



REQUEST FOR QUOTATION:

RFQ 19981

INTERNAL AUDIT AND RISK – DATA ANALYTICS TOOL

CLOSING DATE AND TIME : FRIDAY, 10 JUNE 2022 @15H00

Quotations to be submitted via email: Quotes_LTD@ithala.co.za

Procurement Enquiries

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Name of service provider:

REQUEST FOR QUOTATIONS

RFQ 19981: DATA ANALYTICS TOOL

Competent service providers are hereby invited to furnish written quotations for performing the above-mentioned service / supplying the above-mentioned goods.

The following conditions will apply:

Price(s) quoted must be valid for at least ninety (90) days from date of your offer.

Price(s) quoted must be firm.

A firm delivery period must be indicated.

This quotation will be evaluated in terms of the Preferential Procurement Policy Framework Act (No 5 of 2000). Enclosed is the Integrity Declaration which must be completed in full and signed by the service provider, **failure to complete and sign shall invalidate your quotation**.

A quotation must be submitted with the following documents:

- A copy of valid BBBEE certificate or Sworn Affidavit (non-compulsory, failure to submit no preference points will be awarded)
- Central Supplier Database (CSD) summary report
- Company previous experience in Data Analytics - Provide detailed previous experience with five (5) references at the minimum where similar work was undertaken.
- Project Manager / Resources. Please supply Project Managers Curriculum Vitae that details experience of previously managing and implementing projects of similar scope and complexity within the last three (3) years.
- CVs of at least two (2) resource/s assigned indicating a minimum of six (6) years combined experience in supporting and maintaining the proposed software.
- License Proof of manufacturer accreditation to resell, install, support, and maintain the proposed system.

No awards will be made to person(s)

- Who is not registered on the Central Supplier Database;
- Who is in the service of the state;
- If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; and/or

Quotation must only be submitted by email Quotes_Ltd@ithala.co.za (quotes underscore at Ithala dot co dot za)

All quotations must be submitted on or before **15:00 on Friday, 10 June 2022**. No quotations will be accepted after this date and time.

Ithala SOC reserves the right to withdraw any invitation to quote and/or to re-advertise or to reject any quotation or to accept a part of it. Ithala SOC does not bind itself to accepting the lowest quote or award a contract to the tenderer scoring the highest number of points.

Yours faithfully

SUPPLY CHAIN MANAGEMENT

A. TERMS OF REFERENCE

Internal Audit Tool / Software

1. System Features

The tool that should be acquired for Internal Audit must have characteristics that will enable or assist the division on implementation of these key deliverables listed below:

- It must be fully functional to meet internal audit dynamic work requirement.
- It must embed best practice methodologies, internal audit frameworks and supports a risk and control based audit approach in line with international best practice (COSO, IIA, IPPF and the King code).
- It must be extremely flexible, allowing users to work the way they want to work and must suit Ithala's Internal Audit methodology without any programmer intervention.
- It must be highly intuitive and user friendly, displaying only relevant information to the user based on permissions, with hierarchical drill down on units and/or processes, custom views, context sensitive menus, drag and drop, graphical drill-down dashboards etc.
- It must have powerful and flexible reporting including graphical (drill down) dashboards and integrated Word and Excel reports for Internal audit.
- It must be a leading edge technology with advanced offline synchronisation in Internal Audit.
- The system must be able to integrate with risk management software for seamless communication of pertinent risk information.
- Facilitate the mapping of Audit Issues to Risk and Compliance issues for combined assurance; and
- Licenses should be assignable from user to user when not used.
- Hosted on cloud versus onsite - Hosted solution preferred for onsite or on premise (desktop solution) (Please provide technical infrastructure specification and cost).
- User Licensing Required - Data Analytics Team (max 5 users).
- Maintenance and Support - 24/7 application support (remote), version upgrades and support for upgrades must be included. Provide detailed fault logging procedure.
- Business Continuity - The solution must cater for full disaster recovery at no additional cost, including backup (daily) and data recovery.
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2. Internal Audit Specific Features

Internal Audit requires a solution that will provide a single fully integrated internal audit system. The tool must support a true risk and control based audit approach and promote or facilitate the risks that matter to the organization audited. Internal Audit assignment is broken down into stages and the required features as per audit stage are documented below.

