



KWAZULU-NATAL PROVINCE

TREASURY
REPUBLIC OF SOUTH AFRICA

KWAZULU-NATAL PROVINCIAL TREASURY

P.O. Box 3613, Pietermaritzburg, 3200
Treasury House, 145 Chief Albert Luthuli Street, Pietermaritzburg
Tel: 033 897 4440 Fax: 033 341 0986

BID 1248/2023-F: REQUEST FOR INFORMATION- AUDIT MANAGEMENT SYSTEM

The Department invites prospective suppliers to submit information for risk management system to the KwaZulu-Natal Provincial Treasury.

FREE DOWNLOAD OF RFI FOR AUDIT MANAGEMENT SYSTEM.

The RFI can be downloaded on the Departmental website at:

<http://www.kzntreasury.gov.za/Tenders/Advertisements> and e-Tender Portal: www.etenders.gov.za

CONTACT PERSON FOR ENQUIRIES

Enquiries related to obtaining RFI may be directed to:

- Ms. T. Dube on Tel. No. (033) 897 4440 and e-mail: thandeka.dube@kzntreasury.gov.za or Ms. N Khumalo on Tel. No. (033) 897 4480 and e-mail: nonhlanhla.khumalo@kzntreasury.gov.za

Technical enquiries in relation to the required information may be directed to:

- Dr. C. Rajah on (033) 897 4550 and christopher.rajah@kzntreasury.gov.za

Office working hours is from **08h00 to 15h30**.

SUBMISSION OF PROPOSALS:

The closing date and time for receipt of the proposals is **22 November 2023** at **11h00 am**. Telegraphic, telephonic, telex, facsimile, e-mail and late Tender Proposals will not be accepted. Proposals must be deposited in the bid box specified below. Proposals deposited in any other bid box and address will not be accepted.

The Bid Box, located on the ground floor at the Treasury House
Attention: Financial Management Supply Chain Management Unit
KZN Provincial Treasury
145 Chief Albert Luthuli Road
Pietermaritzburg
3200



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KWAZULU-NATAL DEPARTMENT: TREASURY

AUDIT MANAGEMENT SYSTEM

USER REQUIREMENTS DOCUMENT (URD)

VERSION 2.0

September **2023**



1. Problem Statement

The department invites quotations from suitable service providers to provide information on the supply and installation of an Audit Management Tool. The Internal Audit Unit in the department is looking for a tool to improve the visibility, efficiency, and consistency of audits across all KwaZulu-Natal Provincial Departments, Entities and Municipalities

Essentially the system should be in line with the following methodology (or similar) for audits to ensure it is fit for purpose. The first phase is planning, followed by execution of the audit work, then reporting and lastly follow-up for assurance purposes.

2. Objective of the Request for Information (RFI)

The Department invites prospective service providers to provide information on the supply, installation, and maintenance of an Audit Management Tool. The KZNPT intends to use the RFI for the following:

- 2.1. To gather information on the suppliers available in the market.
- 2.2. The list of available suppliers identified in (2.1.) will then be invited to respond to the Request for Quotation (RFQ) on the provision of an Audit Management Tool.

Suppliers are encouraged to respond completely and clearly to the RFI to ensure that they are included in the list of invitees in the RFQ process.

3. Business Objectives

To ensure that the proposed system is fit for purpose, it should meet the business objectives as outlined below:

- 3.1. To improve the overall GRC environment in the KwaZulu-Natal Provincial Departments, Entities and Municipalities to effectively manage audit work.
- 3.2. To improve audit awareness in the KZN Provincial Administration by embedding and integrating audit management in all business processes.
- 3.3. To improve the communication of audit management outcomes both top-down and bottom-up.
- 3.4. To improve decision-making and goal setting by linking audit management to the organisation's strategy and objectives.
- 3.5. Monitor organizational and individual performance against goals and objectives.
- 3.6. Limit the impact of unwanted and unexpected risks or events on the business.

4. Functional Requirements

The system should at a minimum meet the following business requirements following the in-use audit management cycle.

- 4.1. Planning requirements
 - 4.1.1. Risk-based Audit Planning



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- Identify and prioritize high-risk areas to build your audit plan by leveraging integrated data analytics
- Self-assessments and surveys to capture and incorporate feedback from business and key stakeholders
- Develop work plans for each team and audit universe, or a single work plan to fit your needs
- Review historical coverage and results to inform planning

4.1.2. Audit Scheduling

- Forecast capacity and schedule in real time
- Smart assignments based on skills and availability
- Maximize team utilization

4.2. Execute Requirements

4.2.1. Audit Documentation

- Uncover hidden risks and issues with integrated analytics
- Perform high quality audit work through consistent execution of departmental methodology
- Build varying audits from financial, regulatory, performance and more
- Link supporting documents to testing procedures for reference
- Detect fraud through use of analytics which would not be found with sampling
- Review any item with an unlimited number of approvers in real time regardless of location
- Allow teams to perform audits with their own terminology, workflow, and audit report templates

4.2.2. Knowledge Base

- Share best practices internally
- Benefit from a library for risks, controls and audit programs
- Access to a best practice library
- Create standardized project templates for recurring audits
- Leverage library of 150+ audit- specific data analytics tests

4.3. Report Requirements

4.3.1. Audit Reporting

- Deliver data-driven insight based on analysis of 100% of transactions
- Generate audit reports in a single click
- Create charts and visualizations for more compelling reporting
- Monitor departmental KPIs to improve performance
- Run team or department wide reports for greater visibility into assurance coverage

4.3.2. Time Tracking

- Capture time spent on audits, admin tasks, and time off
- Produce analysis for time spent across projects and tasks

