employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF EMPLOYMENT AND LABOUR

TERMS OF REFERENCE TO ESTABLISH A PANEL OF SERVICE PROVIDERS TO PROVIDE INTERNAL AUDIT CO-SOURCED SERVICES FOR A PERIOD OF 36 MONTHS (3 YEARS) (APPROVED LIST TO BE UPDATED ANNUALLY)

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1. ACRONYMS / TERMINOLOGY USED

Acronym / Terminology	Explanation
PFMA	Public Finance Management Act
TR	Treasury Regulations
CAE	Chief Audit Executive (Director: Internal Audit/ Head of Internal Audit)
CAATs	Computer Assisted Audit Techniques
ICT	Information and Communication Technology
IIA	Institute of Internal Auditors
Department	Department of Employment and Labour. The Department has 9 provincial offices, 126 Labour Centres, 36 Satellite Offices and 490 Visiting Points across the 9 provinces.
SEE	Supported Employment Enterprises, which is an entity under the control of the Department and one of its core purpose is to provide work opportunities for Persons with Disabilities. SEE has factories across 8 of the 9 provinces whereby amongst others they manufacture School furniture, Office Furniture, Workware, Hospital PPE, Hospital linen, Upholstery, Wood, Steal and Metal products, etc.

2. BACKGROUND

2.1 Section 38 of the Public Finance Management Act (PFMA) requires that the Accounting Officer of a Department to ensure that the Department has and maintains a system of Internal audit under the control of the Audit Committee complying with and operating in accordance with the regulations and instruction.

2.2 PFMA assigns the Internal Audit Function with the responsibility to assist the Accounting Officer in maintaining efficient and 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 encompass the following:

(a) compliance with laws, regulations and controls
(b) safeguarding of assets;
(c) reliability and integrity of financial and operational information;
(d) the effectiveness of operations; and
(e) the information systems environment

2.3 In fulfilling its responsibilities, the Department of Employment and Labour Internal Audit affiliates with the Institute of Internal Auditors (IIA) which sets the Standards within the Internal Audit profession and defines the Internal Audit as an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes.

2.4 The Treasury Regulations paragraph 3.2.7 states that an internal audit function must prepare, in consultation with and for approval by the audit committee –

(a) a rolling three-year strategic internal audit plan based on its assessment of key areas of risk for the institution, having regard to its current operations, those proposed in its strategic plan and its risk management strategy;
(b) an annual internal audit plan for the first year of the rolling three-year strategic internal audit plan;
(c) plans indicating the proposed scope of each audit in the annual internal audit plan; and
(d) a quarterly report to the audit committee detailing its performance against the annual Internal audit plan, to allow effective monitoring and possible intervention.

2.5 Part of the Internal Audit Standards set by the Institute (Standards -1200 - Proficiency and Due Professional Care), requires that "Internal Auditors must possess the knowledge, skills, and other competencies needed to perform their individual responsibilities".

2.6 Standard 1210.A3 states that Internal Auditors must have sufficient knowledge of key information technology risks and controls and available technology-base audit techniques to perform their assigned work. Although, not all internal auditors are expected to have the expertise of an internal auditor whose primary responsibility is information technology auditing.

2.7 The Department Internal Audit Function is assigned to render its services to the Department of Employment and Labour (Head Office), Provincial Office, Labour Centres, Supported Employment Enterprise and its Factories.

2.8 In enabling the Internal Audit Function (Internal Audit Directorate) to fulfil its responsibilities, Treasury Regulations, paragraph 3.2.4 states that an audit function may be partly or wholly contracted to an external organization with specialist audit expertise provided that its selection is in accordance with the relevant government's competitive tendering procedures. Furthermore, the National Treasury instruction 01 of 2013/2014 indicates that departments, constitutional institutions and public entities may only contract in consultants after a gap analysis has confirmed that the department, constitutional institution or public entity concerned does not have the requisite skills or resources in its full time employ to perform the assignment in question. Based on a business case, the appointment of consultants may only be approved by the Accounting Officer, in the case of departments and constitutional institutions, and by the Accounting Authority or another appropriate authority, in case of a public entity.