a. Audit Planning

- A tool that will make creation and display of the Audit Universe planning, dashboards, 3 year rolling audit plan and resource planning easier and more efficient.
- Must create an internal audit project from an Audit Plan or directly from Processes and/or the Organisational structure and have project search functionality.
- Must enable auditors to select the relevant risks and controls to audit from the risk management module.
- Must be able to update project detail registers (Task, Resource, etc.)
- Must enable documentation of system descriptions/narratives, minutes of meetings, audit planning memorandum, etc.
- Must Assign audit team members (resources) to relevant sections of the project:
 - Process / system descriptions
 - Audit objectives
 - Control adequacy testing
 - Control effectiveness testing
 - Must be able to allow capturing of additional risks
 - Must be able to capture additional controls
 - Must be able to generate risk and control matrix

b. Audit Execution

- Execute the audit based on the audit programmes
- Complete control adequacy testing and rating
- Complete effectiveness testing including audit procedures and sample testing
- Attach evidence, allocate unique system reference numbers when uploaded and reference such to working papers
- Update control effectiveness rating
- Capture findings and allow hyperlink to the working papers.
- Capture audit risk assessment ratings
- Ability to export working papers and attachments out of the tool
- Review audit work using the PFO (project file organiser) or per audit objective
- Capture review notes
- Clear review notes
- Allow user to work offline and later merge to master-file
- Must have usability functions for audit teams, i.e. preparer/ reviewer abilities, tick-marks, hyperlinks, exporting and importing evidence, sequentially number evidence, and audit Masterfile replication for multiple team members.

c. Audit procedures and tests

- Audit objectives and / or controls must be tested based on predefined audit procedures.
- Samples should be imported from the likes of CAATS.
- Audit test results must be completed and setup to trigger recommendations (findings) automatically for repetitive audits.

d. Risk and Control based auditing

- Risks and Controls that have been selected for audit are pulled through automatically from risk management (when synchronisation with risk management tools has been established).
- In addition an auditor may or identify new risks and / or controls during the audit.
- Controls can be rated in terms of control adequacy and effectiveness based on the audit test results. Risks can be rated independently by internal audit based on the effectiveness of controls.

e. Recommendations (Findings)

- Recommendations must be created based on failed audit tests and / or ineffective controls.
- Recommendations must be emailed to the process owner for management comment.
- Management comments and action plans must be imported back into tool.
- Implementation date must also be captured by the process owner.
- Management must be able to access the system to update their action plans online.
- Reminder email must be sent to process owner closer to the implementation date.

f. Review and Sign off

- Work must be reviewed and /or signed off either item by item or by using the quick review and sign off functionality.

g. Reporting

- Generate audit procedure reports
- Generate standard findings reports with action pans
- Generate final audit reports in MS Word
- Export the project file organiser into MS Word

- Choose audit reports from a selection of flexible report templates
- Customise the system to Ithala's reporting template
- Send reminders to relevant

h. Audit finalisation

- Close the audit project
- Capture audit alignment in Risk Management module
- View updated risk register in Risk Management module
- Archiving of internal audit projects

i. Audit alignment

- At a close out meeting 'management' can choose to accept audits ratings and any new risks / controls that audit may have identified during the audit.
- Audit alignment will trigger reassessment/s on audited risks showing the history of how management rated the controls compared to audit's ratings.

j. Follow-up Audits

- Generate follow up reports
- Perform follow up audit/s

k. Advanced offline synchronisation

- The tool that we require is the one that will enable working offline and synchronisation of internal audit projects, supporting the ability for audit teams to work remotely without being connected to the server:
 - Server to offline database synchronisation
 - Bi-directional preparer / reviewer project synchronisation via email / memory stick
 - Offline database back to server synchronisation

3. Risk Specific Features

The risk division requires a solution that will have the following system features:

- Risk identification, monitoring and reporting
- Real time accessibility and insight to internal and external environment
- Aggregation of risk data and reporting
- Proficient risk analysis and response
- Easy visibility and user friendly
- Determine risk impact with custom fields
- Produce risk assessment graphs
- Flexible and custom reporting
- Risk matrix
- Fraud Risk analytics and monitoring
- Stress testing and scenario analysis
- Integrations and connectivity with other systems i.e. EDW
- Compliance management into guidance notes, OHSA, ISO etc.
- Prediction capabilities
- Incident navigation
- Reporting and analytics
- Value for money

4. Data Analytics Tool / Software

Proposed solution should provide an analytics capability that will allow IAS to provide meaningful recommendations to drive impactful changes. Proposed solution should include the following organisation and structural design functionalities:

- The ability to graphically visualise results;
- Provide various interrogation options (e.g. duplicate record, journal entry testing, etc.);
- Ease of use by a non -specialist;
- Strengthen accountability and decision making; and
- Clarify roles within the organisation matrix.

