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TERMS OF REFERENCE (TOR)

APPOINTMENT OF A SERVICE PROVIDER FOR IMPLEMENTATION OF AN INTERNAL AUDIT SYSTEM WITH MAINTENANCE AND SUPPORT FOR A PERIOD OF FIVE (5) YEARS FOR THE INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA (ICASA)

1. BACKGROUND

ICASA seeks to implement an Internal Audit System (IAS) that aligns to fulfil the requirements of the Global Internal Auditing Standards (GIAS) and the International Professional Practices Framework (IPPF) of the Institute of Internal Auditors (IIA).
The system must standardise risk-based planning, automate audit workflows, strengthen combined assurance, and enhance issue tracking and reporting.
In addition, the ability to seamlessly integrate with risk and compliance management systems and information to create an organisation wide risk universe.
The solution must process personal information in compliance with POPIA and enable appropriate controls for lawful processing, security safeguards, breach notification and data segregation rights.

2. OBJECTIVES

The objective is to:

1. Acquire and implement an IAS that supports the GIAS and IPPF in risk-based planning, fieldwork execution, reporting, issue remediation tracking, follow-up, and combined assurance across the organisation.
2. Ensure alignment with the IIA GIAS and good practice for audit workflows, quality assurance and independence.
3. Provide seamless integration with core systems (GRC / Risk and Compliance management systems) and secure data handling compliant with POPIA.
4. Deliver measurable value for money and transparent procurement outcomes per PFMA SCM frameworks.

3. SCOPE OF WORK

3.1 Software (IAS) Functional Requirements

a. Audit Universe & Risk Assessment: Auditable entity registers; dynamic risk assessment; heatmaps; risk/control libraries; scheduling aligned to risk-based plans.
b. Engagement Management: Planning, scoping, work programs, sampling, evidence collection, review notes, signoffs, and version control.

c. Workflow Automation: Configurable workflows for planning, fieldwork, reporting, action tracking; notifications/escalations; dashboards.
d. Issue & Action Tracking: Findings lifecycle (root cause, risk rating, owner, due dates, age analysis), challenges & dependencies, reminders, closure validation, trend reporting.
e. Reporting & Analytics: Out-of-the-box and custom reports (plan status, coverage, KPI dashboards, annual opinion support), export to MS Office formats.
f. Combined Assurance & Coordination: Registers and mappings to risk/compliance/external audit to avoid duplication and enable consolidated views.
g. Security & Access Control: Role-based access, SSO (Single Sign-On), MFA (Multi Factor Authentication) support; audit trail; evidence repository with retention policies aligned to POPIA.
h. Mobility & Offline Capability: Secure mobile access for fieldwork; synced evidence; offline working with conflict resolution.
i. Alignment to IIA GIAS and IPPF: All system functionality to align to the IIA GIAS and IPPF regarding performance of Internal Audit assurance and advisory activities, quality assurance/improvement processes, independence safeguards and combined assurance co-ordination.

3.2 Technical Requirements

a. Deployment: Cloud (preferred) or on-premises; specify Data Center location(s), failover, RTO/RPO, and uptime SLA commitments.
b. Integration: REST/Graph APIs; connectors to GRC / risk and compliance management systems/tools, Single Sign On AD, Multi factor authentication and data platforms.
c. Information Security: Alignment to ISO/IEC 27001-type controls or equivalent; encryption in transit and at rest; vulnerability management and security safeguards (appropriate and reasonable under POPIA).
d. Compliance & Privacy: POPIA-compliant processing (conditions for lawful processing, operator agreements, cross-border transfers).
e. Scalability & Performance: Support, concurrent engagements, document volumes; performance SLAs.
f. Auditability: Immutable logs, change history, configuration tracking suitable for external scrutiny.

3.3 Services

a. Implementation: Discovery, setup and configuration, integrations, data migration (historical work papers of planning, fieldwork report, issues/reports for tracking purposes).
b. Training & Enablement: Role-based training (auditors, CAE, Business Managers / action owners); materials and user guides.
c. Change Management: Adoption plan; stakeholder engagement; rollout communications.
d. Full license for Internal Audit division staff of 12 persons and partial access for ICASA client as Business Managers / action owner updates estimated 40.

e. Support & Maintenance: Helpdesk, ticketing, patching, upgrades, roadmap visibility; SLAs (response/resolve times).