2.9 In fulfilling its responsibilities, the Internal Audit Function identified the need to source the services of consultants, through a panel of service providers to fulfil its responsibilities as required by the PFMA and Standards of Internal Auditing.

2.10 The Department of Employment and Labour: Internal Audit Function human resources (structure) has over the years not been capacitated to fulfil its mandate adequately and effectively. These gaps have been visible in the Internal Audit Function inability to cover the overall scope as per the risk exposure in the Information and Communication Technology (ICT) environment, administration and operations areas as well as different levels of audit within the Department from Head Office, 9 Provincial Offices, Labour Centres and the Supported Employment Enterprises (SEE) factories. The gaps were further revealed by the recent developments within the Department's ICT environment with the implementation of Project Diphetogo (SAP) implementation.

2.11 The shortfalls within the Internal Audit Function has led to the Audit Committee raising the concerns on the capacity limitation which impacts on the Audit Committee fulfilling its responsibilities. In order to address the gaps and identified challenge, both the Accounting Officer (Director-General) and Audit Committee, agreed that Internal Audit should develop a business case in the appointment of a service provider to enable them to fulfil their responsibilities.

2.12 The Department's Internal Audit Directorate is responsible to fulfil 2 (two) Internal Audit Plans for the following clients:

a) Department of Employment and Labour (Department); and
b) Supported Employment Enterprises (SEE).

2.13 The Department encompasses Head Office, Provinces and Labour Centres.

2.14 SEE encompasses its Head Office and factories within various provinces.

2.15 The service providers should take note of the nature of operations for both the Department and SEE when compiling bid documents to ensure that they possess the required knowledge, skills and expertise.

3. SCOPE OF WORK

3.1 The panel of service providers to be appointed by the Department must demonstrate the capability to perform the internal audit engagements in accordance with the Institute of Internal Auditing Standards and Practices, and Code of Ethics as issued by the Institute of Internal Auditors (IIA).

3.2 The successful bidders (panel of service providers) will be required to perform the following types of Internal Audit services of either an assurance or consulting nature, on an as and when needed basis:

a) Information and Communication Technology (ICT) audits;
b) Manufacturing and Production environment audits;
c) Sales and Marketing environment audits;
d) Performance audits (economy, value for money, effectiveness and efficiency);
e) Research and policy development environment audits;
f) Financial audits;
g) Procurement – Probity Audits
h) Internal Assessment of the Internal Audit Function; and
i) Ad-hoc audit engagements.

3.2.1 Below is an example of ICT audits, **but not limited to** as it is subject to change during the Departmental Strategy Review and annual Departmental Risk Profile review.

a) ICT Governance
b) ICT Project Management
c) ICT Continuity Management
d) Program Change Control
e) IT General Control review
f) ICT Security Management
g) Cyber Security
h) User Access Controls
i) Software License Audit
j) Application Control Review

3.2.2 Below is an example of Manufacturing and Production audits, **but not limited to** as it is subject to change during the SEE Strategy Review and annual SEE Risk Profile review.

a) Assurance / Consulting service on Production Management
b) Assurance / Consulting service on Logistics Management
c) Assurance / Consulting service on Manufacturing Value Chain Management

Below is an example of Sales and Marketing audits, **but not limited to** as it is subject to change during the SEE Strategy Review and annual SEE Risk Profile review.

a) Assurance / Consulting service on Business Development
b) Assurance / Consulting service on Customer Support Services
c) Assurance / Consulting service on Sales efficiency

3.3 The service provider will be expected to compile quarterly and annual Audit Committee reports of the audit engagements conducted during the relevant reporting period. These Audit Committee reports will be reviewed by the Chief Audit Executive (CAE) prior to being submitted to the Audit Committee as part of the Audit Committee meeting pack.

