



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

ENQUIRIES: Debbie De Bruin

TELEPHONE: 012 336 8959

REFERENCE: 3/8/5/1 **ND 390**

CHIEF DIRECTOR: SUPPLY CHAIN MANAGEMENT AND ASSET MANAGEMENT
CHAIRPERSON: DEPARTMENTAL BID ADJUDICATION COMMITTEE (DBAC)

**REQUEST FOR APPROVAL TO DEVIATE FROM NORMAL PROCUREMENT PROCEDURES
TO APPOINT SURTECH SOLUTIONS RSA (PTY) LTD AS SOLE SERVICE PROVIDER FOR
RENEWAL OF AUDIT COMMAND LANGUAGE (ACL) SOFTWARE SOLUTION**

1. PURPOSE

- 1.1 This submission serves to obtain the approval for renewal of Audit Command Language (ACL) software solution from Surtech Solutions RSA (Pty) Ltd as sole service provider of maintenance fees for five (5) desktop licenses, one (1) Robotics Enterprise Platform, one (1) Robotics Enterprise Professional server license and one (1) direct link (connecting to SAP) license for the period from 1 February 2023 to 31 January 2024.
- 1.2 Request for deviation from Treasury Regulations paragraphs 3.2.5 and 3.2.6, as Internal Audit cannot adhere to Supply Chain Management's request for three quotations as Surtech Solutions RSA (Pty) Ltd is the only vendor that authorized resellers/distributors of Audit Command Language (ACL).

2. BACKGROUND AND DISCUSSION

- 2.1 The Internal Audit Unit, undertakes its activities in accordance *Standards for the Professional Practice of Internal Auditing* as required by the Public Finance Management Act Section 38 (1) (a) (2) and Treasury Regulation, paragraph 3.2. *The Standards for the Professional Practice of Internal Auditing 2330.A1 The chief audit executive (CAE) must control access to engagement records. The CAE must obtain the approval of senior management and/or legal counsel prior to releasing such records to external parties, as appropriate.*
- 2.2 Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve and organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and government processes. IT Audits reviews include the evaluation of internal controls within the computer information system environment to ensure the validity, integrity, reliability and security of information. Furthermore it includes the assessment of efficiency of the computer information system environment. One such area we concentrate on is data analytical reviews for which we make use of audit software called ACL (Audit Command Language).



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- 2.3 Data analysis as an automated queries tool to a large amount of electronic data searching for specified characteristics, which results in exceptions or findings, as well as to provide recommendations that will assist to enhance the processes and practices where these are not already in place.
- 2.4 Due to the increased demand on data analysis by different directorates within the Department it is essential that support and maintenance is paid to assist with the extraction of SAP Data.
- 2.5 The Auditor-General of South Africa uses ACL on the raw data received from National Treasury. Internal Audit receives the extracted data for the Department from the Auditor-General. Fifteen staff members of the Directorate: Compliance and Performance has been on training to familiarize themselves with ACL and how to use ACL effectively and efficiently. The Auditor-General South Africa provides raw data to the Department on a monthly basis which includes PERSAL, BAS and LOGIS data of which the format of the data can only be read by Internal Audit using ACL.
- 2.6 Information Technology audits reviews include the evaluation of internal controls within the computer information system environment to ensure the validity, integrity, reliability and security of information. Furthermore it includes the assessment of efficiency of the computer information system environment. One such area we concentrate on is data analytical reviews for which we make use of audit software called ACL.
- 2.7 Due to the increased demand on data analysis by different directorates within the Department it is essential that support and maintenance is paid to assist with the extraction of SAP Data and analyzing the data of the transversal systems namely: BAS, PERSAL and LOGIS.
- 2.9 The Robotics Enterprise (RE) technology helps the Department through centralized data extraction, analysis, exception management, visualization and reporting — an all-in-one solution that helps drive team efficiencies, improve quality of work, promote best practices and provide instant visibility to turn insight into action.
- Continuously monitor transactional data to detect control breakdowns as they happen
 - Assign and automate exception management workflow
 - Report exceptions in interactive dashboards
 - Conduct deeper ad-hoc investigation on analytic results
 - Schedule and automate recurring tests to detect exceptions – Once analytic tests are running, they will analyze 100% of the transactional data to detect anomalies and control failures.
 - Assign and automate exception management workflow – RE provides a centralized view for users to monitor and respond to key risk areas. As key performance and risk indicator thresholds are hit, exceptions are assigned to the proper business stakeholders for immediate remediation.
 - Report exceptions in interactive dashboards – All exceptions may be documented in a selection of 40+ chart types, including heat maps. This provides management an immediate view into exception trends and patterns while allowing them to easily interact and drill down into data to uncover the root cause of control failures.
 - Conduct deeper ad-hoc investigation on analytic results – After identifying exceptions using analytic tests, users may perform further analysis on data results. Users may leverage the web client or Add-ins for Microsoft Office Excel to investigate the results. Also, ACL Analytics can be used to conduct ad-hoc investigations previously unidentified transactional anomalies, errors and discrepancies.

