



**REQUEST FOR PROPOSALS (RFP)**

THE APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER TO PROVIDE INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS TO THE KWAZULU-NATAL MUSEUM.

BID REFERENCE NUMBER : **KZN.M/IA-01/2024**

ISSUE DATE : Wednesday, 27 November 2024

COMPULSORY SITE BRIEFING : Thursday, 05 December 2024 at 11h00

CLOSING DATE AND TIME : Thursday, 19 December 2024 at 11h00

SUBMISSIONS DELIVERY : KwaZulu-Natal Museum  
237 Jabu Ndlovu Street  
Pietermaritzburg  
3201

FOR ATTENTION : Mr Siphamandla Dlamini  
Finance and Administration Department

BIDDER NAME :

BIDDER DETAILS / STAMP :

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Initials

**CLOSING DATE: 19 DECEMBER 2024**

TECHNICAL AND ADMINISTRATIVE ENQUIRIES:  
Executive Manager: Finance & Administration  
Mr Siphamandla Dlamini  
Tel: (033) 345-1404  
Email: [sdlamini@nmsa.org.za](mailto:sdlamini@nmsa.org.za)

**KwaZulu-Natal Museum**

237 Jabu Ndlovu Street  
PIETERMARITZBURG  
3201

Sir/Madam

REQUEST FOR PROPOSAL (RFP): **KZN.M/IA-01/2024**: THE APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER TO PROVIDE INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS TO THE KWAZULU-NATAL MUSEUM.

Kindly furnish the KwaZulu-Natal Museum with a proposal for the supply of the services as per attached documents.

The conditions contained in the KwaZulu-Natal Museum's policy documents and all other conditions quoted in this RFP, will apply to your submission.

This RFP, as formulated, contains relevant KwaZulu-Natal Museum's tender documents/forms that must be completed.

Kindly tender by completing the relevant forms, scan all the documents to a USB and deposit the USB in a sealed envelope in the tender box at the KwaZulu-Natal Museum's address as specified in page 3 before the closing date and time.

The KwaZulu-Natal Museum takes no responsibility for any late tenders, whatever the reason may be.

Yours sincerely

.....  
Mr Siphamandla Dlamini  
Executive Manager: Finance and Administration

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**Initials**

**SECTION 1**

**SBD1**

**PART A**

**INVITATION TO BID:**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE KWAZULU-NATAL MUSEUM</b>					
BID NUMBER:	KZN.M/IA-01/2024	CLOSING DATE:	17 December 2024	CLOSING TIME:	11:00
BRIEFING	<p><b>A NON-COMPULSORY BRIEFING WILL BE HELD VIRTUALLY ON 03 DECMEBER 2024. BIDDERS INTERESTED IN ATTENDING THE BRIEFING MUST RESPOND TO: <a href="mailto:mmyeza@nmsa.org.za">mmyeza@nmsa.org.za</a> &amp; <a href="mailto:sdlamini@nmsa.org.za">sdlamini@nmsa.org.za</a> BEFORE 03 DECEMBER 2024, TO RECEIVE A LINK FOR MS TEAMS.</b></p>				
DESCRIPTION	<p><b>THE APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER TO PROVIDE INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS TO THE KWAZULU-NATAL MUSEUM</b></p>				
<b>BID RESPONSE MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>KwaZulu-Natal Museum</b>					
237 Jabu Ndlovu Street					
PIETERMARITZBURG					
3201					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	MR MESULI MYEZA / MR SIPHAMANDLA DLAMINI		CONTACT PERSON	MR MESULI MYEZA / MR SIPHAMANDLA DLAMINI	
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	<a href="mailto:mmyeza@nmsa.org.za">mmyeza@nmsa.org.za</a>		E-MAIL ADDRESS	<a href="mailto:sdlamini@nmsa.org.za">sdlamini@nmsa.org.za</a>	
IMPORTANT NOTICE	<p><b>PLEASE NOTE THAT ALL ENQUIRIES MAY BE EMAILED TO <a href="mailto:mmyeza@nmsa.org.za">mmyeza@nmsa.org.za</a> &amp; <a href="mailto:sdlamini@nmsa.org.za">sdlamini@nmsa.org.za</a> FROM 27 NOVEMBER 2024 TO 03 DECEMBER 2024 (CUT-OFF DATE). QUIRIES RECEIVED AFTER THE CUT-OFF DATE WILL NOT BE ADDRESSED.</b></p>				
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
PHYSICAL ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		