3.4 The panel of service providers to be appointed by the Department will be required to travel to all provinces within the Republic of South Africa to perform audit engagements. The travel per audit will be based on the scope at the time audit and sample of selected Provinces, Labour Centres and Factories. The cost of all air travel, all out-of-pocket expenses, related accommodation and car rental costs that is incurred by **the service providers' personnel in providing the required audit services to the Department shall be the responsibility of and at the cost of the service providers.**

4. TOOLS OF TRADE

4.1 The service provider is expected to ensure that the allocated team members have their own tools of trade namely, but not limited to:

a) Computer equipment (Laptops and supporting peripheral devices);
b) Reliable internet connection (data, 3G card, Wi-Fi router, etc.);
c) Cell phone, airtime, etc.
d) Stationery (pens, pencils, notepads, ruler, eraser, calculator, etc.);
e) Backup storage (USB, external hard drive, cloud storage, etc.);
f) Access and knowledge of current audit developments (e.g. access to reputable audit library);
g) Data analytics and Computer Assisted Audit Techniques (CAATs) software; and
h) Valid licence, access and use of a reputable Audit Management software.
i) Valid licence, access and use of reputable virtual meeting hosting and / or attendance software.
j) Any other tools used in performing audit engagements.

4.2 The service provider should ensure adherence to the Country's and Department's COVID19 protocols, i.e. where possible avoid physical contact and rather opt for virtual contact methods.

5. KNOWLEDGE, SKILLS AND EXPERTISE OF SERVICE PROVIDER

5.1 The service provider must possess the required knowledge, skills and expertise in line with the following audits of an assurance and consulting nature:

a) Information and Communication Technology (ICT) audits (including knowledge and skills of SAP Software);
b) Manufacturing and Production environment audits;
c) Sales and Marketing environment audits;
d) Performance audits;
e) Research and policy development environment audits;
f) Financial audits;
g) Procurements – Probity Audits
h) Internal Audit Quality assessment.

5.2 The service provider is required to have good Project Management skills relating to audits.

5.3 The service provider should have a balanced mix of qualifications and professional certifications to be able to fulfil the Scope of Work outlined in paragraph 2.

5.4 The service provider is expected to have valid and up to date membership with the Institute of Internal Auditors and other relevant professional bodies.

6. SPECIAL REQUIREMENTS

6.1 The service provider/s to be appointed will be required to perform all of the following:

a) Revise both the Department's and SEE's Annual Internal Audit Plan based on critical risks identified.

b) Develop a three (3) year rolling strategy for both the Department and SEE.

c) Ensure compliance with the IIA Standards, the IIA Code of ethics and the Department's Internal Audit Charter, plans, policies, procedures and relevant prescripts.

d) Execute the approved Annual Internal Audit Plans for both the Department and SEE.

e) Improve the current Internal Audit processes by identifying gaps, providing recommendations to narrow the gaps and establish a basis to measure future improvement.

f) Assist Internal Audit within the Department in the preparation of a quality assurance review in order to foster continuous improvement with the Internal Audit function.

g) Implement the recommendations from the external quality assessment performed.

h) Ensure competency and objectivity of the Internal Audit function and its reporting lines in order to maintain the required degree of reliance by external auditors (Auditor General).

i) All final audit reports submitted to the Department must be reviewed by the service provider's senior management before submission to the Chief Audit Executive (CAE) and within the agreed timeframes for the project.

j) Ensure that all work performed conforms to the IIA Professional Standards for Internal Audit and the Department's Internal Audit Methodology.

k) All working papers including audit project administrative documentation should be made available and uploaded on the Department's Audit management system upon completion of each audit. (i.e. all work performed as part of this contract shall become the intellectual property of the Department.)

l) All service provider team members should maintain detailed and accurate timesheets to effectively keep track of productive time worked.

