UMSUNDUZI AND NCOME MUSEUMS
Address: No. 351 Langalibalele Street
PO Box 998 Pietermaritzburg, 3200
Tel.: 033 394 6834/5 Fax: 033 394 6797
Email: info@msunduzimuseum.org.za

an agency of the Department of Arts and Culture

REQUEST FOR TENDER (RFT)

MS 04 OF 2021

APPOINTMENT OF INTERNAL AUDIT SERVICES FOR UMSUNDUZI MUSEUM

BIDDER REFERENCE NUMBER	: MS 04 OF 2021
ISSUE DATE	: Monday, 15 November 2021
SITE BRIEFING (OPTIONAL)	: Friday, 26 November 2021 AT 11H00
CLOSING DATE AND TIME	: Tuesday, 14 December 2021 AT 11H00
SUBMISSIONS DELIVERY	: UMSUNDUZI MUSEUM 351 Langalibalele Street (Opposite Natalia Building) Pietermaritzburg 3201
FOR ENQUIRIES	: **Mr Msizi Mfeka** **Senior Finance Officer** **033 394 6834 (t)** **Email: mmfeka@msunduzimuseum.org.za**
	: **Mr Phumlani Mvubu** **Finance Manager** **033 394 6834 (t)** **Email: pmvubu@msunduzimuseum.org.za**

PLEASE NOTE THAT ALL QUERIES MAYE BE EMAILED TO THE ABOVE LISTED INDIVIDUALS FROM 23 NOVEMBER 2021 TO 13 DECEMBER 2021 (CUT-OFF DATE). QUERIES RECEIVED AFTER THE CUT-OFF DATE WILL NOT BE ADDRESSED.

BIDDER NAME	:
BIDDER STAMP	:

TABLE OF CONTENTS

1. INVITATION AND BID SUBMISSION

UMsunduzi Museum is an agency of the Department of Sport, Arts and Culture and is a schedule 3A public entity that is constituted and mandated in terms of the Cultural Institutions act 119 of 1998. The museum's executive authority is the Minister of Sport, Arts and Culture who appoints the Council.

This **request for tender** (RFT) must be completed and all applicable pages returned as part of your tender submission. **Please note the following:**

1. Do not retype or substitute in any other form.

2. All tender forms must be completed and signed in original ink. Forms with photocopied signatures/initials or any other such reproduction of detail will be rejected, resulting in the tender being disqualified.

3. The tenders will be evaluated using the **two-envelope system**. Submit the tender in two separate sealed envelopes or suitable containers if necessitated and marked as follows "envelope 1: tender documents" and "envelope 2: financial offer", your company name as well as this tender reference number **(MS 04 of 2021) must be written** on both envelopes.

4. Tenderers should ensure that tenders are delivered timeously to the correct address and placed in the tender box at **Museum Reception**, **Monday to Friday 07h30 – 16h00.**

5. Tender documents must only be deposited in the tender box identified as a tender box of the uMsunduzi museum. Tender can also be couriered to the following address by no later than the closing date and time: **14 DECEMBER 2021 AT 11H00**.
   uMsunduzi Museum
   351 Langalibalele Street (Opposite Natalia Building)
   PIETERMARITZBURG
   3201

6. Tenders received after the closing date and time will **not be accepted** for consideration.

7. Tenders submitted by telegram, facsimile, post or by electronic means such as email will not be accepted for consideration.

BID VALIDITY DATE: 90 DAYS

UMsunduzi Museum will publish the award of this tender in the government e-tenders, tender bulletin and/or applicable media as required. Service providers should note the award of the tender as published. A service level agreement will be entered into between the successful bidder and uMsunduzi Museum after the award.

2. OBJECTIVE OF THE INTERNAL AUDIT FUNCTION

This bid aims to appoint a suitable, independent service provider that can provide an internal audit service for the Accounting Authority and Management of uMsunduzi Museum. In terms of the Public Finance Management Act (PFMA), the public entity should have an effective internal audit function, which should also comply with the Institute of Internal Auditors' (IIA) standards.