3. FINANCIAL IMPLICATIONS

- 3.1 Support and maintenance fees for five (5) desktop licenses, one (1) Robotics Enterprise Platform, one (1) Robotics Enterprise Professional server license and one (1) direct link (connecting to SAP) license is R 496,460.18 (including VAT). Technical support for four (4) days to the value of R 69,000.00 (including VAT).
- 3.2 The total amount R 565,460.18 (including VAT. Refer to **Annexure A** and **B**.

4. RECOMMENDATION

- 4.1 It is recommended that the approval of maintenance fees for five (5) desktop licenses, one (1) Robotics Enterprise Platform, one (1) Robotics Enterprise Professional server license and one (1) direct link (connecting to SAP) license for the period from 1 February 2023 to 31 January 2024.
- 4.2 It is recommended that the approval of the request for deviation from Treasury Regulations paragraphs 3.2.5 and 3.2.6, as Internal Audit cannot adhere to Supply Chain Management's request for three quotations as Surtech Solutions RSA (Pty) Ltd is the only vendor that authorized resellers/distributors of Audit Command Language (ACL).

CHIEF DIRECTOR: INTERNAL AUDIT
DATE: 13/09/2022

RECOMMENDATION IN PAR. 4.1 FUNDS AVAILABLE / FUNDS NOT AVAILABLE
RECOMMENDATION IN PAR. 4.2 FUNDS AVAILABLE / FUNDS NOT AVAILABLE

FRANS MOATSE
CHIEF FINANCIAL OFFICER
DATE: 2/19/05

RECOMMENDATION IN PAR. 4.1 RECOMMENDED / NOT RECOMMENDED
RECOMMENDATION IN PAR. 4.2 RECOMMENDED / NOT RECOMMENDED

CHAIRPERSON: DEPARTMENTAL BID ADJUDICATION COMMITTEE (DBAC)
DATE:

RECOMMENDATION IN PAR. 4.1 APPROVED / NOT APPROVED

CHIEF DIRECTOR: SUPPLY CHAIN MANAGEMENT AND ASSET MANAGEMENT
DATE: 9/16/23

Confidential



ANNEXURE A

Quotation

VAT REG: 4820281907

Department of Water and Sanitation
Att: Pieter Jordaan
Private Bag X313
Pretoria
Gauteng
0001
South Africa

Account	Your Reference	Sales Code	Date	Page	Document No	Term
SRSADWS001	ACL	LeratoH	17 Aug 2022	1	00015610	1

Description	Quantity	Unit Price	Nett Price
Renewal - Analytics Client (full year)	5.00	R 22,982.30	R 114,911.50
Renewal - Robotics Enterprise - Professional (full year)	1.00	R 59,400.00	R 59,400.00
Renewal - Direct Link SAP (full year)	1.00	R 102,559.00	R 102,559.00
Essentials - Accounts Payable - Annual Renewal (full year)	1.00	R 0.00	R 0.00
Renewal - Robotics Enterprise - Platform (full year)	1.00	R 154,834.00	R 154,834.00

The prices are valid for 60 days from the date on the quotation. Surtech retains the right to vary prices thereafter

BANKING DETAILS:

Account Name: SURTECH SOLUTIONS RSA (PTY) Ltd
Account Number 62759542642 Swift Code FIRNZAJJ

First National Bank, Branch Code 210 554

Sub Total	R 431,704.50
Tax	R 64,755.68
Total	R 496,460.18

SURTECH SOLUTIONS RSA (PTY) Ltd

11 Mall Offices
11 Craddock Avenue
Rosebank. 2146. South Africa

P.O. Box 650610
Benmore
2010, South Africa

Tel: +27 (861) 999 190
Reg No: 2018/256151/07

Director
Philip Tillman



VAT REG: 4390281394

Account	Your Reference	Sales Code	Date	Page	Document No	Term
	Diligent	ckann	23 Aug 2022	1	00015630	1

Description	Quantity	Unit Price	Nett Price
Technical Support	4.00	R 15,000.00	R 60,000.00

Sub Total	R 60,000.00
Tax	R 9,000.00
Total	R 69,000.00



ACL Europe Ltd., a Diligent brand
68 Lombard Street,
London EC3V9LJ, United Kingdom

June 16, 2022

To Whom it May Concern:

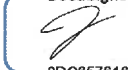
**Re: Authorized
Reseller**

We hereby confirm that Surtech Solutions (Pty) Ltd, having an office at 1st Floor, The Mall Offices, 11 Craddock Avenue, Rosebank, Johannesburg, 2146, South Africa, is the sole authorized reseller for the fully integrated HighBond GRC and Robotics software solution by Diligent, as well as ACL for Windows software products and related services in South Africa, and is authorized to resell such products and services in that country.

ACL Europe Ltd. is a subsidiary of Diligent Corporation, a United States company headquartered at 111 West 33rd Street, 16th Floor, New York, NY 10120.

Sincerely,

ACL Europe Ltd.

DocuSigned by:

2DC857616BD64E7...
John Van Arsdale
Director