7. ADDITIONAL REQUIREMENTS

The following is also required from the service provider/s to be appointed:

7.1 The successful bidder's staff should maintain their objectivity thereby remaining independent of the activities they audit.

7.2 The experience as well as levels / ranks of the audit team assigned to the Department must be clearly identified in the proposals submitted and must remain in service, for the full duration of the contract unless prior written permission for change(s) has been granted by the Chief Audit Executive or delegated official.

8. TRAINING AND TRANSFER OF KNOWLEDGE AND SKILLS

8.1 The primary objective of the transfer of skills plan is to ensure that the Department's Internal Audit staff is enabled to deal with all types of internal audit engagements within the Department.

8.2 The following should be noted by all prospective bidders:

a) The service provider should submit a proposed plan of action covering the scope as mentioned above which cover strategies in transferring skills to the in-house Internal Audit function, including detailed costing per staff level.

b) The skills transfer should involve the current establishment which is subject to change: 17 employees of the Department's Internal Audit Directorate which include 1 Director, 1 Deputy Director, 4 Assistant Directors, 7 Senior Internal Auditors, 3 Internal Auditors, 1 Office Administrator and any other staff members during the contractual period.

8.3 **The successful bidder will be expected to perform the following functions as minimum deliverables**:

a) Identify the skills, knowledge and expertise that the Department's Internal Audit function currently has and requires in the Department.

b) Provide an overview of the scarce and critical skills needs that will enable the Internal Audit function to deliver on its objectives and goals.

c) Develop skills profiles for all internal audit staff.

d) Identify the skills gaps and recommend targeted training and skills development interventions for each official.

e) Provide continuous engagement and performance feedback by consolidating the skills transferred report and recommendations for each audit engagement performed.

9. AD-HOC AUDIT ENGAGEMENTS

9.1 Ad-hoc audit engagements might be requested from the service provider by the Department's Management and Audit Committee.

9.2 The Ad-hoc audit engagements may include:

a) Probity Audits
b) ICT consulting projects (including specialty / exposure in SAP).
c) Production and Manufacturing consulting projects.
d) Sales and Marketing consulting projects.
e) Proactive assurance projects.
f) Projects in response to Change Management practices and processes.
g) Any other ad-hoc engagements within the scope of this contract.

10. PROPOSAL SUBMISSION REQUIREMENTS

The service provider must furnish the following information as part of their proposals:

10.1 Resume of the company, indicating:

a) Address of Head office;
b) Main business area;
c) Detailed list of current and completed contracts (if any) over the past 3 years;
d) Current commitments of the service provider with regards to other services;

10.2 The financial standing of the company from an approved Financial Institution.

10.3 Contactable references: (minimum 3) including company, nature of contract, contact person and contact numbers.

10.4 A Pricing Schedule (inclusive of VAT) must be completed and be included as part of the proposal.

11. PRICING SCHEDULE

Financial proposals must provide a detailed breakdown of all costs per activity and indicate the hourly rate of each member of the team and their time allocation.

11.1 This serves as a guideline for pricing. Please note that the hourly contract price, including VAT should also be completed on the bid price form.

11.2 All proposals must contain:

a) A fee structure for the person(s) allocated to the task / audit engagement and his/her capacity.

b) All hourly fees quoted in the proposal must be VAT inclusive.

11.3 The quoted hourly prices should be in line with the following:

a) Prescripts (amongst others National Treasury Guidelines.)

b) Hourly rates stipulated by the relevant professional bodies (e.g. IIA, ISACA, SAICA, etc.).

11.4 Service providers must note that the hourly price quoted must include:

a) Price adjustments will be subject to the fees as per the "Circular on the Guidelines of Audits Performed".

b) Hourly cost in respect of each type of audit engagement stipulated in this document must be provided.

c) Disbursement costs will be paid according to the departmental policy, where actual business travel is required. NB! These disbursement costs will NOT apply with the normal daily travel to and from work, i.e. Department of Employment and Labour's local sites in Pretoria.

