



**Request for Proposal for External Audit
Services
For a period of five years**

RFP NUMBER: ITAC 04-2023/24

Date Issued: 02 October 2023

Closing date and time: 27 October 2023 at 11:00

Bid Validity Period: 120 days

TENDER BOX ADDRESS:

The dti Campus
Ground Floor, Block E
77 Meintjies Street
Sunnyside
Pretoria
0002

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1. INTRODUCTION

The International Trade Administration Commission of South Africa (ITAC) was established in terms of Section 7 of International Trade Administration Act, 2002 (Act No. 71 of 2002). ITAC is listed as a schedule 3A entity in terms of the Public Finance Management Act, 1999 (PFMA).

ITAC was established with its own offices located in Tshwane, Sunnyside at the **dtic** campus in 2003. The current organisational structure provides for the employment of 131 employees. The said structure consists of Senior Management Service (SMS); Middle Management Service (MMS) and other employees. ITAC's annual budget for the 2023/2024 financial year amounts to R122.9 million.

The Auditor-General of South Africa (AGSA) has opted not to perform the audit of ITAC since the 2020/2021 financial year in terms of section 4 (3) of the Public Audit Act and the appointment of the external auditor will be in accordance with section 25 of the Public Audit Act. ITAC's financial year end is 31 March.

Purpose of ITAC

To achieve its aims, ITAC has identified the following three key strategic objectives to guide its operations, namely, to;

- Ensure appropriate contribution to employment creating growth and development through provision of its international trade instruments;
- Ensure strategic alignment and continued relevance within the Department of Trade, Industry and Competition and national agenda, particularly the New Growth Plan; and
- Ensure organisational efficiency and effectiveness through business support services.

2. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)

The purpose of this Request for Proposal (RFP) is to solicit proposals from potential bidder(s) for the provision of independent external audit services to ITAC from the 2023/2024 financial year ending 31 March 2028.

This RFP does not constitute an offer to do business with ITAC, but merely serves as an invitation to bidder(s) to facilitate a requirements-based decision process.

3. LEGISLATIVE FRAMEWORK OF THE BID

3.1 Tax Legislation

- 3.1.1. Bidder(s) must be compliant when submitting a proposal to ITAC and remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).
- 3.1.2. It is a condition of this bid that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- 3.1.3. The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 3.1.4. It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.
- 3.1.5. Bidders are required to be registered on the Central Supplier Database and the National Treasury shall verify the bidder's tax compliance status through the Central Supplier Database.
- 3.1.6. Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.

3.2 Procurement Legislation

ITAC has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000) and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003).

3.3 Technical Legislation and/or Standards

Bidder(s) should be cognisant of the legislation and/or standards specifically applicable to the services.

4. BRIEFING SESSION

A briefing and clarification session will **NOT** be held for this tender.

5. TIMELINE OF THE BID PROCESS

The period of validity of tender and the withdrawal of offers, after the closing date and time is 120 days from the closing date of the tender. The project timeframes of this bid are set out below:

Activity	Due Date
Advertisement of bid on Government e-tender portal / ITAC's website	02 October 2023
No briefing or clarification session	N/A
Questions relating to bid from bidder(s)	From the date of advert until award
Bid closing date	27 October 2023 at 11:00
Notice to bidder(s)	ITAC will endeavour to inform bidders of the progress until conclusion of the tender.

All dates and times in this bid are South African standard time.

Any time or date in this bid is subject to change at ITAC's discretion. The establishment of a time or date in this bid does not create an obligation on the part of ITAC to take any action, or create any right in any way for any bidder to demand that any action be taken on the date established. The bidder accepts that, if ITAC extends the deadline for bid submission (the Closing Date) for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

6. CONTACT AND COMMUNICATION

6.1 A nominated official of the bidder(s) can make enquiries in writing, to the specified person, Princess Mkhungo for bid enquiries via email pmkhungo@itac.org.za and/or 012 394 3700. Bidder(s) must reduce all telephonic enquiries to writing and send to the above email address.