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**Initials**

CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA

In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for the specific goals specified of tender 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 Supplier)
Black Ownership	12	
Women Owned	4	
Youth Owned	2	
Disability Owned	2	

<i>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED?</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	<i>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS / SERVICES / WORKS OFFERED?</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
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**QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  YES  NO

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Initials

DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b>	

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SECTION 1 Continued.....

SBD1

PART B

TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	<b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED – (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

(Proof of authority must be submitted e.g. company resolution)

DATE: .....

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Initials

**SECTION 2**

**SBD 4**

**DECLARATION OF INTEREST**

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative: .....

2.2 Identity Number: .....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): .....

2.4 Company Registration Number: .....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.7 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>“State” means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any KWAZULU-NATAL MUSEUM or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or

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**Initials**

(e) Parliament.

<sup>2</sup>“Shareholder” means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....

Name of state institution at which you or the person connected to the bidder is employed: .....

Position occupied in the state institution: .....

Any other particulars: .....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid).

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company’s directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

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**Initials**

2.8.1 If so, furnish particulars:  
.....  
.....  
.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.91 If so, furnish particulars.  
.....  
.....  
.....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars.  
.....  
.....  
.....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:  
.....  
.....

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**SECTION 3**

**SBD 6.1**

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for specific goals outlined in point 3 below.

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF SPECIFIC GOALS, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.**

**1. GENERAL CONDITIONS**

- 1.1 The following preference point systems are applicable to this bid:
  - the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included).
  - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).
- 1.2 The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable.
- 1.3 Points for this bid shall be awarded for:
  - (a) Price; and
  - (b) Preference Points based on specific goals.
- 1.4 The maximum points for this bid are allocated as follows:

	POINTS
<b>PRICE</b>	80
<b>Preference Points</b>	20
<b>Total points for Price and Preference Points must not exceed</b>	<b>100</b>

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points are not claimed.
- 1.6 The Museum reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the Museum.

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**2. POINTS AWARDED FOR PRICE**

**2.1 THE 80/20 PREFERENCE POINT SYSTEMS**

A maximum of 80 points is allocated for price on the following basis:

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)^{80/20}$$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid.

**3. PREFERENCE POINTS AWARDED**

3.1 In terms of Regulation 4(2); 5(2); 6(2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for the specific goals specified of tender in accordance with the table below:

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

*(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.*

*Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)*

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Black Ownership		12		
Women Owned		4		
Youth Owned		2		
Disability Owned		2		

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Initials

3.2 Preference points for black ownership will be awarded as follows:

Black Ownership	% of Preferential Point
Bidder with 100% black ownership	100%
Bidder with 51% to 99% black ownership	50%
Bidder with less than 51% black ownership	0%

4. DECLARATION WITH REGARD TO COMPANY/FIRM

4.1 Name of company/firm:.....

4.2 VAT registration number:.....

4.3 Company registration number:.....

4.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

4.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

4.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

4.7 Total number of years the company/firm has been in business:.....

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Initials

4.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals of contributor indicated in paragraphs 1.4 and 3.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points and specific goals claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.3 and 3.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the preference points of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

.....  
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:.....

DATE: .....

ADDRESS: .....

.....

.....

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Initials

**SECTION 4**

**SBD 8**

**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

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**Initials**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		

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**Initials**

Item	Question	Yes	No
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

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Initials

SECTION 4 Continued.....