For example Table 1:

Audits	Capacity	Number of Persons	Hourly Rate	Hourly Rate (incl. VAT)
Risk Based audit / Compliance Audits (i.e. Performance, Financial, Production and Manufacturing, Sales and Marketing, Research and Policy Development.	Partner/ Director	X	xxx.xx	xxx.xx
	Senior Manger	X	xxx.xx	xxx.xx
	Manager	X	xxx.xx	xxx.xx
	Senior Auditor	X	xxx.xx	xxx.xx
	Auditor	X	xxx.xx	xxx.xx
ICT Audits (Governance, General and Application Controls, Project Management, SAP System Development Life Cycle (SDLC), Cyber security, Data Analytics, etc.)	Partner/ Director	X	xxx.xx	xxx.xx
	Senior Manger	X	xxx.xx	xxx.xx
	Manager	X	xxx.xx	xxx.xx
	Senior Auditor	X	xxx.xx	xxx.xx
	Auditor	X	xxx.xx	xxx.xx
Compiling Audit Committee reports		X	xxx.xx	xxx.xx

Please note the hourly price quoted over the 36 months (3 years) above and should also be indicated on the bid price forms (SBD 1 and SBD 3.3). The hourly "price" over the 36 months (3 years) will be used for evaluation on price. Adjustments will be considered as per par 11.4(a) above.

Estimated hours per year for the project are as follows:

Years	Year 1	Year 2	Year 3	Total
Estimated Hours	7 183	5 028	7 901	20 112

Please note that the hours above are an estimate and may be amended at the discretion of the Internal Audit Directorate and Audit Committee.

SECTION C

12. ADMINISTRATIVE PRE-QUALIFICATION REQUIREMENTS

NB!! *All certified documents should not be older than three months.*

12.1 The bidder **must comply** with ALL of the bid pre-qualification requirements in order for the bid to be accepted for evaluation.

12.2 If the Bidder failed to comply with any of the administrative pre-qualification requirements, or if the Department is unable to verify whether the pre-qualification requirements are met, then the Department reserves the right to –

(a) Reject the bid and not evaluate it, or

(b) Accept the bid for evaluation, on condition that the Bidder must submit within 7 (seven) days any supplementary information to achieve full compliance, provided that the supplementary information is administrative and not substantive in nature.

12.3 **Submission of bid response**: The bidder has submitted a bid response documentation pack:

(a) that was delivered at the correct physical or postal address and within the stipulated date and time as specified in the "Invitation to Bid" cover page, and;

(b) in the correct format as one original document, five (05) copies and an electronic copy in PDF format (non-erasable media to be used). *Any variance between artefacts will result in disqualification.*

12.4 **Registered Supplier.** The bidder is, in terms of National Treasury Instruction Note 3 of 2016/17, registered as a Supplier on National Treasury Central Supplier

(1) Good Standing: The bidder is to submit proof of good standing with the Department at the time of submission (UIF and CF), i.e. a letter that shows that the bidder is compliant with the UIF and CF and sub-contractor

(2) The total Bidding price must be written correctly and in full.

(3) The price of the bid will be firm for the duration of the contract. As indicated on SBD 3.3

(4) Bidders are required to submit certified and valid B-BBEE Status Level Verification Certificates (SANAS accredited) or sworn affidavit by the Commissioner Oaths for exempted micro enterprises (EME and QSE), as prescribed by the Department of Trade and Industry.

(5) All Standard Bidding Documents forms submitted with the bid must be completed and signed. Failure to do so may invalidate the bid.

(6) Certified ID copies of Company Members and Shareholders, at the point of submission, failure to submit will result in the disqualification of the bidder.

(7) A resolution of the Board of Directors for authority of signatory with the ID number of the appointee must be submitted with the bid.

(8) If required as a condition for the bid, the sub-contracting agreement signed by both parties must be attached. The agreement must clearly state the percentage sub-contracted as per the conditions of the bid.