- 6.2 The delegated office of ITAC may communicate with Bidder(s) where clarity is sought in the bid proposal.
- 6.3 Any communication to an official or a person acting in an advisory capacity for ITAC in respect of the bid between the closing date and the award of the bid by the Bidder(s) is discouraged.
- 6.4 All communication between the Bidder(s) and ITAC must be done in writing.
- 6.5 Whilst all due care has been taken in connection with the preparation of this bid, ITAC makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current or complete. ITAC and its employees will not be liable with respect to any information communicated which may not be accurate, current or complete.
- 6.6 If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by ITAC (other than minor clerical matters), the Bidder(s) must promptly notify ITAC in writing of such discrepancy, ambiguity, error or inconsistency in order to afford ITAC an opportunity to consider what corrective action is necessary (if any).
- 6.7 Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by ITAC will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.
- 6.8 All persons (including Bidder(s)) obtaining or receiving the bid and any other information in connection with the Bid or the Tendering process must keep the contents of the Bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this Bid.

7. LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, be returned unopened to the Bidder(s).

8. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by Bidders or qualifying any Bid Conditions will result in the invalidation of such bids.

9. FRONTING

9.1 Government supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the Government condemn any form of fronting.

9.2 The Government, in ensuring that Bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade, Industry and Competition, be established during such enquiry / investigation, the onus will be on the Bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the Bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies ITAC may have against the Bidder / contractor concerned.

10. SUPPLIER DUE DILIGENCE

ITAC reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

11. SUBMISSION OF PROPOSALS

11.1 Bid documents may either be placed in the tender box OR couriered to the aforesaid address on or before the closing date and time.

11.2 Bid documents will only be considered if received by ITAC before the closing date and time, regardless of the method used to send or deliver such documents to ITAC.

11.3 The bidder(s) are required to submit six (6) copies of each file (one (1) original and five (5) duplicate) with content of each file by the 27 October 2023 at 11:00. Each file must be marked correctly and sealed separately for ease of reference during the evaluation process. Furthermore, the file must be labelled and submitted in the following format:

FILE 1 (TECHNICAL FILE)	FILE 2 (PRICE & SPECIFIC GOALS)
Exhibit 1: Initial Screening <i>(Refer to Section 16.1 – Stage 1: Initial Screening Criteria (Table 1))</i>	Exhibit 1: Pricing Schedule <i>(Refer to Section 15 – Cost Proposal)</i>
Exhibit 2: <ul style="list-style-type: none"> • Technical Evaluation 	
Exhibit 3: <ul style="list-style-type: none"> • General Conditions of Contract (GCC) • Draft Service Level Agreement <i>(Refer to Section 18 – Service Level Agreement)</i> 	
Exhibit 4: <ul style="list-style-type: none"> • Company Profile • Any other supplementary information 	

11.4 Bidders are requested to initial each page of the tender document on the top right hand corner.

12. DURATION OF THE CONTRACT

The successful bidder will be appointed for a period of five years, subject to renewal and approval on an annual basis by the Auditor-General South Africa and Audit Committee of ITAC based on an evaluation of the effectiveness as well as the independence and objectivity of the External Auditor and any requirements from the Auditor General South Africa.

13. SCOPE OF WORK

13.1 Perform the annual external audit in terms of the Public Audit Act (PAA), the general notices issued in terms of thereof, International Standards on Auditing (ISA's), and such requirements as may be set by the Auditor-General South Africa.

13.2 The objective of the annual audit is to:

- Provide an opinion on the annual financial statements and performance against pre-determined objectives;
- Report findings regarding reported performance information against predetermined objectives for the selected objectives as presented in the annual performance report;
- Report findings regarding instances of non-compliance on financial matters, financial management and other related matters; and
- Report deficiencies in internal control.