SBD 8

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) .....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

Js365bW

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## SECTION 5

SBD 9

### CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods

and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**SECTION 5 Continued.....**

**SBD 9**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid: **KZN.M/IA-01/2024**

Appointment of a Professional Service Provider to provide Internal Audit Services to the KwaZulu-Natal Museum,

in response to the invitation for the bid made by: **KwaZulu-Natal Museum**

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

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**Initials**

- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder.

**SECTION 5 Continued.....**

**SBD 9**

- 6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
- 7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

**SECTION 5 Continued.....**

**SBD 9**

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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**Initials**

**SECTION 6****TERMS OF REFERENCE****KZN.M/IA-01/2024**

THE APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER TO PROVIDE INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS TO THE KWAZULU-NATAL MUSEUM.

**CONTENTS OF TERMS OF REFERENCE**

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## 1. Purpose

- 1.1 The purpose of this request for proposal is to request a suitable internal audit service provider to submit a proposal with regard to the provision of internal audit services to the KwaZulu-Natal Museum.
- 1.2 Prospective Bidders should be familiar with the provisions of: a) the Public Finance Management Act and its related Treasury Regulations b) as well as financial services industry, and c) the regulatory environment
- 1.3 The contract term will be for a period of three years and the contract will be reviewed on an annual basis. The performance of the contract will also be assessed and monitored in accordance with the requirements of Supply Chain Management.
- 1.4 It is mandatory for firms to be registered with the appropriate professional body (IIA, IRBA, SAICA).

## 2. Objectives of the Internal Audit Function

- 2.1 The objective of this bid is to appoint a suitable, independent service provider that can provide an appropriate internal audit service for the Accounting Authority and management of the KwaZulu-Natal Museum. In terms of the Public Finance Management Act (PFMA), the KwaZulu-Natal Museum should have an effective internal audit function, which should also comply with the Institute of Internal Auditors' (IIA) standards. The internal audit function should assist the KwaZulu-Natal Museum to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management control and governance processes. The risk management strategy, including the Fraud Prevention Plan, must be used to direct the internal effort.
- 2.2 One of the objectives of the internal audit function is to assist the Audit and Risk Committee, and through it the Accounting Authority and management, in the effective discharge of their responsibilities. This has to be done through furnishing them with analysis, appraisals, recommendations, counsel and information concerning the activities that have been reviewed as well as regular follow-ups. Other objectives/standards/controls of the audit function, which are subject to an evaluation, are to review the following:
  - Internal control processes;
  - The information systems environment;
  - The reliability and integrity of financial and operational information;
  - The effectiveness of operations;
  - Compliance with policies, regulations and contracts;
  - The safeguarding of assets;
  - The economical and efficient use of resources;
  - The achievement of established operational goals and objectives; and
  - Compliance with laws, regulations and controls.

- 2.3 The outsourced internal audit service provider must be locally based, i.e. registered and operating as a South African legal entity. To this end, individual firms partnering in a joint venture or consortium must individually meet this criteria.
- 2.4 A service level agreement [the Contract] which will commence on date of appointment until finalization of the 2026/2027 internal audit operational plan must be entered into on award of the bid, failing which the award will be nullified. Appropriate penalty clauses for delivery failures, delayed performance, etc. will be included in the service level agreement.
- 2.5 The KwaZulu-Natal Museum reserves the right to request the State Security Agency [SSA] for security clearance and background checking of the Owner(s)/Director(s)/Management and employees of the Consortium members prior to making an award and/or entering into a service level agreement.

### **3. Background**

- 1.1 The KwaZulu-Natal Museum is a Declared Cultural Institution established in terms of section 3 of the Cultural Institutions Act (Act No. 119 of 1998, as amended) and is governed by a Council appointed by the Minister of Sport, Arts and Culture. The KwaZulu-Natal Museum is listed under Schedule 3A of Public Finance Management Act (Act No. 1 of 1999).
- 1.2 The KwaZulu-Natal Museum is one of the largest and leading heritage institutions in the country. The Museum is dedicated to serving the people of South Africa by interpreting, collecting and exhibiting material evidence of the cultural and natural world, in order to increase knowledge, understanding and appreciation of our nation's rich heritage.