The internal audit function must assist the Museum to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management control and governance processes. The Risk Management Strategy, including the Fraud Prevention Plan, must be used to direct the internal effort. This must be done through furnishing analyses, appraisals, recommendations, counsel and information concerning the activities that have been reviewed as well as regular follow-ups.

Other of the internal audit function, which are subject to an evaluation, are to review the following:

a. Internal control processes
b. The information systems environment
c. The reliability and integrity of financial and operational information
d. The effectiveness of operations of uMsunduzi Museum
e. Compliance with laws, regulations, policies, contracts and controls
f. The safeguarding of assets
g. The economical and efficient use of resources
h. The achievement of established operational goals and objectives
i. Assist the Audit Committee and Risk Committee through it the Accounting Authority and Management, in the effective discharge of their responsibilities.

3. SCOPE OF INTERNAL AUDIT

The Terms of Reference (TOR) below are intended to provide a scope of work and deliverables to Internal Auditors in terms of Public Finance Management Act of 1999 as amended by Act 29 of 1999 (PFMA) and in terms of Treasury Regulations and guidelines. The scope of the internal audit function includes the points listed below. However, should any other function be regarded as imperative by the tenderer, it should be added and clearly defined. The internal audit function must in consultation with uMsunduzi Museum Management prepare the following:

a) A rolling three-year (3) strategic Internal Audit Plan based on its assessment of key areas of risk for the Museum, having taken into consideration the current operations, the operations proposed in its corporate or strategic plan and its risk management strategy.
b) An annual (1) Internal Audit Plan.
   - Plans indicating the scope, cost and timelines of each audit in the annual internal audit.
   - Quarterly audit reports directed to Management and the Audit and Risk Committee (ARC) detailing its performance against the plan to allow effective monitoring and intervention, when necessary.
   - The internal audit function must assist the Accounting Authority in maintaining effective controls by evaluating those controls and developing recommendations for enhancement or improvement.
c) It must assist the Accounting Authority in achieving the objectives of the uMsunduzi Museum

by evaluating and developing recommendations for the enhancement or improvement of the processes through which:

- Objectives and values are established and communicated;
- The accomplishment of objectives is monitored;
- Accountability is ensured
- Corporate values are preserved;
- The adequacy and effectiveness of the system of internal control are reviewed and appraised;
- The relevance, reliability and integrity of management, financial and operating data and reports are appraised
- Systems established to ensure compliance with policies, plans, procedures, statutory requirements and regulations, which could have a significant impact on operations, are reviewed;
- The means of safeguarding assets are reviewed and deemed as appropriate in verifying the existence of such assets
- The efficiency and effectiveness with which resources are employed are appraised;
- The results of operations or programmes are reviewed to ascertain whether they are consistent with the Museum's established objectives and goals and whether the operations or programmes are being carried out as planned;
- The adequacy of established systems and procedures are assessed.

d) The audits that will need to be considered at the Museum are, among others:

- IT security and systems process audit.
- Conducting special assignments and investigations, on behalf of management or the Director, into any matter or activity affecting the probity, interest and operating efficiency of the Museum.
- Audit designed to detect fraud.

e) The firm will be required to perform one (1) risk workshop throughout the duration of the contract however as the circumstances warrant, a service may be requested to provider more than one workshop, upon which a fee will be charged separately

4. FRAUD AND IRREGULARITIES

In planning and conducting its work, the Internal Auditor seeks to identify serious defects in the internal controls, which might result in possible malpractices. Any such defects must be reported immediately to the Director and/or the Audit Committee, without disclosing these to any other staff. This also applies to instances where serious fraud and irregularities is uncovered. Although investigating fraud and other related irregularities are not the primary focus of internal audits approach, a close liaison with Management will be maintained should such issues be identified. Such cases will be referred accordingly for forensic auditing.

5. MONITORING PROGRESS OF ASSIGNMENTS

On completion of each assignment, the Auditor shall distribute the reports to Management, ARC and the Director. On a quarterly basis, a report on progress against the plan, significant findings and administrative matters will have to be presented to the Audit Committee. The Engagement Partner and/or Senior Manager must attend all Audit Committee meetings.

6. DURATION OF CONTRACT

The contract is expected to run for **(3)** three years, commencing on the date of signing the Service Level Agreement. It will, however, be subject to a review of the previous year's performance against the Internal Audit Plan. The successful tenderer should be able to start from 01 February 2022.