13.3 The appointed External auditors will also be required to:

- Carry out such work as is necessary to form an opinion as to whether the annual financial statements fairly present the financial position, financial performance and cash flows of ITAC, in accordance with Generally Recognised Accounting Practice (GRAP) as issued by the Accounting Standards Board and the PFMA;
- Determine the audit scope, methodology and approach as per the legislative requirements;
- Communicate audit findings and make recommendations to management;
- Issue an audit report and provide a final management report with management responses on corrective actions and the presentation thereof to the Audit Committee;
- Review and sign-off of National Treasury's annual financial statements consolidation template; and
- Review financial and performance information in the annual report prior to publishing.

13.4 The appointed External Auditors will be required to adhere to the following during the different phases of the annual audit:

- Submit detailed Audit Strategy;

- Submit detailed budget in line with the Audit Strategy;
- Attend Audit Committee meetings and any other relevant meetings as required;
- Present External Audit Report to the Audit Committee.

13.5 If required by the Auditor-General South Africa, the auditor must report:

- Whether ITAC's resources were procured economically and utilised efficiently and effectively;and
- On any matters arising from an investigation required by the Auditor-General South Africa that should in the public interest be brought to the attention of Parliament.

14. INDEPENDENCE AND OBJECTIVITY

14.1 The appointed External Auditors and their consulting arms or related entities will be prohibited from performing non-external audit services to ITAC.

14.2 The bidder is thus required to certify that they do not intend to perform non-audit services to ITAC.

14.3 The bidder must provide details of all non-external audit services including internal audit services (description, amount and period) performed by the bidder to ITAC during the past 3 years. This also includes work performed as subcontractors.

14.4 The bidder must provide details of any possible conflict of interests as well as other information where the independence and/or objectivity may be at risk. Where such risk to independence and/or objectivity has been identified, indicate how they would be managed by the firm should they be appointed as the auditor.

15. COST PROPOSAL

Firms are required to submit a cost proposal using **Annexure A2: Pricing schedule**. The bidder(s) is required to provide the proposed annual fees for the full scope of the ITAC audit and for price comparison purposes costs for each year separately. All disbursements and related costs shall be provided separately, if any, and may be negotiated during the period of appointment. Bidders are required to indicate if prices are fixed or not, if not fixed for the full period, provide details of the basis on which adjustments will be made, for example consumer price index increase.

16. EVALUATION AND SELECTION CRITERIA

ITAC has set minimum standards (Stages) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

Initial screening Criteria (Stage 1)	Technical Evaluation Criteria (Stage 2)	Price and Preference points Evaluation (Stage 3)
Bidders must submit all documents as outlined in paragraph 16.1 (Table 1) below. Non-submission or incomplete submission of these may lead to a disqualification.	Bidder(s) are required to achieve a minimum of 70 points out of 100 points to proceed to Stage 3 (Price and Preference points).	Bidder(s) will be evaluated out of 100 points and Stage 3 will only apply to bidder(s) who have met and exceeded the threshold of 70 points.

16.1 Stage 1: Initial screening Criteria

Without limiting the generality of ITAC’s other critical requirements for this Bid, bidder(s) must submit the documents listed in **Table 1** below. All documents must be completed and signed by the duly authorised representative of the prospective bidder(s). During this phase Bidders’ responses will be evaluated based on compliance with the listed administration and mandatory bid requirements. **The bidder(s) proposal may be disqualified for incomplete and non-submission of any of the documents**

Table 1: Documents that must be submitted for Initial Screening

Document that must be submitted	Non-submission may result in disqualification?	
Invitation to Bid – SBD 1	YES	Complete and sign the supplied pro forma document