Background information on the structure of the KwaZulu-Natal Museum can be found in the latest Annual Report, which is available on our website ([www.nmsa.org.za](http://www.nmsa.org.za)).

### **4. Scope of Work**

- 4.1 The scope of the internal audit function includes the points listed below. However, should any other function be regarded as imperative by the bidder, it should be added and clearly defined.
- 4.2 The internal audit function must, in consultation with Audit and Risk Committee, prepare:
- A rolling three-year strategic Internal Audit Plan based on its assessment of key areas of risk for the KwaZulu-Natal Museum, having taken into consideration the KwaZulu-Natal Museum's current operations, the operations proposed in its corporate or strategic plan and its risk management strategy.
  - An annual Internal Audit Plan.
  - Plans indicating the scope, cost and timelines of each audit in the annual internal audit.

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- Audit reports directed to the Audit and Risk Committee detailing its performance against the plan to allow effective monitoring and intervention, when necessary.
- 4.3 It must co-ordinate with other internal and external providers of assurance to ensure proper coverage and minimal duplication of effort.
- 4.4 The internal audit function must assist the Accounting Authority in maintaining effective controls by evaluating those controls and developing recommendations for enhancement or improvement.
- 4.5 It must assist the Accounting Authority in achieving the objectives of the KwaZulu-Natal Museum by evaluating and developing recommendations for the enhancement or improvement of the processes through which:
- Objectives and values are established and communicated;
  - The accomplishment of objectives is monitored;
  - Accountability is ensured;
  - Corporate values are preserved;
  - The adequacy and effectiveness of the system of internal control are reviewed and appraised;
  - The relevance, reliability and integrity of management, financial and operating data and reports are appraised;
  - Systems established to ensure compliance with policies, plans, procedures, statutory requirements and regulations, which could have a significant impact on operations, are reviewed;
    - The means of safeguarding assets are reviewed and deemed as appropriate in verifying the existence of such assets;
    - The economy, efficiency and effectiveness with which resources are employed are appraised;
    - The results of operations or programmes are reviewed to ascertain whether they are consistent with the IRBA's established objectives and goals and whether the operations or programmes are being carried out as planned; and
    - The adequacy of established systems and procedures are assessed.
- 4.6 The audits that will need to be taken into account at the KwaZulu-Natal Museum are, among others:
- Information and Communication Technology (ICT) Reviews audit.
  - Compliance Audits
  - Performance Audits
  - Human Resource and Payroll Audits
  - Follow Up Reviews
  - Financial Audits
  - Asset Management Review
  - Heritage Asset Management Review
  - Stakeholder Relations and Marketing Management Review
  - Occupational Health and Safety

- Enterprise Risk Management
- Records Management
- Security Management
- High Level Review of Annual Financial Statements for external audit
- Annual Performance Report
- Conducting special assignments and investigations, on behalf of Audit and Risk Committee or the Director, into any matter or activity affecting the probity, interest and operating efficiency of the KwaZulu-Natal Museum.
- Audit designed to detect fraud.

4.7 Fraud and Irregularities

- In planning and conducting its work, the internal auditor should seek to identify serious defects in internal controls, which might result in possible malpractices. Any such defects must be reported immediately to the Director and/or Audit and Risk Committee without disclosing these to any other staff. This also applies to instances where serious fraud and irregularities have been uncovered.