4.4. Follow-up Requirements



4.4.1. Audit & Issue Tracking

- Monitor issue remediation and use analytics to confirm resolutions
- Increase participation and visibility across the organization with integrated business contacts

5. Technical Requirements

The system should at a minimum meet the following technical requirements:

- Minimum coding solution –system must be an easily configurable user application for which no vendor coding or minimum coding is required.
- Reporting Dashboards and detailed reporting
- Online Reporting API – for reporting using third-party tools.
- Ease of use and navigation – System should be intuitive and user friendly to minimize time spent learning it and maximizing its use.
- Web-based- System should be accessed through a browser in a secure manner.
- Cloud and/or On-Premises for easy deployment- If it is on premise, then an option should exist to move to Cloud in the future.
- Compatibility across Browsers & Device- Various end-user devices and browser software should be supported to improve accessibility.
- Configurability – users should be able to establish and control their own dimensions, perspectives, phases, milestones, workflow, individual views and taxonomy.
- Flexible & Personalized Working.
- Data Validation – Ability to configure specific fields as mandatory i.e., issues rating or root cause to ensure management information is complete.
- Free Access for actions owners – Unlimited number of action owners can access the system for providing status updates to the actions they own. This is supported with automated email notifications and reminders.
- User driven development: The system should be supported by a dedicated development team to allow for the ongoing development of the solution.
- Dedicated local support: Dedicated support staff should be available through a helpdesk facility
- Collaboration- seamless collaboration on work items with both your audit colleagues and external stakeholders and provides visibility into departments outside of Internal Audit. This interconnectedness between previously disparate audit, risk management, and control processes accelerates an organization's success in identifying and managing potential risks.

6. Shortlisting Criteria

The following criteria will be used to short list perspective suppliers.



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No.	REQUIREMENT DESCRIPTION	EVIDENCE REQUIRED	SCORE
1.	Meets the Functional Requirements outlined in section 4. above.	Demonstration of the functional requirements being met in the proposed system or a detailed presentation.	10 points for requirements met or 0 points for requirements not met.
2.	Meets the Technical requirements outlined in section 5 above.	Demonstration of the technical requirements being met in the proposed system or a detailed presentation.	10 points for requirements met or 0 points for requirements not met.
3.	Supplier's experience in implementing and supporting a similar solution.	At least one signed letter(s) from the recommending party must be attached as proof. The letter must detail if the system was implemented, supported and when the work was done as this is used to assess the points awarded for experience.	<p>No letter(s) of recommendation attached - 0 points.</p> <p>Letter(s) show implementation and support work was only done in the last 5 years = 1 point</p> <p>Letter(s) show implementation and support work was done for more than 5 years but less than 7 years = 3 points.</p> <p>Letter(s) show implementation and support work was done for more than 7 years = 5 points.</p>
4.	Proof of implementation of the system in the public or private sector in South Africa.	At least one signed letter(s) from the recommending party must be attached as proof. The letter must detail the status of the implementation to assess proof of implementation.	<p>No letter(s) of implementation attached - 0 points.</p> <p>Letter(s) show system successfully implemented, and system is fully functional = 5 points.</p> <p>Letter(s) show system implementation is in progress and</p>



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			<p>system is partially functional = 4 points.</p> <p>Letter(s) show system implementation is in progress and system is not yet functional = 3 points.</p> <p>Letter(s) show system implementation is stalled, and system is not yet functional = 2 points.</p> <p>Letter(s) show system implementation is cancelled = 1 point.</p>
5.	Size of implementation organization.	System in	<p>At least one signed letter(s) from the recommending party must be attached as proof. The letter must detail the size of the implementation in terms of the number of users.</p> <p>No letter(s) of size of implementation attached - 0 points.</p> <p>Letter(s) show user base is less than 100 users = 1 points.</p> <p>Letter(s) show user base is between 100 to 300 users = 5 points.</p> <p>Letter(s) show user base in greater than 300 users = 10 points.</p>
6.	Project Plan		<p>A project plan must be attached indicating at least the following milestones with details on costs, duration, and resources.</p> <p>Milestones:</p> <p>Installation</p> <p>No project plan attached - 0 points.</p> <p>Incomplete/unclear project plan attached = 1 points.</p>



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		Configuration reporting. including Migration of existing company data User testing User training Handover Backup and Recovery	Complete and detailed project plan attached = 10 points.
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7. Indicative costing

A breakdown of costs must be provided in a schedule or project plan. At a minimum the following costs must be considered. Please ensure that the schedule is detailed and clear.

Item	Details
Installation	On premise installation On Cloud installation (incl. subscription costs for SaaS, hosting costs etc.)
Configuration	System parameter configurations Template and other functional configurations User configurations including user access. Configurations of user reports and system generated reports including dashboards.
Migration of user data	Migration costs. Backup and recovery costs
User administration	On-boarding of users (incl. new users), groups etc. User groups configurations and rights.
User training	Administration training (per admin) User training (per user) Training manuals and documentation
User and System support	Office hours/remote/telephonic hours costs On-site support costs



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	A full breakdown of costs must be included such as disbursements or call-out fee.
S&T costs	For support and training. Disbursement costs e.g. accommodation curbed price per night; travel cost curbed at what price (can't exceed government rates) (it is a common practice to curb disbursement costs at 10% of the total price)
Project Administration	All project costs.
Running and Maintenance Costs	Once- costs Maintenance costs for a three-year maintenance agreement. User and Admin licensing costs (seat or enterprise license costs, cost of the platform etc.)

8. Notes:

Pricing should include VAT and ROE where relevant.

For enquiries contact: Dr C. Rajah – Christopher.rajah@kzntreasuy.gov.za