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Tax Status	YES	<ul style="list-style-type: none"> i. Written confirmation that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status. (Refer Section 3.1.4) ii. Proof of Registration on the Central Supplier Database (Refer Section 3.1.5) iii. Vendor number iv. In the event where the Bidder submits a hard copy of the Tax Clearance Certificate, the CSD verification outcome will take precedence.
Declaration of Interest – SBD 4	YES	Complete and sign the supplied pro forma document
Preference Point Claim Form – SBD 6.1	NO	Non-submission or expired documents will lead to zero (0) points allocated.
Registration on Central Supplier Database (CSD)	NO	The External Auditor must be registered as a service provider on the Central Supplier Database (CSD). If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Visit https://secure.csd.gov.za/ to obtain your vendor number. Submit proof of registration.
IRBA and SAICA Registration	YES	The bidders must be registered with the Independent Regulatory Board for Auditors (IRBA) and the South African Institute of Chartered Accountants (SAICA). The bidders must provide documentary proof of their regulatory registration and must also provide IRBA and SAICA certification for the partner proposed to work on the ITAC audit. All certifications and registrations must be in good standing.
Pricing Schedule / Cost proposal	NO	Submit full details of the pricing proposal as per Annexure A2 in a separate envelope

16.2 Stage 2: Technical Evaluation Criteria = 100 points

Only Bidders that have met the Initial screening Criteria in (Stage 1) will be evaluated in Stage 2 for technical evaluation. Technical evaluation will be evaluated as follows:

- i. Technical Evaluation – Bidders will be evaluated out of 100 points and are required to achieve minimum threshold of 70 points of 100 points.
- ii. The overall score must be equal or above 70 points in order to proceed to Stage 3 for Price and Preference points evaluations.

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As part of due diligence, ITAC may conduct a site visit at a client of the Bidder (reference) for validation of the services rendered.

The Bidder's information will be scored according to the following points system:

Technical Evaluation	Maximum Points Achievable	Minimum Threshold
Technical Evaluation	100	70
OVERALL POINTS	100	70

The following rating scale will be used in the evaluation of the bids:

Rating	Definition	Score
Excellent	Exceeds the requirement. Exceptional demonstration by the supplier of the relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services. Response identifies factors that will offer potential added value, with supporting evidence.	5
Good	Satisfies the requirement with minor additional benefits . Above average demonstration by the supplier of the relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services. Response identifies factors that will offer potential added value, with supporting evidence.	4
Acceptable	Satisfies the requirement. Demonstration by the supplier of the relevant ability, understanding, experience, skills, resource, and quality measures required to provide the goods / services, with supporting evidence.	3
Minor Reservations	Does not fully meet the requirement. Some minor reservations of the supplier's relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services, with little or no supporting evidence.	2

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Serious Reservations	Does not meet the requirement with major reservations. Considerable reservations of the supplier's relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services, with little or no supporting evidence.	1
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Stage 2: Criteria for Technical Evaluation

Element	Sub-Weight	Rating					Weight	Total
		1	2	3	4	5		
<p>1. Public Sector Experience</p> <p>The bidder must demonstrate relevant experience in rendering external audit services in a public entity and / or performing other Auditor-General South Africa audits.</p> <p>Capacity to deliver</p> <p>The bidder must provide company profile detailing the bidder's capacity to deliver per functional audit expertise, including an organisational chart. This should include:</p> <ul style="list-style-type: none"> • Company's experience in external audit including IT audit, risk management, governance and audit of predetermined objectives (AOPO), and how long these services have been offered by the service provider. Clearly outline if any services will be outsourced. <p>The following scoring matrix will be used to evaluate this sub-criterion:</p> <ul style="list-style-type: none"> • Zero to Three (3) years public entity experience – 1 point • Four (4) years public entity experience – 2 points • Five (5) years public entity experience – 3 points • Six or Seven (6-7) years public entity experience – 4 points • Eight (8) and more years public sector experience – 5 points <p>References</p> <p>The bidder must provide relevant contactable references of similar work done in the past</p>	10						20	
	10							