(9) All company registration documents for the sub-contractor must be submitted.

(10) Bidders must be registered on the Central Supplier Database (CSD) and provide summary report that has a compliant TAX status and valid banking details.

(11) A valid copy of a Tax clearance certificate must be submitted and a valid SARS PIN for verification.

(12) Both the COIDA and UIF certificates must be submitted and be valid at the day of closing.

(13) Bidder/s must comply with basic Labour Relations Act/s, E.g. OHS, Basic Conditions of Employment Act (BCEA), Minimum Wage, UIF and COIDA

(14) The attendance register at the briefing session must be signed and failure to do so will invalidate your bid.

(15) No late bids shall be accepted.

(16) Please note that any enquiries must be directed via e-mail or telephone and will only be responded to at the compulsory briefing session. After the briefing session, queries will only be submitted via e-mail and responses will also be via email and copied to all other bidders. The department will not take queries 5 days before the closing date.

(17) Any proposals received in response to this bid remain the property of the Department of Employment and Labour.

(18) Bids should be held valid for a period of 90 days.

(19) The Department of Employment and Labour reserves the right to at any given time to request additional information for clarification purposes during the evaluation process of this bid, but not involving the pricing.

First stage:

NB: Bidders/ tenderers who want to claim Preference points will have to comply fully with regulations 11(8) and 11(9) of the PPPFA Act with regard to sub-contracting.

Mandatory Requirements

EACH SECTION BELOW MUST BE CLEARLY INDICATED BY A MARKER AND/OR HEADING	COMPLY (mark with an "X")	NOT COMPLY (mark with an "X")	Page Reference
Resource CVs and qualifications (Experience not less than 5 years) certified copies of qualification			
Track record of internal auditing services including ICT audits, Performance audit, Production and manufacturing audits and Sales and marketing.			
Proof of recent External Quality Assessment			
UIF Compliance Certificate for main bidder and sub- contractor (Attach)			
COID Compliance Certificate for main bidder and sub-contractor(attach)			
Original Certification of briefing session (attach)			

**Do note that a police clearance will be required for all resources deployed on the project after award*

Phase 1: FUNCTIONALITY

1 Bids invited on the basis of functionality as a criterion must be evaluated in two stages.

2 Functionality must first be assessed and then after evaluation will be done in accordance with the 80/20 preference point system.

3 Only bids that achieve the minimum qualifying score of 75% for functionality will be evaluated further in accordance with the 80/20 preference point systems.

NB: (Bidders should score 75/100 points or more in order to qualify to move to the second phase of evaluation)

13. FUNCTIONALITY SCORING

Below is the Stage 1 functionality scoring:

NO	DESCRIPTION	WEIGHT
	FUNCTIONALITY	100
1.1	Bidders should provide information relating to the following: Bidder's experience in Internal Auditing. (10) No information provided/ information provided not relevant = 0 3 years' but less than 4 years' experience in internal audit = 3 4 years' but less than 6 years' experience in internal audit = 6	10