7. EVALUATION CRITERIA

Preference point system, this provides that tenders be evaluated out of a score of 100 points**,** with a maximum of 20 points being allocated to preference (more specifically, the B-BBEE level of company and the remaining 80 points being allocated to the most competitive price tendered

Pricing	80 points
B-BBEE	20 Points

8. TENDER EVALUATION SPECIFICATIONS AND PROCESS

PHASE 1: Minimum Qualification Criteria

The tenderer must meet the following competency requirements to qualify:

a. The firm must be independent from uMsunduzi Museum and its Directors and be able to maintain its independence throughout the engagement.
b. The firm must be registered as a public auditor in public practice with the Independent Regulatory Board of Auditors (IRBA) as well as South African Institute of Chartered Accountants (SAICA). The firm must provide evidence of a satisfactory result on their latest IRBA review results for the firm and for the engagement partner.
c. The firm must be registered with the Institute of Internal Auditors. The firm must provide evidence of this registration.
d. The firm must perform internal audits in accordance with the International Professional Practices Framework (IPPF) promulgated by the Institute of Internal Auditors (IIA). The Firm must provide evidence of a satisfactory result on their External Quality Assurance review performed within at least the last 5 years.
e. The firm's public liability insurance and professional indemnity insurance including names of insurer, policy numbers, expiry date and limits of any one incident.

PHASE 2: Technical Evaluation

Functionality of the bids will be evaluated according to the predetermined evaluation criteria set out in the Evaluation Criteria below. During this stage tenderers will be evaluated for functionality in two stages:

a. The tenderer must obtain a minimum overall score of **40 out of 65** points for functionality to move to the next stage of evaluation; those tenderers who fail to meet the minimum qualifying score will be disqualified from the process.
b. Tenderers will not evaluate themselves but need to ensure that all information is supplied as required
c. The Bid Evaluation Committee (BEC) will evaluate technical and functional requirements and score

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all the bids as per the set criteria.

After fulfilling the minimum qualification criteria as set out above for the Internal Audit services, the short-listed firms will be evaluated in terms of the following criteria:

a. **Professional competence and integrity** – The firm should be professional and competent in the practice of internal audit (attest function) as well as have high ethical standards.
b. **Relevant Experience** – have at least five (5) years' experience in conducting government or similar audits. A firm which is familiar with the regulatory environment under which the Museum operates will be preferred. Knowledge of and exposure to the PFMA and Treasury Regulations and guidelines are non-negotiable as the Auditor General has specific requirements that auditors must cover.
c. **Independence and objectivity** – No conflict of interest must exist between partners and staff members of the firm, Council and staff members of uMsunduzi Museum. A detailed statement on the independence of the tenderer and the proposed Internal Audit Team is required.
d. **Track record and reputation** – Preference will be given to a firm that has demonstrated technical ability, a good track record and reputation in the industry.
e. **Size of the Firm** – A firm with at least 2 partners at least one partners who must be a member of South African Institute of Chartered Accountants (SAICA) and the Institute of Internal Auditors (IIA). Key audit team members responsible for the Museum's audits must be registered with the IIA.
f. **Capacity to conduct audits at uMsunduzi Museum** – Regard will be given to the availability of staff to be assigned to the Museum to perform ongoing internal audit engagements.
g. **Capacity to conduct Information Technology audits** – The firm must have in-house IT Auditor/s with at least (3) three years' s experience in the auditing of IT general and application controls as well as large scale IT projects.
h. Commitment to follow National Treasury Guidelines applicable to service providers of the public entities.

9. PRICING AND B-BBEE EVALUATION

Phase 3: Preference Point system

The following preference point systems is applicable to all bids whereby preference points shall be awarded for Price; and B-BBEE Status Level of Contribution.

The 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included). Bidders must provide an amount of what the internal audit service for 36 months will cost in the table below.