Functionality of the tool – the solution must be able to do the following:

- Demonstrate an ability to import information from any data source and prepare the data prior to commencing with the analysis.
- Demonstrate an ability to import information from manually via electronic files (e.g. text, excel, etc.) and scanned reports in pdf, tiff, etc. formats.
- Demonstrate data mining capabilities by sourcing all relevant data for analysis to be performed by running scripts and commands to extract data.
- Demonstrate an ability analysing data sets firstly for data integrity, then trend analysis, duplicate data and gap detection.
- Demonstrate an ability for standardised data clean-up and aggregation (where applicable)
- Demonstrate an ability for a read only access to protect the source data integrity.
- Demonstrate an ability to perform numerous audit functions for a robust analysis.
- Demonstrate an ability to facilitate continuous auditing process.
- Demonstrate an ability to visually identify patterns, trends and exceptions for review and remediation.
- Demonstrate an ability to provide audit trails that allow for repeatable analysis.
- Demonstrate an ability for automation of routine data analytic test procedures.
- Demonstrate ability for end user scripting.
- Demonstrate capabilities for integrating with Internal Audit tool for sampling and advanced analytics reporting (where applicable).

The service provider should demonstrate the value-add to Ithala in terms of the following:

- Process efficiencies;
- Continuous auditing;
- Skills transfer through handover and training of IAS staff on the functionality and technical aspects of the solution
- 100% auditing of the population; and
- Improved reporting

Duration

- The duration of this tool will be a period of Twelve months
- Supply the tool and maintenance it for a period of twelve months

A. PRICING SCHEDULE

SIGNATURE OF BIDDER:

CAPACITY:

B. INTEGRITY DECLARATION

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to quote. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the tenderer to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the quotation process.

2. Tenderer's declaration

- 2.1 Is the tenderer, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state?

YES	NO
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- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

- 2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by Ithala SOC (Ltd)?

YES	NO
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- ### 2.2.1 If so, furnish particulars:

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- 2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

YES	NO
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1 the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.3.1 If so, furnish particulars:

3 DECLARATION

I, the undersigned, (name & Surname) _____ in
submitting the accompanying quotation, do hereby make the following statements that I certify to
be true and complete in every respect:

- 3.1 I have read and I understand the contents of this declaration;
- 3.2 I understand that the accompanying quotation will be disqualified if this declaration is found not to be true and complete in every respect;
- 3.3 The tenderer has arrived at the accompanying quotation independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying quotation have not been, and will not be, disclosed by the tenderer, directly or indirectly, to any competitor, prior to the date and time of the official quotation closing or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the tenderer with any official of Ithala SOC (Ltd) in relation to this procurement process prior to and during the quotation process except to provide clarification on the quotation submitted where so required by the Ithala SOC (Ltd); and the tenderer was not involved in the drafting of the specifications or terms of reference for this quotation.
- 3.5 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.
- 3.6 The tenderer or any of its directors is / are not listed on the National Treasury's Register of Tender Defaulters or the Database of Restricted Suppliers, have not been convicted by a court of law for fraud and corruption during the past five years, have not had any contract between the bidder and any organ of state being terminated during the past five years on account of failure to perform on or comply with the contract

² 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT ITHALA SOC (LTD) MAY REJECT THIS QUOTATION OR ACT AGAINST ME IN TERMS OF ITS SCM POLICY SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature

Date

Position

Name of Bidder

C. TERMS AND CONDITIONS FOR PURCHASE AND SALE OF GOODS ONCE OFF TRANSACTION

(These Terms are to accompany the ToR/RFP/RFQ)

1. APPLICATION

These Terms and Conditions of Sale ("the Terms") shall apply to the purchase of goods and ancillary services (collectively referred to as the "Goods") by the Service Provider ("Service Provider") and the Institution ("Institution"), each of which is identified in the accompanying quotation or proposal. These Terms, Product Specification, the Request for Proposal/Quotation, Service Provider's bid or quotation proposal, the Purchase Order as well as any other written Special Conditions of Contract signed by the Parties shall comprises the entire agreement between the parties (collectively, the "Agreement").

The Service Provider accepts these Terms by signing and returning these Terms to the Institution together with its quotation or proposal.

2. RELATIONSHIP OF PARTIES

Nothing contained in these Terms shall be construed as establishing or implying any partnership or joint venture between the parties and nothing in these Terms shall be deemed to construe either of the parties as the agent of the other.

