Terms of Reference – Service Contract

1. ASSIGNMENT SUMMARY

Title of assignment	Strategic Partnership - Implementation of Microsoft Dynamics ERP System for Prospero Limited and other tools tailored to support SME Development
Location of assignment	Prospero Limited Head Office, Lusaka, Zambia
Sector	Finance and Operations
Engagement Type	Strategic Partner Collaboration
Reports to	Chief Executive Officer and Head of Operations
Anticipated start date	Immediate (upon finalization of partnership terms)

2. ABOUT PROSPERO

In response to the shifting dynamics of the development and investment landscape. Prospero Limited recognizes this pivotal moment as an opportunity, one that calls for renewed focus, agility, and deeper collaboration across the SME ecosystem. As donors and investors increasingly prioritize readiness, impact, and innovation, Zambian enterprises must be equipped with the right support to scale and thrive.

At the heart of this transformation is the need for high quality, sector-specific expertise. To this end, Prospero is expanding its network of experienced consultants who can deliver targeted business support, enhance enterprise capabilities, and strengthen the pipeline of investment ready SMEs.

3. CONTEXT OF THE ASSIGNMENT

Prospero invites bids from **qualified and strategically aligned technology service providers** to partner with us in deploying a Microsoft Dynamics ERP solution tailored to our operational, financial, and programmatic needs.

We are looking for a **committed technology partner** who appreciates the complexities of operating in a multi-donor development finance environment and can **co-develop a fit-for-purpose system** that evolves with our growing needs.

As part of this strategic partnership, the selected firm will also be expected to provide **tailored ERP-related services and support** to the **SMEs that Prospero works with**, enabling them to strengthen their internal systems, improve financial and operational controls, and become more investment-ready.

4. OBJECTIVE(S) OF THE ASSIGNMENT

The partnership aims to:

- Customize and implement Microsoft Dynamics ERP to support Prospero's internal finance, HR, CRM, and project tracking functions.
- Ensure compliance with Zambian tax and reporting standards.
- Enhance real-time data capabilities for reporting to multiple stakeholders.
- Enable system integration with Salesforce or recommend suitable alternatives.
- Establish a long-term collaboration on system maintenance and upgrades.
- Extend tailored ERP advisory and implementation services to Prospero-supported SMEs to build their operational and financial management capacities.

5. SCOPE OF WORK

To achieve the objectives, the service provider will be responsible for:

1. **Functionality**: Features and modules relevant to Prospero's operations, including:

   a) **Accounting requirements**:

      1. Modules for financial records, vendor bills, payments, reconciliations, and the following as a minimum:

         - Accounts Payable
         - Accounts Receivable
         - Cash Book
         - Asset Management
         - General ledger

      2. **Projects/Grant Management**: Capability to track income and expenditure by project, with a trial balance set up in a multidimensional format with clearly defined segments.

- **Sales**: Features for managing invoices.

- **Integration Utilities**: Tools or apps to integrate with Salesforce or provide a comparable alternative within the ERP.

- **Payroll Module**: Comprehensive Payroll Management.

- **Financial Reporting**:

  - Generation of Financial Statements such as Statement of Comprehensive Income, Statement of Financial Position, and Statement of Cash Flows.

  - Reporting across dimensions such as Projects or Departments.

3. **Multi-Currency Support**: Capability to handle multiple functional currencies for donor reporting requirements. For example, generating specific donor reports in more than one currency from the same transactions listing.

4. **Budgeting Module**: Tools for variance analysis and tracking.

5. **Document Management**: Efficient document handling and storage solutions.

b) **CRM Requirements**:

1. **Grants Management**:

   - Applicant Tracking: Centralized information management for grant applicants, proposals, and the application review process.

   - Award Management: Tracking awarded grants, funding amounts, disbursement schedules, and reporting requirements.

   - Reporting and Analysis: Tools to generate reports on grant funding, impact, and performance to demonstrate value for money and inform future funding decisions.

2. **Service Contract Management**:

   - Contract Lifecycle Management: End-to-end management of contracts, from creation and negotiation to execution and renewal.

   - Billing and Invoicing: Automation of billing and invoicing processes for improved efficiency and accuracy.