PRICING SCHEDULE

PRICING SCHEDULE	YEAR ONE	YEAR TWO	YEAR THREE	TOTAL
Pricing must be inclusive of all relevant overheads including planning, travel costs, including VAT.	R	R	R	R

10. EVALUATION OF PROPOSAL

The evaluation of technical proposals will be based on their responsiveness to the scope of internal audit, applying the evaluation criteria and point system indicated below. Each responsive proposal will be given a technical score. A proposal considered unsuitable shall be rejected at this stage if it does not respond to important aspects of the scope of internal audit. The Museum shall notify bidders of the rejection of their technical proposal after completing the selection process. The Bid Evaluation Committee (BEC) will evaluate technical and functional requirements and score all the bids as per the set criteria.

Technical Proposal evaluation criteria and point system

A minimum of 62% (40 out of 65) will be required in the technical proposal to qualify. Bidders who do not meet the 62% requirement will be disqualified based on the criteria set out below:

Functionality formula

$$Ps = \frac{So}{Ms} \times 100$$

Preference Point system formula

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$

The minimum points are 40 points out of 65 points

NO.	FUNCTIONALITY	CRITERIA	MAX POINTS	POINTS SCORED
1	**Audit Plan and Methodology** A detailed proposed plan in executing of audits over 36 months.	Detailed plan to meet scope of work clearly depicting understanding of museum requirements = 25 points No plan = 0 points	**25**	
2	**Experience** Firm's experience in Public Entities subject to PFMA, Knowledge of GRAP, Audit Predetermined Objectives, and Performance Audits.	Over 5 years (15 points) 20 3-5 years (10 points) 1-2 years (5 points) No experience (0 points)	**15**	
3	**Contactable References** Contactable references pertaining to the firm's experience in public entities. (PFMA, GRAP, Audit of Predetermined Objectives, and Performance Audits). Note: references should be presented in a form of a written letter on an official letterhead from previous clients where similar services were performed.	3 or more contactable references (10 points) 1-2 contactable references (5 points) No contactable references (0 points)	**10**	
4	**Qualifications** Qualifications of team members that will be allocated to uMsunduzi Museum. Please attach CVs of the team. Manager/ Supervisor – Qualified Auditor / CA / Clerks/Trainee	Manager/ Supervisor who is a qualified Auditor / CA (10 points) Clerks/ trainees with Hons, B-com, Diploma (5 points) No qualification - (0 points) **NB: Please provide proof certified certificates and registration with the professional body**	**15**	

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE UMSUNDUZI MUSEUM

BID NUMBER: **MS 04 OF 2021** CLOSING DATE: ………………………. CLOSING TIME: **11: 00 AM**

DESCRIPTION: **APPOINTMENT OF INTERNAL AUDIT SERVICES FOR UMSUNDUZI MUSEUM**

The successful bidder will be required to fill in and sign a written Contract Form (SBD 7).

BID DOCUMENTS MUST BE HAND DELIVERED TO THE UMSUNDUZI MUSEUM, CLEARLY MARKED **"MS 04 OF 2021** "AND DEPOSITED IN TO THE TENDER BOX SITUATED AT THE RECEPTION AREA, FROM 7:30 AM TO 16:00 MONDAY TO FRIDAY

FOR ATTENTION: **Mr M MFEKA**
351 LANGALIBALELE STREET, OPPOSITE NATALIA BUILDING
PIETERMARITZBURG
3201

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER	………………………………………………………………………………………………
POSTAL ADDRESS	………………………………………………………………………………………………
STREET ADDRESS	………………………………………………………………………………………………
TELEPHONE NUMBER	CODE……………NUMBER…………………………………………………………………………
CELLPHONE NUMBER	………………………………………………………………………………………………
FACSIMILE NUMBER	CODE ……………NUMBER………………………………………………………………………
E-MAIL ADDRESS	………………………………………………………………………………………………
VAT REGISTRATION NUMBER	………………………………………………………………………………………………

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2) YES or NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1) YES or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)……………………………□
A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS);
OR……………………………………□ A REGISTERED AUDITOR ………………………………………………□ [TICK APPLICABLE BOX]

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE

ARE YOU THE ACCREDITED REPRESENTATIVE
IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED? YES or NO
[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER ……………………………………………………………………………………………….

DATE ………………………………………………………………………………………………..