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<p>five (5) years, which support the bidder's claims to relevant prior experience. References should include the following:</p> <ul style="list-style-type: none"> • Name of client; • Responsible manager; • Name, title, telephone contact and email address of client; • Description of work performed; • Date of engagement;and • Value of work conducted. <p>The bidder is able to provide one (1) contactable client reference where its relevant services are verifiable in the past three years and the reference is satisfactory. References should be presented in a form of a written letter on an official letterhead from clients where similar services have been provided and may not be older than two (2) years. No appointment letters from clients will be accepted as reference letters.</p> <p>The bidder is able to provide two (2) contactable client references where its relevant services are verifiable in the past three years and the reference is satisfactory. References should be presented in a form of a written letter on an official letterhead from clients where similar services have been provided and may not be older than two (2) years. No appointment letters from clients will be accepted as reference letters.</p> <p>The bidder is able to provide three (3) contactable client references where its relevant services are verifiable in the past three years and the reference is satisfactory. References should be presented in a form of a written letter on an official letterhead from clients where similar services have been provided and may not be older than two (2) years. No appointment letters from clients will be accepted as reference letters.</p> <p>The bidder is able to provide four (4) contactable client references where its relevant services are verifiable in the past three years and the reference is satisfactory. References should be presented in a form of a written letter on an official letterhead from clients where similar services have been</p>							
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<p>provided and may not be older than two (2) years. No appointment letters from clients will be accepted as reference letters.</p> <p>The bidder is able to provide five (5) contactable client references where its relevant services are verifiable in the past three years and the reference is satisfactory. References should be presented in a form of a written letter on an official letterhead from clients where similar services have been provided and may not be older than two (2) years. No appointment letters from clients will be accepted as reference letters.</p>									
<p>2. Qualifications and skills of key personnel</p> <p>The bidder's key personnel of the proposed audit team must have relevant qualifications, skills and experience.</p> <p>The bidder must submit the structure of the proposed team assigned to the ITAC audit, clearly outlining the main disciplines / specialities of this audit and the key personnel responsible for each speciality. Clearly outline if any personnel will be outsourced.</p> <p>Provide the CV's of key staff that will be assigned to the audit including their defined roles and responsibilities. CV's to include qualifications and relevant experience / competence (work description, client name, duration and project cost). None submission of the CV's will result in no points being awarded.</p> <p>Proposed team members must be registered in good standing with relevant professional bodies.</p> <p>The project team must consist of the following:</p> <ul style="list-style-type: none"> • Indicate the name of the persons and positions that will be directly involved in the execution of the audit. • The key/core management team must be registered with IRBA and SAICA and must have a minimum of eight (8) years' in external audit , 	5						40		

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<p>attach certified copies of the qualifications.</p> <ul style="list-style-type: none"> Other key personnel to be assigned to the project with tertiary audit / accounting qualification and minimum three (3) years' experience in public entity's external audit. Years of experience can include training for trainee accountants. <p>The following scoring matrix will be used to evaluate this sub-criterion:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Position / Level</th> <th style="width: 30%;">Proposed minimum qualification</th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td>Partner</td> <td>CA (SA)</td> <td style="text-align: center;">10</td> </tr> <tr> <td>Manager</td> <td>CA (SA)</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Assistant Manager / Supervisor</td> <td>Newly qualified CA</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Trainee 2nd year</td> <td>Bcompt Honours</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Trainee 1st year</td> <td>Bcompt</td> <td style="text-align: center;">5</td> </tr> <tr> <td>IT Auditor</td> <td>CISA</td> <td style="text-align: center;">5</td> </tr> </tbody> </table>	Position / Level	Proposed minimum qualification		Partner	CA (SA)	10	Manager	CA (SA)	5	Assistant Manager / Supervisor	Newly qualified CA	5	Trainee 2 nd year	Bcompt Honours	5	Trainee 1 st year	Bcompt	5	IT Auditor	CISA	5								
Position / Level	Proposed minimum qualification																												
Partner	CA (SA)	10																											
Manager	CA (SA)	5																											
Assistant Manager / Supervisor	Newly qualified CA	5																											
Trainee 2 nd year	Bcompt Honours	5																											
Trainee 1 st year	Bcompt	5																											
IT Auditor	CISA	5																											
<p>3. Bidders proposed methodology</p> <p>The Bidder must demonstrate thorough understanding of the objectives and the deliverables of this audit and provide a detailed proposal of the methodology / approach to be used to carry out the scope of work and clearly demonstrates how the audit deliverables will be achieved.</p> <p>Proposed methodology statement and approach to conduct the audit, including:</p> <ul style="list-style-type: none"> Detail on what activities will need to be carried out to achieve the responsibilities of External Audit. Risk assessment methodologies to be used to develop plans. Identifying possible challenges that may deter delivery and how these could be addressed. Demonstrate in-depth understanding in risk-based audits, focus to also be put on value add activities. Demonstrate how you will assist ITAC in developing and implementing an effective combined assurance model. 	15					40																							

