REQUEST FOR QUOTATION

INTERNAL AUDITS REVIEWS FOR GROUP INTERNAL AUDIT

1. INTRODUCTION

The purpose of RFQ is to select a qualified service provider to conduct the High Value Tender review for Group Internal Audit on an "As and When Basis". The key deliverables for the project are clearly outlined in line with the objectives and scope under the scope of work (Section 3) of the RFQ.

The Service provider will be expected to submit the final audit report with management comments and action plans on the agreed delivery date. The project is expected to be performed in line with the PRASA Group Internal Audit Methodology that will be communicated to the winning bidder on commencement of the project.

2. BACKGROUND

The Group Internal Audit (GIA) provides Internal audit services to the PRASA Group and its subsidiaries. The approved structure, with additional resources and recently filled positions, was designed to address governance, compliance and quality assurance requirements in accordance with the revised Global Internal Audit Standards.

Regulation

Section 27.2.10 of the Treasury Regulations state: The internal audit function must assist the accounting authority in maintaining effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The controls subject to evaluation should encompass the following:

- ✓ The information systems environment;
- ✓ The reliability and integrity of financial and operational information.
- ✓ The effectiveness of operations.
- ✓ Safeguarding of assets; and
- ✓ Compliance with laws, regulations and controls.

Global Internal Audit Standard (GIAS)

Standard 10.2 Human Resources Management of the GIAS states: The Chief Audit Executive must strive to ensure that human resources are appropriate, sufficient and effectively deployed to achieve the approved internal audit plan. Appropriate refers to the mix of knowledge, skill, and abilities, sufficient refers to the quality of resources and effective deployment refers to assigning resources in a way that optimizes the achievement of the internal audit plan.

It is the requirement of the National Treasury Regulation 27.2.7 of the Public Finance Management Act (PFMA) that an internal audit must prepare a rolling three-year as well as a Detailed Annual Internal audit plan for approval by the Audit and Risk Committee. Thereafter, the progress against the audit plan should be reported quarterly to the ARC.

The Group Internal Audit (GIA) function plays a crucial role in providing independent, risk based, and objective assurance, advice, insight, and foresight on governance, risk management, and control processes. Given the increasing complexity of business operations, regulatory requirements, and technological advancements, the group internal audit team requires additional specialized skills, such as Real Estate, ESG, Engineering (Electrical, Mechanical and Built), Cybersecurity that may not be available in-house. Co-sourcing internal audit service providers allows for access to these skills and experts in specific field while maintaining internal control over the audit process.

The 2026/27 annual Internal Audit plan was approved by the ARC in February 2026. The audit plan comprised of various compliance, performance, operational, ICT, advisory and capital audits. Due to capacity constraints and the technical nature of some of these audits, Group Internal Audit (GIA) uses both internal and external resources to execute the internal audit plan. For the past three years GIA has been using SNG as its co-source partner to implement the audit plan, however their contract came to an end in October 2025.

The end of the SNG contract meant that some of the critical projects that were identified for outsourcing could be not performed, and therefore as a mitigating measure Internal Audit requests to source the expertise of external service provider to execute the remaining projects that have been identified as key risk areas.

3. SCOPE OF WORK AND MINIMUM REQUIREMENT

3.1 Key Deliverables.

a) Final Internal Audit Report with Management comments and action plans in line with PRASA Group Internal Audit Methodology.
b) Working Papers and audit evidence are captured on Teammate (access to be provided by GIA)
c) Letter signed by the partner confirming that Quality assurance has been conducted and the work performed is in conformance with IIA standards

3.2 Delivery timelines

- Final Report issued with management comments by the agreed delivery date, for the High-Value Tender reviews.