**5. Expected Outcomes and Deliverables**

- 5.1 The internal audit service provider that will be appointed to provide internal audit services must have teams of certified and professionally qualified and experienced internal auditors based, i.e. collectively the team of qualified internal auditors will have understanding and awareness of the public sector / heritage sector gained through personal or associate experiences, media platforms, etc.
- 5.2 Internal audit projects must be executed under the direct supervision and control of a dedicated partner (i.e. the engagement / implementing partner), assisted by a manager or senior manager who is a certified internal auditor (CIA) with at least three years post certification internal auditing experience. The relevant internal auditing experience, qualifications, certifications, etc. of proposed key staff members must be specifically detailed in the bidders' proposal.
- 5.3 Key staff and senior internal audit resources must all be permanent employees of the bidder and be professionally qualified [graduate or equivalent NQF level with relevant certification plus internal auditors in training must meet applicable requirements of the internal auditing fraternity and preferably formally engaged in the professional development streams of the IIA]. Specialist audit resources must have been employed by the internal audit service provider for at least the six (6) months preceding his/her subsequent deployment to the KwaZulu-Natal Museum project. Accordingly, the successful service provider shall not sub-contract any audit resources, other service provider or other individuals to assist with the execution of the internal audit projects at the KwaZulu-Natal Museum.
- 5.4 The internal audit service provider must ensure the deployment of professionally qualified and skilled internal audit

resources in its employ on internal audit projects at the KwaZulu-Natal Museum.

- 5.5 The successful internal audit service provider will be required at all times to perform internal audit work in compliance with the standards, code of conduct, guidelines and pronouncements set out by the Institute of Internal Auditors [IIA] as well as comply with its International Professional Practices Framework (IPPF), the COSO Framework on Internal Control and have regard for the Systems and Audit and Control Association's (ISACA) Professional Practices Frameworks for IT Assurance as well as all other applicable laws, regulations e.g. PFMA, National Treasury Regulations, applicable directives and applicable public sector frameworks of e.g. the King Code, the public sector audit committee forum [PSACF] to ensure that internal auditing at the KwaZulu-Natal Museum remains compliant, cutting edge and professional.
- 5.6 To this end, the successful internal audit service provider is in particular expected to stay abreast of changes and emerging developments that may impact the professional practise of internal auditing at the KwaZulu-Natal Museum from time to time e.g. ISO frameworks, regulation of internal auditing, etc.
- 5.7 The successful service provider will be required to, amongst other things:

#### **Performing Audit Assignments**

Each assignment should at least consist of the following:

- A pre-audit survey;
- An audit planning memorandum;
- Minutes of the entrance meeting;
- A risk assessment document;
- System descriptions;
- Audit programmes;
- Sampling methodology;
- Mechanisms for follow-up on matters previously reported and feedback to ARMCO;
- Mechanisms to ensure that working papers are reviewed at the appropriate level;
- A record of work performed;
- A review of work performed;
- Audit findings and recommendations;
- Reporting (a draft internal audit report and a final internal audit report); and
- Follow-up on previous audit findings.

#### **Reporting Requirements**

The structure of the report is to be as follows:

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- Introduction;
- Audit objective and scope;
- Background;
- Executive summary, highlighting significant findings;
- Findings, recommendations and management response (including implementation dates);
- All audits as carried out according to the Internal Audit Plan and as approved by ARMCO; and
- Conclusion.

The auditor is to deliver an electronic copy and one signed copy of the final report to the chairman of Audit and Risk Committee and the KwaZulu-Natal Museum Director.

## **6. Quality Assurance Reviews of the Work**

- 1.1 The auditor shall ensure that all work conforms to the IIA Standards for Professional Practice. Such work may further be subjected to external quality assurance, as may be considered necessary.

## **7. Monitoring the Progress of Assignments**

- 7.1 On completion of each assignment, the auditor shall distribute the reports to Audit and Risk Committee and the Director.
- 7.2 On a quarterly basis, a report on progress against the plan, significant findings and administrative matters will have to be presented to Audit and Risk Committee.

## **8. Duration of Contract**

- 8.1 The contract is expected to run for three years, covering completion of the internal audit plan from 2024/2025 up to 2027/2028 commencing on the date of signing the Service Level Agreement.
- 8.2 The successful bidder should be able to start from February 2025.

## **9. Evaluation Criteria**

- 9.1 The evaluation of the technical part of the proposal will be on the basis of the candidate's responsiveness to the terms of reference, as well as the application of the evaluation criteria and points system as indicated below. Each responsive proposal will be given a technical score.