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<ul style="list-style-type: none"> Description of ways to bring innovation, best practice to the function to assist in enhancing performance and ensuring continuous improvement, influence and value add to ITAC. 	5								
The service provider must detail the firms's quality control systems. A copy of the firm's quality control policies and procedures that comply with International Standards on ISA 220 and/or Quality Control (ISQC1).	5								
The service provider to provide proof of quality assurance reviews of external audit work performed by an external independent accredited service provider within the last five (5) years.	5								
TOTAL								100	

16.3 Stage 3: Price and Preference points Evaluation (80+20) = 100 points

Only Bidders that have met the 70 points threshold in stage 2 will be evaluated in stage 3 for price and preference points. Price and Preference points will be evaluated as follows:

In terms of regulation 4 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 80/20-preference point system in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 80 points)
- Preference points (maximum 20 points)

i) Stage 3 – Price Evaluation (80 Points)

Criteria	Points
Price Evaluation $P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	80

The following formula will be used to calculate the points for price:

Where

- P_s = Points scored for comparative price of bid under consideration
- P_t = Comparative price of bid under consideration
- P_{\min} = Comparative price of lowest acceptable bid

ii) Stage 3– Specific Goals (20 Points)

a. Preference points allocation

A maximum of 20 points may be allocated to a bidder for attaining their Preference points in accordance with the table below:

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the bidder)
100% Black Owned	6	
51% - 99% Black Owned	4	
100% Black Women Owned	6	
51% - 99% Black Women Owned	4	
5% Youth Owned	2	

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2% Owned by Persons with Disabilities	1	
Business in township, rural or under-developed area	2	
Exempt Micro Enterprise (EME)	3	
Qualifying Small Enterprise (QSE)	2	

Preference points may be allocated to bidders on submission of the following documentation or evidence:

- A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1); and
- B-BBEE Certificate or Sworn Affidavit.

b. Joint Ventures, Consortiums and Trusts

A trust, consortium or joint venture, will qualify for points for their preference points as a legal entity, provided that the entity submits their B-BBEE certificate.

A trust, consortium or joint venture will qualify for Preference points as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. **International Trade Administration Commission of South Africa** will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.

The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

17. GENERAL CONDITIONS OF CONTRACT

Any award made to a bidder(s) under this bid is conditional, amongst others, upon –

- a) The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which ITAC is prepared to enter into a contract with the successful Bidder(s).
- b) The bidder submitting the General Conditions of Contract to ITAC together with its bid, duly signed by an authorised representative of the bidder.

18. SERVICE LEVEL AGREEMENT / AUDIT ENGAGEMENT LETTER

18.1 Upon award, ITAC and the successful bidder will conclude a Service Level Agreement / Engagement Letter regulating the specific terms and conditions applicable to the services being procured by ITAC.

19. SPECIAL CONDITIONS OF THIS BID

ITAC reserves the right:

- 19.1 To award this tender to a bidder that did not score the highest total number of points, only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000)
- 19.2 To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- 19.3 To accept part of a tender rather than the whole tender.
- 19.4 To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.
- 19.5 To correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process.
- 19.6 To cancel and/or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after tenders

have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.