HIGH LEVEL SCOPE OF WORK

#	PROPOSED AUDIT	RESOURCES REQUIRED	MOCK HOURS	ALLOCATION OF HOURS	HIGH LEVEL AUDIT SCOPE
INTERNAL AUDIT REVIEWS					
1	High-Value Tender	1x Project Director 1X High-Value Tender Specialist at Senior manager level 1X Manager 1X Senior Audit	1000	1x Project Director (5% hours allocated) 1X Senior manager (15% hours allocated) 1X Manager (20% hours allocated) 1 X Senior Auditor (60% hours allocated)	The scope of work, at a minimum, will assess the adequacy, design and effective implementation of controls across the end-to-end tender process, including: • **Procurement Planning** ○ Alignment of procurement plans to approved budgets and strategic priorities. • **Tender Specification, Advertisement & Opening** ○ Compliance of advertisements with approved specifications and SCM prescripts. ○ Completeness and consistency of RFP documentation. ○ Integrity and transparency of bid submission and tender box opening processes. • **Governance & Oversight** ○ Composition and functioning of BSC, BEC and BAC. ○ Segregation of duties and independence of committee members. ○ Adherence to prescribed procurement timelines. • **Bid Evaluation** ○ Consistent application of evaluation criteria across all qualifying bids. ○ Compliance with SCM policy, SoP and regulatory requirements. ○ Adequacy of supporting documentation.

#	PROPOSED AUDIT	RESOURCES REQUIRED	MOCK HOURS	ALLOCATION OF HOURS	HIGH LEVEL AUDIT SCOPE
					• **Risk & Probity Oversight** ○ Identification and mitigation of risks impacting the award process. ○ Real-time advisory on integrity concerns, conflicts of interest, or irregularities. ○ Identification of residual risks not addressed during evaluation. • **Concurrent Tender Evaluations** ○ Controls ensuring bidders deploy independent teams for simultaneous tenders. • **Reporting** ○ Prepared and submitted a complete report, and presented to relevant governance structures (BSC, BEC, BAC, FCIP, and Board). ○ Alignment to the IIA Standards, and reporting in accordance with the Group Internal Audit Methodology under the oversight of the CAE. ○ Material risks and integrity concerns will be escalated through the CAE's office.

Table 1- High level Scope

MINIMUM QUALIFICATION AND EXPERIENCE REQUIRED

#	Proposed Audit	Years of experience and Qualifications			
		Project Director	HVT Specialist at a Senior Manager level	Manager	Audit Senior
1	High-Value Tenders	**Required Qualification** 1. Certified Internal Auditor (CIA) or Chartered Accountant (CA) or Certified Information Systems Auditor (CISA), and 2. Honours or Postgraduate degree in Internal Auditing, Accounting, Risk Management or any other relevant field. 3. Must be a member of IIA or SAICA or ISACA – in good standing with a valid membership certificate **Years of Experience**	**Required Qualification** 1. Certified Internal Auditor (CIA), or Chartered Accounting (CA) and 2. Honours or Postgraduate degree Internal Auditing, Accounting, Risk Management or any other relevant field and 3. Must be a member of IIA or SAICA – in good standing with a valid membership certificate **Years of Experience** 4 years senior management experience	**Required Qualification** 1. Certified Internal Auditor (CIA), and 2. NQF level 7 in Internal Auditing, Accounting or any other relevant field and 3. Must be a member of the Institute of Internal Auditors – in good standing with a valid membership certificate **Years of Experience** 5 years' management experience	**Required Qualification** 1) NQF level 7 in Internal Auditing or Accounting, and 2) Must be a member of the Institute of Internal Auditors – in good standing with a valid membership certificate **Years of Experience** 5 years' experience in Internal Auditing *Attach a comprehensive*

#	Proposed Audit	Years of experience and Qualifications			
		Project Director	**HVT Specialist at a Senior Manager level**	**Manager**	**Audit Senior**
		6 years senior management experience. *Attach a comprehensive Curriculum Vitae with contactable references.*	*Attach a comprehensive Curriculum Vitae with contactable references.*	*Attach a comprehensive Curriculum Vitae with contactable references.*	*Curriculum Vitae with contactable references.*

TABLE 2 – Minimum Qualification and Experience Required

- Bidders will be required to provide PRASA with suitably qualified resources within 14 days of receiving a request from PRASA. The resources MUST meet PRASA’s minimum requirements.
- PRASA reserves the right to request a **change/replacement of a resource** if they do not meet the performance level required by PRASA. Such a change/replacement MUST be affected within 14 days.
- NB: Should there be a change in the resources presented for evaluation it is incumbent upon the service provider to notify and provide PRASA with a replacement resource with the same qualification and experience.