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**Initials**

**Phase 1: Technical Evaluation**

9.2 The bid will be evaluated and adjudicated using the 80/20 system (80 for Price and 20 for Specific Goals). Functionality will be scored at a maximum of 100 points whereby the bidder must obtain a minimum of 65 points to qualify for the financial evaluation according to the criteria captured in the table below and must achieve a subminimum of 50% in each criteria:

Criteria	Points Allocated
Experience of the firm in internal audit services, including specialised skills, expertise and value-added services	40
Experience in the internal audit of public entities	20
Qualifications and experience of team members	30
Ability to provide the services and adequate institutional support	10
<b>TOTAL</b>	<b>100</b>

**10. Technical Proposal and Criteria**

10.1 The bidders' technical proposal must adequately illustrate embedded competence and experience in areas highlighted. The following information must in particular be provided as part of the written functional proposal:

- The internal auditing approach of the service provider illustrating that the auditing methodology is in line with the IIA standards and IPPF:
- Provide the name of the external quality control review organizations where the bidder is accredited or certified e.g. IRBA Registration/Accreditation/Licence, SAICA Accreditation, IIA Accreditation, IRMSA Accreditation, ACFE Accreditation, FSB Accreditation, JSE Listing/Accreditation etc.
- Proof of such certification/accreditation must also be provided.

10.2 The written tender application should focus on the following aspects to qualify and be considered:

10.2.1 Experience of the firm in internal audit services, including specialised skills, expertise and value-added services.

- Demonstration of the firm's substantial internal audit experience.
- Specialised skills, expertise and value-added services in the field of internal audit, with an emphasis on best practice methodology, tools and technology used.
- Availability of forensic audit skills and tools.
- Availability of computer audit skills and tools.

10.2.2 Experience in the internal audit of public entities.

- Advanced understanding of and sufficient exposure to the Public Finance Management Act of 1999 and the Protocol on Corporate Governance for Public Entities.
- Experience in the auditing of public entities, with reference letters if possible.
- External references, the size of audits and the size of the client base.

10.2.3 Qualifications and experience of team members.

- The relevant individuals must be registered with the IIA.
- Detailed CVs of the auditor/s who will be responsible for managing the internal audits and the person who will be signing the audit plan and reports.

10.2.4 Ability to provide the services and adequate institutional support.

- Shareholding and management structure.
- Employment Equity Policy.
- Years in business.
- Turnover fees for the past two to three years.
- Professional staff numbers.

10.2.5 To enable the KwaZulu-Natal Museum to evaluate the entity on the above criteria, please ensure that adequate documentation is attached.

**11. Financial Proposal**

11.1 It is understood that internal audits are based on hourly rates and that budgets are compiled once the appointed auditor has assessed the likely extent of the work. Financial proposals will be compared on the basis of hourly rates. Firms are required to submit a table of hourly rates as per the table below. Rates should be inclusive of overheads and VAT. If a particular category does not exist for the firm, it can be omitted.

Item (where applicable)	Hourly Rate (including overheads and VAT)
Engagement Partner	R
Partner	R
Senior Manager	R
Manager	R
Assistant Manager	R
Supervisor	R
Senior Auditor	R
Trainee Auditor	R
Specialists (e.g. tax, technical)	R

11.2 It is recognised that it is difficult for a prospective bidder to be firm about the extent of the work based solely on the terms of reference. However, to assist with assessments, a firm must provide a typical distribution of time for members of the audit team on a job of this nature. This should be expressed in percentages of the total person-hours billed on a typical job (see table below, which is indicative only and not binding on the firm).

Item (where applicable)	Typical Percentage of Total Hours on Project
Engagement Partner	%
Partner	%
Senior Manager	%
Manager	%
Assistant Manager	%
Supervisor	%
Senior Auditor	%
Trainee Auditor	%
Specialists (e.g. tax, technical)	%

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**Initials**

TOTAL	100
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Initials