3. PRODUCT DESCRIPTION

The product description shall be as provided for in the Specifications or the Service Provider's proposal as accepted by the Institution.

4. DELIVERY

Delivery of the Goods shall take place and date as agreed to by the Parties. The order and delivery of such Goods as well as any further conditions of delivery shall be reduced to writing and shall form part of this Agreement. The Institution shall make all arrangements necessary to take delivery of the Goods whenever they are tendered for delivery. Any damages, shortages, over deliveries and duplicated orders shall be reported to the Service Provider

5. INSPECTION AND REJECTION OF GOODS

"Nonconforming Goods" means only the following: (i) the items delivered are different from those identified and specified in Institution's purchase order; or (ii) the labels or packaging of the items incorrectly identifies them. The Institution shall refuse to accept delivery where it is immediately clear that the Goods delivered are Nonconforming Goods. Where it is not

immediately clear that the Goods delivered are Nonconforming Goods, the Institution shall have 7 (seven) days following receipt of the said Goods within which to inspect them (the "Inspection Period"). The Goods will be deemed accepted at the end of the Inspection Period unless the Institution notifies Service Provider in writing of any Nonconforming Goods. The Service Provider shall replace the Nonconforming Goods within 14 (fourteen) days of receipt of notice or credit or refund the purchase price for the Nonconforming Goods, together with any reasonable expense that may have been incurred by the Institution. The Service Provider shall collect the Goods from the possession of the Institution within 14 (fourteen) days from the date of notification of the Nonconforming Goods. At Service Provider's request, Institution will dispose of the Nonconforming Goods or return the Nonconforming Goods to Service Provider at Service Provider's expense. The Service Provider's failure to comply with the provisions of this shall result in breach of this contract in terms of clause 14. Notwithstanding the foregoing, Service Provider will have no obligation under this section or otherwise with respect to any infringement claim based upon any: (i) misuse or modification of the Goods by Institution or its employees or agents, (ii) use of the Goods in combination with other materials, goods or services for which the Goods were not intended to be used, (iii) failure of Institution to implement any update provided by Service Provider that would have prevented the claim, (iv) Goods that Service Provider made to Institution's specifications or designs.

6. RISK

All risks in the Goods shall pass to the Institution at delivery upon receipt and signing off of the Goods

within reasonable time of signed receipt. The Service Provider shall collect all over deliveries and replace all damaged Goods as well as outstanding Goods or refund the Institution.

7. LIMITED WARRANTY

The Service Provider warrants to Institution that the Goods will be free from defects in material and workmanship for a period of _____ following the date of delivery to the Delivery Location (the "Warranty Period") or the period of the manufacturers' warranty, whichever is longer. If prior to the expiration of the Warranty Period, the Institution informs Service Provider in writing of any breach of this limited warranty, Service Provider may repair or replace the Goods that gave rise to the breach or refund the full amounts that Institution paid for the Goods. Service Provider does not warrant the Goods, or any repaired or replacement parts, against

normal wear and tear or corrosion. The Institution shall provide the Service Provider with a reasonable opportunity to examine the Goods and the sales records and the Service Provider shall, in the absence of any unauthorized modification or repair of the Goods, including without limitation the removal or alteration of any serial numbers or warranty date decals replace, refund or repair the Goods. The Service Provider shall defend, indemnify, and hold harmless the Institution and its subsidiaries, affiliates, successors, and assigns and their respective directors, officers, shareholders, and employees from and against any Claims arising out of or occurring in connection with the negligence or willful misconduct of Service Provider or its employees or agents.

8. INFRINGEMENT

The Service Provider shall defend, at its own expense, any action against the Institution brought by a third party to the extent that the action is based upon a claim that the Goods infringe on any patents or copyrights, or misappropriate any trade secrets, of a third party. The Service Provider shall pay those costs and damages finally awarded against the Institution on any actions that are specifically applicable to the claim or those costs and damages agreed to in a monetary settlement of the actions. The foregoing obligations are conditioned on Institution (i) notifying Service Provider promptly in writing of the action, (ii) making no admission of liability and giving Service Provider sole control of the defence thereof and any related claim, Service Provider shall, at its option and expense, either (i) procure for Institution the right to continue using the Goods, (ii) replace or modify the Goods so that they become noninfringing, or (iii) accept return of the Goods and refund Institution the amounts actually paid by Institution to Service Provider for the Goods.