NO	DESCRIPTION	WEIGHT
	FUNCTIONALITY	100
	6 years' but less than 8 years' experience in internal audit = 8 8 or more years' experience in internal audit = 10	
1.2	Bidders should demonstrate experience and expertise of auditing Departments (National and / or Provincial) and their entities. (10) Bidder has not performed internal audit projects in Departments and their entities = 0 1-3 internal audit projects performed in Departments and their entities = 3 4- 5 internal audit projects performed in Departments and their entities = 6 6-7 internal audit projects performed in Departments and their entities = 8 8 or more internal audit projects performed in Departments and their entities = 10	10
2.1	Bidders methodology and approach/workplan The bidder will be required to provide a project plan to achieve the objectives of the Internal Audit function that includes key activities, milestones and deliverables. (10) No information provided/ information provided not relevant = 0 Project plan without key activities, milestones and deliverables = 3 Project plan submitted with deliverables, milestones without key activities =6 Project plan submitted with milestones, key activities without deliverables = 8 Detailed Project plan submitted with key activities, deliverables and milestones = 10	10
2.2	The plan should specify the different types of audits to be performed and the level of staff to be assigned to each type of audit. (10) No information provided/ information provided not relevant = 0 Three (3) types of audits and level of staff to be assigned to the audits are excluded on the plan. (Types: Information and Communication Technology (ICT), Manufacturing and Production environment, Sales and Marketing environment, Performance, Research and policy development environment, Procurement (Probity Audits), Financial and Ad-hoc audit engagements) = 3 Two (2) types of audits and level of staff to be assigned to audits are excluded on the plan = 6 One (1) type of audit and level of staff to be assigned to the audit is excluded on the plan = 8 All of the above types of audits are included on the plan and the level of staff is assigned to each type of audit. = 10	10
3.1	Capacity of the bidder to deliver quality services in time and understanding of project management.	5

NO	DESCRIPTION	WEIGHT
	FUNCTIONALITY	**100**
	Human Resources - Submit CV's of the project team with relevant skills in Internal Audit or related fields (i.e. Finance and Accounting, Risk Management, IT Auditing, Performance Auditing, Production and Manufacturing, Sales and Marketing, Research and Policy Development, etc.). (5) Project team with less than 2 years of experience in auditing= 0 Project team with 2 years but less than 4 years of experience in auditing= 2 Project team with 4 years but less than 6 years of experience in auditing= 3 Project team with 6 years but less than 8 years' experience in auditing =4 Project team with more than 8 years of experience in auditing =5	
3.2	Human Resources - Submit CV's of the project team with relevant certified qualifications and professional certifications (e.g. CIA, CISA, CIMA, CISM, CRISC, CEH, CySA+, CRMA, CCSA, CGAP, CFSA, CCSA, etc.) in Internal Audit or related qualifications (i.e. Finance and Accounting, Risk Management IT Auditing, Performance Auditing, Production and Manufacturing, Sales and Marketing, Research and Policy Development, etc.). (5) Project team with less than 3 of the relevant qualifications and professional certifications = 0 Project team with 4 fields of the relevant qualifications and professional certifications = 2 Project team with 5 fields of the relevant qualifications and professional certifications = 3 Project team with 6 fields of the relevant qualifications and professional certifications = 4 Project team with all 7 fields of the relevant qualifications and professional certifications = 5	5
3.3	Project Team with experience in Regulatory, Financial, Performance, Production and Manufacturing, Sales and Marketing, Research and Policy Development or ICT projects (including SAP, CAATs and data analytics), Procurement (Probity Audits), Internal Audit Quality Assessment. (5) Project team with no experience in the above types of audits= 0 Project team with experience in 1-2 of the above types of audits= 1 Project team with experience in 3-4 of the above types of audits =2 Project team with experience in 5-6 of the above types of audits =3 Project team with experience in 7 of the above types of audits =4 Project team with experience on Regulatory, Financial, Performance, Production and Manufacturing, Sales and Marketing, Finance, Research and Policy Development, Internal Audit Quality Assessment, Procurement (Probity Audits) and ICT projects (including SAP, CAATs and data analytics) = 5	5