3.4 Support and SLA Expectations

- Helpdesk Support: 99% availability: Mon–Fri 08:00–16:30
- Ticketing: 100% of incident logged
- Issue Resolution: < 2 hrs (Major), 4 hrs (Minor)
- Patching: Critical patch deployment < 14 day from release
- upgrades: change success rate of ≥ 95%
- Roadmap and continuous improvement:90% of planned initiatives

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4. PROJECT DURATION AND DELIVERABLES

- **Duration:** 4 weeks from the date of finalisation and signing of the contract.

Deliverables:

a. Project Inception Report & Plan (timeline, milestones, resources, risk register).
b. Configured, tested and usable IAS meeting functional/non-functional requirements and integration specifications.
c. Data Migration (validated import of agreed datasets) and Go-Live checklist.
d. Training (materials, sessions, recordings) and Admin / Configuration Handbook.
e. Operational Support SLAs and maintenance schedule for 5 years.
f. Close-out handover pack with lessons learned and follow-up areas.
g. The bidders are required to indicate payment schedule for the period of 5 years per financial year.

Activity	Year 1	Year 2	Year 3	Year 4	Year 5
1.	Installation of the systems to ICASA platform	Licences and Technical support	Licences and Technical support	Licences and Technical support	Licences and Technical support
2.	Provision of licensing	Maintenance support	Maintenance support	Maintenance support	Maintenance support
3.	Maintenance and Technical support	-	-	-	-
4	Training of 12 IA staff and 20 Business Managers	-	-	-	-

Activity	Year 1	Year 2	Year 3	Year 4	Year 5
Total payment per annum	R	R	R	R	R

Licence costs must consider full system access for 12 Internal Audit team and partial / limited functionality for 40 Business Managers.

The training for the Internal Audit team will be for the full system functionality whilst the training for the Business Managers will be limited for the updating of reported findings only. The training must be conducted immediately after the system is fully implemented and testing completed. The training can be provided either via MS Team or at ICASA head office.

5. DEPENDENCIES AND ASSUMPTIONS

- Timely access to systems and documentation.
- Availability of relevant ICASA personnel.
- ICASA to assign a focal point for facilitation.
- Service provider to escalate access or timing risks early.

6. BID EVALUATION

The bid will be evaluated in four (4) phases as outlined below:

Phase 1: Administrative compliance.
Phase 2: Functional evaluation (only the top bidders who meet the cut-off score of 70 out of 100 for functionality will be considered further for live demonstration of the systems).
Phase 3: Live demonstration virtually on MS Teams (the bidders who meet cut-off score of 30 out of 43 on the live demonstration will be evaluated further for price and Specific goals evaluation).
Phase 4: Price and specific goals evaluation.

Phase 1: Administrative compliance

Bidders must ensure that they complete, and sign documents as indicated below, and the documents must be submitted as part of the bid document.

- SBD 1 – Invitation to Bid
- SBD 2 - Tax Clearance Certificate Requirements
- SBD 3.1 - Pricing schedule
- SBD 4 - Declaration of Interest

- SBD 5- The National Industrial Participation Programme
- SBD 6.1 - Preference Points claim form
- SBD 7.1 – Contract form (rendering of services)
- SBD 8- Declaration of Bidder's Past Supply Chain Management Practices
- SBD 9- Certificate of Independent Bid Determination
- Declaration in terms of Fronting

Phase 2: Functional evaluation

Functional evaluation of the bid will be done in terms of the criteria as stated in the table below. Bidders should take note of the Criteria, Weight & Scoring when responding to the bid.