CAPACITY UNDER WHICH THIS BID IS SIGNED ……………………………………………………………………………………………..

TOTAL QUOTE PRICE ……………………………………

TOTAL NUMBER OF ITEMS OFFERED ……………………………………………

PRICING SCHEDULE

APPOINTMENT OF INTERNAL AUDIT SERVICES FOR UMSUNDUZI MUSEUM

NAME OF BIDDER: ……………………………………………………………………………………………BID NO.: …………………………………….

CLOSING TIME **11h00** CLOSING DATE……………………...

OFFER TO BE VALID FOR …………DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R………..…………………………………………………...

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION

PERSON AND POSITION	HOURLY RATE	DAILY RATE
--	R----------------------------	--------------------------------
--	R----------------------------	--------------------------------
--	R----------------------------	--------------------------------
--	R----------------------------	--------------------------------
--	R----------------------------	--------------------------------

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

--	R----------------------------	------------------------- days
--	R----------------------------	------------------------- days
--	R----------------------------	------------------------- days
--	R----------------------------	------------------------- days

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
--	……………….	……………..	R………………..
--	……………….	……………..	R………………..
--	……………….	……………..	R………………..
--	……………….	……………..	R………………..

TOTAL: R………………………………………………….

** ”all applicable taxes” includes value- added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
--	……………….	……………..	R………………..
--	……………….	……………..	R………………..
--	……………….	……………..	R………………..
--	……………….	……………..	R………………..

TOTAL: R…………………………………………………

6. Period required for commencement with project after acceptance of bid ………………………………………………………………

7. Estimated man-days for completion of project ………………………………………………………………

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index. ………………………………………………………………

………………………………………………………………

………………………………………………………………

………………………………………………………………

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state[1], or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

   - the bidder is employed by the state; and/or

   - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative: ………………………………………………………….

2.2 Identity Number: ………………………………………………………………………………………………

2.3 Position occupied in the Company (director, trustee, shareholder[2]): ……………………………………..

2.4 Company Registration Number: ……………………………………………………………………..…….

2.5 Tax Reference Number: ………………………………………………………………………….………

2.6 VAT Registration Number: ………………………………………………………………………....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

[1]"State" means –

(a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
(b) any municipality or municipal entity;
(c) provincial legislature;
(d) national Assembly or the national Council of provinces; or
(e) Parliament.

[2]"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: ……....………………………………
Name of state institution at which you or the person connected to the bidder is employed : ………………………………………

Position occupied in the state institution: ………………………………………

Any other particulars:
………………………………………………………………
………………………………………………………………
………………………………………………………………

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

…………………………………………………………………….
…………………………………………………………………….
…………………………………………………………………….

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:
…………………………………………………………………..
…………………………………………………………………..
…………………………………………………………………...

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1If so, furnish particulars.
…………………………………………………………...
…………………………………………………………..….
………………………………………………………………

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars.
………………………………………………………………
………………………………………………………………
………………………………………………………………

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:
…………………………………………………………………………….
…………………………………………………………………………….
…………………………………………………………………………….

3 Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Personal Tax Reference Number	State Employee Number / Persal Number

4 DECLARATION

I, the undersigned (name)……………………………………………………………………certify that the information furnished in paragraphs 2 and 3 above is correct. i accept that the state may reject the bid or act against me in terms of paragraph 23 of the general conditions of contract should this declaration prove to be false.

………………………………….. ……………………………………………
Signature Date

…………………………………. ……………………………………………
Position Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.

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1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed/not exceed R1 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

(a) Price; and
(b) B-BBEE Status Level of Contribution.

1.3.1 The maximum points for this bid are allocated as follows:

		POINTS
1.3.1.1	**PRICE**	80
1.3.1.2	**B-BBEE STATUS LEVEL OF CONTRIBUTION**	20
	Total points for Price and B-BBEE must not exceed	**100**

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5. The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

2..1 **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;

2.3 "**B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

2.4 **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

2.5 **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

2.6 **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;

2.7 **"consortium or joint venture"** 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;

2.8 **"contract"** means the agreement that results from the acceptance of a bid by an organ of state;

2.9 **"EME"** means any enterprise with an annual total revenue of R5 million or less .