3. **Risk Management**:

- Risk Identification and Assessment: Tools to identify, assess, and prioritize potential risks across the organization.

- Risk Mitigation Planning: Development and implementation of risk mitigation plans to minimize potential negative impacts.

- Risk Monitoring and Reporting: Capabilities to track and report on the status of identified risks and the effectiveness of mitigation efforts.

4. **Procurement Management**:

- Vendor Management: Features to manage vendor relationships, contracts, and performance.

- Procurement Process Automation: Streamlining of the procurement process, from requests for proposals (RFPs) to purchase orders.

- Spend Analysis: Tools to gain insights into spending patterns and identify opportunities for cost savings.

5. **Travel Management**:

- Travel Booking and Expense Reporting: Simplification of travel booking and automation of expense reporting for employees.

- Travel Data Analysis: Features to analyze travel data, identify trends, and optimize travel spending.

c) **HR Requirements**:

- Simultaneous data feeds from HR to Finance.

- Automatic report generation, e.g. pay slips, leavers and joiners, salary adjustments, etc.

- Smart hiring features.

- HR analytics.

- Time and attendance tracking.

- Payroll - Integration of payroll functionalities within the HR and finance systems.

- Leave management

- **Licenses: 5 Essential licenses** and **16 Team Member Licenses.**

- **Cost**: Initial and recurring costs, including hosting and customization.

- **Scalability**: Ability to handle Prospero's growth and increasing complexity.

- **Integration**: Compatibility with Salesforce and other tools.

- **Localization**: Support for Zambian regulatory and operational needs.

- **Value for Money**: Balance between cost and capabilities.

6. DELIVERABLES

The deliverables from this assignment and the due dates for submission are:

Deliverables	Due date
Inception Report and System Design Plan	Within 2 weeks of contract signature
Configuration of Core Features	Within 4 weeks of design approval
User Acceptance Testing (UAT) & Training	Within 5–7 weeks
Final Go-Live & Support Handover	Within 8–10 weeks
Ongoing Support, Maintenance, and Optimization Reports	Quarterly post-deployment

7. PROFILE OF THE SERVICE PROVIDER

We are seeking a partner with:

- Minimum 2 years of experience delivering Microsoft Dynamics ERP solutions.
- Demonstrated understanding of NGO and donor-funded operations.
- Capacity to deliver solutions that support complex, multi-currency, donor-specific reporting.
- Familiarity with Zambian tax, payroll, and legal requirements.

Additional qualities include:

- Strategic interest in long-term collaboration.
- Capacity to provide tailored ERP-related services to SMEs supported by Prospero.
- Proven capacity to provide remote and on-site support.
- Training capability to ensure user adoption across Prospero and its SME partners.
- Tax compliance and registration to operate in Zambia.

8. REPORTING REQUIREMENTS

The reporting requirements associated with this assignment and the timing for submissions are:

Report	Due for submission
Project Status Reports	Bi-weekly
UAT and Testing Summary	End of UAT phase
Final Go-Live Report	Upon completion
Support Logs & Optimization Reports	Quarterly

9. SUBMISSION GUIDELINES

Interested parties are invited to express their interest in this strategic collaboration by submitting the following:

- A **1–2 page technical proposal** highlighting your proposed approach to this partnership, including insights into ERP customization, deployment methodology, and post-implementation support for both Prospero and its SME beneficiaries.
- A **financial proposal** reflecting a value-for-money proposition aligned with Prospero's not-for-profit model.
- A **company profile or individual CV**, including team composition and location of key staff.

- A portfolio of **relevant past Microsoft Dynamics implementations**, especially in development or donor-funded settings.
- A **valid ICTAZ Membership Certificate**.

Email submissions to: procurement@prospero.co.zm
Subject line: "ERP Partnership EOI – [Name of Consultant/Firm]"
Deadline: June 25th, 2025

10. APPLICABLE TAXES

Prospero complies with the tax laws of the Republic of Zambia. Proposals must be inclusive of all applicable taxes. Withholding Tax (WHT) will be deducted at source in accordance with Zambia Revenue Authority (ZRA) regulations. For more information, visit www.zra.org.zm.