19.7 Award to multiple bidders based either on size or geographic considerations.

20. ITAC REQUIRES BIDDER(S) TO DECLARE

In the Bidder's Technical response, bidder(s) are required to declare the following:

20.1 Confirm that the bidder(s) is to: –

- a) Act honestly, fairly, and with due skill, care and diligence, in the interests of ITAC;
- b) Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
- c) Act with circumspection and treat ITAC fairly in a situation of conflicting interests;
- d) Comply with all applicable statutory or common law requirements applicable to the conduct of business;
- e) Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with ITAC;
- f) Avoidance of fraudulent and misleading advertising, canvassing and marketing;
- g) To conduct their business activities with transparency and consistently uphold the interests and needs of ITAC as a client before any other consideration; and
- h) To ensure that any information acquired by the bidder(s) from ITAC will not be used or disclosed unless the written consent of the client has been obtained to do so.

21. CONFLICT OF INTEREST, CORRUPTION AND FRAUD

21.1 ITAC reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of a bidder or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity")

- a) engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- b) seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- c) makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of ITAC's employees, advisors or other representatives;
- d) makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- e) accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- f) pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- g) has in the past engaged in any matter referred to above; or

- h) has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

22. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

22.1 The bidder should note that the terms of its Tender will be incorporated in the proposed contract by reference and that ITAC relies upon the bidder's Tender as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.

22.2 It follows therefore that misrepresentations in a Tender may give rise to service termination and a claim by ITAC against the bidder notwithstanding the conclusion of the Audit Engagement Letter / Service Level Agreement between ITAC and the bidder for the provision of the Service in question. In the event of a conflict between the bidder's proposal and the Audit Engagement Letter / Service Level Agreement concluded between the parties, the Audit Engagement Letter / Service Level Agreement will prevail.

23. PREPARATION COSTS

The Bidder will bear all its costs in preparing, submitting and presenting any response or Tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing ITAC and its employees under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

24. INDEMNITY

If a bidder breaches the conditions of this bid and, as a result of that breach, ITAC incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds ITAC harmless from any and all such costs which may incur and for any damages or losses ITAC may suffer.

25. PRECEDENCE

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

26. LIMITATION OF LIABILITY

A bidder participates in this bid process entirely at its own risk and cost. ITAC shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Bidder's participation in this Bid process.

27. TAX COMPLIANCE

No tender shall be awarded to a bidder who is not tax compliant. ITAC reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or has submitted a fraudulent Tax Clearance Certificate to ITAC, or whose verification against the Central Supplier Database (CSD) proves non-compliant. ITAC further reserves the right to cancel a contract with a successful bidder in the event that such bidder does not remain tax compliant for the full term of the contract.

28. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS

No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. ITAC reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

29. GOVERNING LAW

South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

30. CONFIDENTIALITY

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with ITAC's examination and evaluation of a Tender.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender. This bid and any other documents supplied by ITAC remain proprietary to ITAC and must be promptly returned to ITAC upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, bidder(s) must secure ITAC's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action

31. ITAC PROPRIETARY INFORMATION

Bidder will on their bid cover letter make declaration that they did not have access to any ITAC's proprietary information or any other matter that may have unfairly placed that bidder in a preferential position in relation to any of the other bidder(s).

REQUEST FOR PROPOSAL NO. ITAC 04-2023/24
Request for Proposal for External Audit Services

ANNEXURE A2 – PRICING SCHEDULE

Resource(s)	2023/2024			2024/2025			2025/2026			2026/2027			2027/2028		
	Hour rate per resource	Number of hours	Total Cost (VAT Excl.)	Hour rate per resource	Number of hours	Total Cost (VAT Excl.)	Hour rate per resource	Number of hours	Total Cost (VAT Excl.)	Hour rate per resource	Number of hours	Total Cost (VAT Excl.)	Hour rate per resource	Number of hours	Total Cost (VAT Excl.)
Partner / Director															
Manager															
Assistant Manager / Supervisor															
Trainee 2 nd year															
Trainee 1 year															
IT Auditor															
Dibursements															
Sub- Total Annual Audit Fees (VAT Excl.)															
VAT															
Total Annual Audit Fees (VAT Incl.)															