2.10 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

2.11 **"functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;

2.12 **"non-firm prices"** means all prices other than "firm" prices;

2.13 **"person"** includes a juristic person;

2.14 **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;

2.15 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;

2.16 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February

2007;

2.17 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

2.18 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

3.1 The bidder obtaining the highest number of total points will be awarded the contract.

3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.

3.3 Points scored must be rounded off to the nearest 2 decimal places.

3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.

3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20 **or** **90/10**

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference 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 (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.

5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

6.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

7.B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: ………… = ……………(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8. SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

(i) what percentage of the contract will be subcontracted? ....…………………….…%
(ii) the name of the sub-contractor? ………………………………………………
(iii) the B-BBEE status level of the sub-contractor?…………………………………………….
(iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm ....

9.2 VAT registration number :...

9.3 Company registration number …………………………………………………………………. :

9.4 TYPE OF COMPANY/ FIRM

- □ Partnership/Joint Venture / Consortium
- □ One person business/sole propriety
- □ Close corporation
- □ Company
- □ (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

…………. ....
………………..
…………….. ....

9.6 COMPANY CLASSIFICATION

- □ Manufacturer
- □ Supplier
- □ Professional service provider
- □ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business? ……………………………………

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

(i) The information furnished is true and correct;

(ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.

(iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

(iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution

WITNESSES:

1. ………………………………………

……………………………………
SIGNATURE(S) OF BIDDER(S)

2. ………………………………………

DATE:………………………………..
ADDRESS:…………………………..
….…………………………………

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)……………………………………. in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number………….……….. at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .

2. The following documents shall be deemed to form and be read and construed as part of this agreement:

   (i) Bidding documents, *viz*
   - Invitation to bid;
   - Tax clearance certificate;
   - Pricing schedule(s);
   - Filled in task directive/proposal;
   - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
   - Declaration of interest;
   - Declaration of bidder's past SCM practices;
   - Certificate of Independent Bid Determination;
   - Special Conditions of Contract;

   (ii) General Conditions of Contract; and
   (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) …………………………….

CAPACITY …………………………….

SIGNATURE …………………………….

NAME OF FIRM …………………………….

DATE …………………………….

WITNESSES

1 …….…………………………….

2 …….…………………………….

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I…………………………………… in my capacity as……………………...……………………………….. accept your bid under reference number ………………dated………………………for the rendering of services indicated hereunder and/or further specified in the annexure(s).

2. An official order indicating service delivery instructions is forthcoming.

3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

SIGNED AT ………………………………………ON………………………………..

NAME (PRINT) …………………………………………….

SIGNATURE ……………………………………………

OFFICIAL STAMP

WITNESSES

1 ………………………………….

2 …..……………………………….

DATE: ……………………………..

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1 This Standard Bidding Document must form part of all bids invited.

2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-

a. abused the institution's supply chain management system;
b. committed fraud or any other improper conduct in relation to such system; or
c. failed to perform on any previous contract.

4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? **(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the *audi alteram partem* rule was applied).** The Database of Restricted Suppliers now resides on the National Treasury's website(**www.treasury.gov.za**) and can be accessed by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? **The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.**	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		

4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)…………………………………………………
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

………………………………………... **…………………………..**
Signature **Date**

………………………………………. **…………………………..**
Position **Name of Bidder**

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Standard Bidding Document (SBD) must form part of all bids[1] invited.

2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).[2] Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:

a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution’s supply chain management system and or committed fraud or any other improper conduct in relation to such system.

b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

[1] Includes price quotations, advertised competitive bids, limited bids and proposals.

[2] Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

____

(Bid Number and Description)

in response to the invitation for the bid made by:

____

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of:____that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

   (a) has been requested to submit a bid in response to this bid invitation;

   (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

   (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium[3] will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
   - (a) prices;
   - (b) geographical area where product or service will be rendered (market allocation)
   - (c) methods, factors or formulas used to calculate prices;
   - (d) the intention or decision to submit or not to submit, a bid;
   - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
   - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

[3] 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.

10. 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.

…………………………………………………	…………………………………
Signature	Date
…………………………………………………	…………………………………
Position	Name of Bidder