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NOTES TO VENDOR
TERMS & CONDITIONS

1. **ORDER ACKNOWLEDGEMENT/ACCEPTENCE**: If nothing to the contrary is heard before effecting supplies, it is understood that the order has been accepted in toto.

2. **CHANGE IN THE PURCHASE ORDER**: No change in or modification of this order or any of its terms or conditions shall be binding upon SRILANKAN AIRLINES unless expressly agreed to in writing by SRILANKAN AIRLINES.

3. **PACKING**: Goods should be properly packed for transit to the final destination. In the case of aircraft spares, packing should be in accordance with ATA 300 Specification.

4. **DOCUMENTATION**: One complete set of documents consisting of packing list & Invoice copy quoting our Purchase Order reference. should be securely pasted on the outside of the consignment. Another set of documents consisting of list, one copy each of Invoice and Certificate of Conformity should be placed inside the package. Also two copies of Invoices to be sent along with Airway Bill/Stores Consignment Note for Custom purposes, as necessary. Failure to comply with required documentation resulting in Customs demurrage/storage charges incurred if any, by SRILANKAN AIRLINES. will be deducted from the Supplier's invoice.

5. **AIRWORTHINESS CERTIFICATE**: All aircraft spares and material should be accompanied by applicable Airworthiness Certificate. Non compliance will be liable for rejection. This is applicable to approved aircraft items only.

6. **DELIVERY SCHEDULE**: Stipulated delivery date must be strictly adhered to. If contractor fails to make delivery of any goods within the specified time, SRILANKAN reserves the right to cancel this order or any part thereof by written notice to contractor and SRILANKAN shall not be liable for any loss or damages sustained by the contractor in consequence thereof provided that nothing herein contained shall prejudice any other rights SRILANKAN may have against contractor for any loss or damage due to failure of delivery by way of liquidated damages and/or risk purchases.

7. **FAILURE TO SUPPLY**: If the supplier fails to deliver the items within the period stipulated for such delivery or at any time repudiates the Contract/order before expiry of such period, SRILANKAN AIRLINES is entitled to cancel the order and re-purchase items ordered not delivered, at the risk and cost of the defaulting supplier.

8. **PRICE**: The supplier shall warrant that the prices being charged to SRILANKAN AIRLINES are no higher and the terms no less favourable than in respect of his current sales to other airline operators and customers.

9. **ACCEPTANCE**: Goods supplied must be according to specification and conditions laid down by us and subject to our inspection and approval.. Rejected material will remain in our stores at contractor's risk and cost.

10. **INSURANCE**: No insurance to be taken unless specifically advised.

11. **PATENTS**: The contractor shall warrant that all material supplied is free and clear of all and any infringement of any patents, copyright and trade mark.

12. **INVOICING**: Each invoice should cover only one Purchase Order and Purchase Order reference should be clearly indicated. Original signed invoice alongwith proof of despatch must be forwarded to our Payments Manager, SRILANKAN AIRLINES LTD. ADMINISTRATION BUILDING, BANDARANAIKE INTERNATIONAL AIRPORT, KATUNAYAKE.

13. **EXCESS/WRONG SHIPMENT**: Contractors will be responsible for expenses incurred by way of customs duties/shipment charges/packing, etc. in respect of excess/wrong shipments.

14. **WARRANTY**: All supplies should be covered by standard warranty applicable. Defective supplies that fall within the Warranty period shall be claimed from the contractor by way of free of charge repairs and /or replacements.

15. **APPLICABLE LAW**: In the event of any conflict between parties, this order will be subject to jurisdiction of Sri Lanka Courts only.