Minimum Threshold: 70 points

- Evaluation Criterion	- Weight	- Scoring Criteria	- Score
1. Understanding of Scope and Objectives Bidder clearly demonstrates insight showing awareness of ICASA's Internal Audit, key objectives and scope, relevant risks, IIA GIAS and IPPF, and compliance to POPIA and Public sector compliance environment (e.g., PFMA). A) Annual audit planning B) Audit planning, execution and findings reporting C) Workflow D) Issue tracking E) Management Reporting F) Security & POPIA compliance, G) Align to IIA GIAS & IPPF	- 30	- Comply to all items **A to I** under evaluation criteria 1 **(**listed fully met to demonstrate understanding of scope and objectives**)** = 5 - Bidder not complying with all items **A to I**: = 1	

- Evaluation Criterion	- Weight	- Scoring Criteria	- Score
H) Integration architecture to Risk & Compliance Mgt system i) Combined assurance co-ordination			
2. Reference Letters - The service provider attached contactable reference letter(s) from the previous clients where the implementation and use of the IAS was successfully completed within the last five (5) years on a letterhead that describe the following: (Note references to be verified by ICASA) - Client Name - Contactable details - Successful Completion Date - Detailed Description of Services Delivered	- 15	- Attached five (5) or more reference letters that fulfil all the requirements as stipulated =5 - Attached four (4) reference letters that fulfil all the requirements as stipulated = 4 - Attached three (3) reference letters that fulfil all the requirements as stipulated = 3 - Attached two (2) reference letters that fulfil all the requirements as stipulated = 2 Attached One (1) reference letter or no reference letters attached to fulfil all the requirements as stipulated = 1	
3. Bidder's experience - Bidder's experience in the implementation and use of the IAS (The bidder must provide company profile)	- 15	- Less than two (2) years of experience = 1 - Two (2) years of experience = 2 - Three (3) years of experience = = 3 - Four (4) years of experience = 4 - More than five (5) years of experience = 5	-
4. Training Training plan for 12 Internal Auditors, Business Managers &	- 20	- Detailed training plan inclusive of all items **A to E** under the criteria = 5	-

- Evaluation Criterion	- Weight	- Scoring Criteria	- Score
CAE for effective and efficient use of the system functionality. Training can be provided either via MS Team or at ICASA head office. A. Detailed training plan for Internal Auditors, Business Manager and CAE B. Feedback on training C. Assessment of feedback D. Follow-up training E. User manuals in PDF format		- No training plan provided or are not including all items **A to E** under the criteria = 1	
5. Management Reports Management reports and dashboards produced for Internal Audit and Stakeholders. A. Annual plan. B. Resource utilisation. Issue tracking on findings: C. reported, D. resolved, E. overdue, F. age analysis, G. risk trends.	- 20	- Comprehensive list of reports **A to G** as per criteria for management and stakeholders Reports can be exported into Word documents or Spreadsheets for further updates and analysis = 5. - No standard reports are submitted or standard reports are not specific to **A – G** under the criteria = 1	-
- Total	- 100		

Only the top bidders who meet the cut-off score of 70 out of 100 for functionality will be considered further for live demonstration of the systems.

Phase 3: Live demonstration

Demonstration of the system as per the requirements indicated in Annexure B. **A total of 43 points is allocated for live demonstration.** **Only bidders who passed the cut-off of more than 30 out of 43 in Phase 3 will be evaluated further for price and preferential points.**	**43**
TOTAL FOR FUNCTIONAL PRE-QUALIFICATION CRITERIA. Grand Total: 43 Minimum cut-off point: 30	43

ANNEXURE B
Please note successful bidders in Phase 2 of the functionality will further be evaluated on live demonstration of the systems virtually (this will include user interface)

This section evaluates the system's ability to support ICASA with its Internal Audit responsibilities.

Process	Functionality	Points
Access to system	Role based user access	1
	Single sign-on (linked to Active Directory) and Multifactor authentication	1
	Cloud and on premises capability	1
	Encryption of data	1
Annual audit planning	Audit universe	1
	Coverage of process and risk rating	1
	Resource hours available against planned hours	1
	3-year rolling audit plan	1
Planning	Produce Notification letter	1
	Document process understanding	1
	Document Risk and Control Matrix (RACM)	1
	Produce Audit Planning Memo	1
	Record of capturer, reviewer and approval	1