9. PRICE AND PAYMENT

The price payable to the Service Provider for the Goods shall be as described in the Purchase Order and shall be inclusive of all applicable taxes and cost. The price payable as referred to herein shall not be adjusted for any reason unless as agreed to in writing between the parties. The Institution shall pay all proper invoices received from the Service Provider and approved by both Parties, within 30 (thirty) calendar days of receipt and approval of invoices thereof. The Service Provider may charge interest on overdue invoices from the date when payment becomes due at the Prime Rate compounded monthly from time to time, as used by the South African Reserve Bank.

10. FORCE MAJEURE

The Parties shall not be liable for any delay or failure to perform any of its obligations if the delay or failure results from events or circumstances outside its reasonable control, including but not limited to acts of God, strikes, lock outs, accidents, war, fire, breakdown of plant or machinery or shortage or unavailability of raw materials from a natural source of supply, and the Parties shall be entitled to a reasonable extension of their obligations. If the delay on the part of the Service Provider persists for a period of more than 60 (sixty) days, the Institution has the discretion to either (i) procure the Goods not readily available from the Service Provider from a 3rd party without terminating this Agreement and being liable to the Service Provider for the portion of the Goods as procured from the 3rd party or (ii) terminate this Agreement.

11. TERMINATION OF AGREEMENT

This Agreement will terminate under the following circumstances: (i) in terms of the provisions of clause 14 or (ii) after delivery of the Goods provided that the Goods are not returned to the Service Provider in terms of the provisions of these Terms. In the event that the delivery of the Goods will be more than once, the Agreement shall terminate on the settlement negotiations, and (iii) cooperating and, at Service Provider's request and expense, assisting in the defence. If the Goods become, or in Service Provider's opinion are likely to become, the subject of an infringement Agreement shall only terminate after delivery of the correct Goods or replaced Goods on the date agreed to with the Institution. Should the Service Provider not deliver the correct Goods within the time agreed to by the Parties, the Service Provider shall be deemed to be in breach of this Agreement in terms of the provisions of clause 14. The Client will settle all undisputed outstanding invoices of the Service Provider within 30 (thirty) working days of the date of termination of Agreement pursuant to this Agreement, to either enforce specific performance or terminate the Agreement (with a 14 (fourteen) day's written notice of termination) and/or claim damages.

12. SUB-CONTRACTING

The Service Provider shall not subcontract its obligations in terms of this Agreement to any 3rd party without the prior written consent of the Institution.

13. CANCELLATION OF ORDER

Cancellation or modifications of all or part of any order are subject to Service Provider's cancellation policy or as agreed to by the Parties in writing. The

Institution shall be liable for the Service Provider's direct damages incurred as a result of the cancellation or modification of an order that does not comply with the Service Provider's cancellation policy which shall be provided to the Institution in advance together with the Service Provider's bid proposal or quotation.

14. BREACH

Either Party shall be in breach of this Agreement if it fails to comply with any of its obligations in terms of this Agreement and having been given 14 (fourteen) calendar day's written notice to remedy such non-compliance. The Service Provider shall be in breach of this Agreement if it-; (a) fails to comply with the prescribed licensing requirements, and/or if it fails to comply with any date of the last delivery, provided the Goods are not returned to the Service Provider in terms of the provisions of this Agreement. In the event that the Goods are returned, the compromise or make such assignment with, its creditors; or (d) without the prior written consent to the Institution, undergoes a change in shareholding or members interest so that a new person owns the majority of its voting share capital or members interest; or Either Party shall, in any instance of breach, be entitled, in addition and without prejudice to any other right it may have in law.

15. ENTIRE AGREEMENT

These Terms together with its annexures (as contemplated in clause 1) constitutes the whole agreement between the Parties and no term or condition relating to the subject matter of this Agreement not incorporated in this Agreement shall be binding on any of the Parties. This Agreement supersedes all and any agreements between the Parties on the subject matter.

16. CESSION AND ASSIGNMENT

Neither Party shall cede in whole or in part, any of its obligations under the Agreement, except with the other Party's prior written consent. Neither Party shall assign, in whole or in part, any of its obligations under the Agreement.

17. GOVERNING LAW

This Agreement will be governed by, and construed in accordance with, the laws of the Republic of South Africa and all disputes, actions and other matters relating thereto will be determined in accordance with such laws.

Signed on _____ day of
_____, 202____

By the Service Provider Representative:

Signature

Full Name and Surname

Signature of Witness

Full Name and Surname of Witness