NO	DESCRIPTION	WEIGHT
	FUNCTIONALITY	**100**
3.4	External Quality Assessment - Submit results of the recent external quality assessment performed on your institution. (5) No information provided / information provided not relevant / non-conformance = 0 Results of the external assessment performed is 5 or more years old = 1 Results of the external assessment performed is 3-4 years old = 2 Results of the external assessment performed is 1-2 years old = 3 Results of external assessment is less than 12 months and indicate partial conformance = 4 Results of external assessment is less than 12 months and indicate general conformance = 5	5
4.1	Track record of the company in the Internal Audit Service field: (Assurance and Consulting Engagements) Contactable corporate references confirming recent work performed in the audit field in the recent 5 years. (15) No reference letter provided/ reference letter provided not relevant = 0 3 audit reference letters, not older than 5 years provided = 5 4-5 audit reference letters, not older than 5 years provided = 10 6 or more audit reference letters, not older than 5 years provided = 15	15
4.2	Bidders must demonstrate extensive expertise in the management of ICT audits (including SAP projects, continuous audits, data analytics and CAATs), Financial, Performance, Production and Manufacturing, Sales and Marketing, Procurement (Probity Audits), Research and Policy Development. (10) Bidder has not performed SAP projects, continuous auditing, Performance audit, Financial, Performance, Production and Manufacturing, Sales and Marketing, Research and Policy Development, Procurement (Probity Audits), Internal Audit Quality Assessment = 0 Bidder has performed 1 type of the above projects = 1 Bidder has performed 2 types of the above projects = 2 Bidder has performed 3 types of the above projects= 3 Bidder has performed 4 types of the above projects= 4 Bidder has performed 5 types of the above projects= 5 Bidder has performed 6 types of the above projects= 6 Bidder has performed 7 types of the above projects= 8 Bidder has performed all 8 types projects= 10	10
5.	Plan to transfer skills to in-house Internal Audit staff.	15

NO	DESCRIPTION	WEIGHT
	FUNCTIONALITY	**100**
	Bidders should have a documented detailed transfer of skills plan, with training initiatives on Financial, Performance, Production and Manufacturing, Sales and Marketing, Research and Policy Development and ICT audits, Internal Audit Quality Assessment. (15) Detailed training plan / skills transfer plan that include training initiatives on 1 of the above projects = 1 Detailed training plan / skills transfer plan that include training initiatives on 2 of the above projects = 2 Detailed training plan / skills transfer plan that include training initiatives on 3 of the above projects = 4 Detailed training plan / skills transfer plan that include training initiatives on 4 of the above projects = 6 Detailed training plan / skills transfer plan that include training initiatives on 5 of the above projects = 8 Detailed training plan / skills transfer plan that include training initiatives on 6 of the above projects = 10 Detailed training plan / skills transfer plan that include training initiatives on 7 of the above projects = 12 Detailed training plan / skills transfer plan that include training initiatives on all 8 types of audits namely Financial, Performance, Production and Manufacturing, Sales and Marketing, Research and Policy Development and ICT audits, Internal Audit Quality Assessment = 15	

NB!! Please note that all reference letters provided must be relevant to the provision of Internal Auditing Services and must meet the following:

11.5 Must not be older than two (2) years;

11.6 Must be signed;

11.7 Must be on an official letterhead;

11.8 All references must be contactable;

11.9 All reference letters must reflect the date / period services were rendered, nature and quality of services rendered by the bidder.

Price Points System: 80/20

Price	80

Calculation of points for B-BBEE status level of contributor

Points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	**Number of points (20 system)**
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Bidders are required to submit original and valid B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their BBBEE rating claims.

A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level

Verification Certificate for every separate bid.

SECTION D – Other Conditions

Attendance of the briefing session is compulsory and bids of prospective bidders who do not attend the briefing will be disqualified in the evaluation of the bid. The compulsory briefing session will be held as follows:

NB: COMPULSORY BRIEFING SESSION ON MICROSOFT TEAMS:

DATE: **Date: 18 February 2022**

TIME: **Time: 10:00AM**

VENUE: Virtual session. Link will be communicated on request through HQtender@labour.gov.za

NB! ALL further enquiries will only be accepted and responded to one week after the compulsory briefing session.

NB: FAILURE TO COMPLY WITH THE ABOVE MAY INVALIDATE YOUR BID

Technical Enquiries should be addressed to:

HQtenders@labour.gov.za

Department of Employment and Labour,

Laboria House

215 Francis Baard Street,

Pretoria