	Budget and resource allocations	1
	Download and upload documents	1
	Auditor declarations	1
Fieldwork	Correlate work paper to process in RACM	1
	Capture or populate from RACM test procedure, objective, risk, control, sampling, etc.	1
	Capture the record of work and conclusion	1
	Capture findings (title, standard/criteria, condition, root cause, effect, recommendation, management comments, management actions, action owner, target date, relating to control weaknesses	1
	Record of capturer, reviewer and approval	1
	Download and upload documents	1
Reporting	Logo of ICASA and Internal Audit contact details on the report	1
	Pre-populated and editable standard information on Introduction and background, objective, scope, standards & methodology, review team, opinion and rating criteria, acknowledgement, etc.	1
	Additional simplified editable advisory and ad-hoc report/memo with pre-populated standard information.	1
	Reportable findings as captured under fieldwork is populated into the report template.	1
	Executive summary with dashboards of processes, risk and controls.	1
	Editable distribution lists denoting name, and options for "secure action", "implement action" and "information".	1
	Reports can be emailed and downloaded in Word documents	1
Issue Tracking	Report on overdue findings with details of division, finding condition, risk rating, cause, effect/impact, management action, action owner, target date, challenges causing delay, dependencies, revised target date, age analysis, IA/AG etc.	1
	Report on reported findings within a defined period with details of division, finding condition, risk rating, cause, effect/impact, management action, action owner, target date, IA/AG, etc.	1

	Report on closed findings within a defined period with details of division, finding condition, risk rating, cause, effect/impact, management action, action owner, target date, challenges causing delay, dependencies, revised target date, IA/AG, etc.	1
	Report on future dated findings with details of division, finding condition, risk rating, cause, effect/impact, management action, action owner, target date, IA/AG, etc.	1
	All above reports with statistical dashboards indicating division, risk rating of findings, findings report by Internal Audit, Auditor General, causes, dependencies, challenges, etc.	1
	Movement report of opening balance at the beginning of the FY, movement (new findings raised, findings closed) and closing balance. The closing balance should be a sum of overdue and future dated findings.	1
	Report on findings that management did not agree with Internal Audit, with details of division, finding condition, risk rating, cause, effect/impact, management comments for dis-agreement, designation, Internal Audit comments, challenges, dependencies, revised target date, age analysis, IA/AG etc.	1
Combined Assurance	Ability to integrate information from 1st and 2nd lines of assurance systems, including risk registers, assurance coverage over past 3 years and future plans.	1
	Report on risk and control assessments per division, processes, assessment of inherent risk, coverage per line of assurance assessment, and residual risk assessment.	1
	Heat maps of assurance depicting gaps, duplication, high residual risks, coverage age per line of assurance, etc.	1
	Dashboards of combined assurance activities, movement, etc.	1
	All reports to be downloadable into Word document, Spreadsheet, format and email.	1
Integration with Risk & Compliance Mgt system	The ability of system to seamlessly integrate between the IAS and the Risk and Compliance management system.	1
	Access control over Internal Audit working papers and reports when sharing information across systems to protect the independence and sensitivity of information provided to Internal Audit.	1

TOTAL	43

*The bidder will receive the total score if they are able to demonstrate ability of the system to provide the function.

*The bidder will receive the score of zero (0), when they can`t fully demonstrate ability of the system to provide the function.

Phase 4: Price and Specific Goals Evaluation

Bidders who comply with the requirements of this bid will be evaluated according to the preference point scoring system as determined in the Preferential Procurement Regulations, 2022 pertaining to the Preferential Procurement Policy Framework Act, Act No 5 of 2000.

The maximum points for this bid are allocated as follows:

No	Category	Weight
A.	Price	80
B.	Specific goals	20
	TOTAL	100

7. BRIEFING SESSION

No briefing session will be held. Queries may be submitted in writing to the SCM unit within timelines provided in the bid advertisement.

8. CONFIDENTIALITY AND SECURITY CLEARANCE

- All team members must be pre-approved by ICASA.
- Non-Disclosure Agreements to be signed prior to commencement.
- Security vetting may be required.
- ICASA retains ownership of all data processed by the system.

9. PAYMENT TERMS

- No advance payments.
- Invoicing only upon delivery and acceptance of all deliverables.
- Payment within 30 working days of receiving acceptable invoice.