

ANNEXURE A – INSTRUCTIONS TO BIDDERS: PROVISION OF INTERNAL AUDIT SERVICES

In submitting their tenders, Bidders must respect all instructions, formats, terms of reference, contract provisions and specifications contained in this tender dossier. Failure to submit a tender containing all the required information and documentation within the deadline specified will lead to the rejection of the tender.

1. SERVICES TO BE PROVIDED

The services required by the Bidder are described in the terms of reference, attached as Annexure B of this tender dossier.

2. TIMETABLE

| Activity | Deadline date |
|--|----------------------|
| Advertisement of tender | 08 Aug 2024 |
| Non-Compulsory Virtual Tender Briefing (Link: Join the meeting now) | 13 Aug 2024 @ 13:30 |
| Bidders to submit written questions on or before: | 15 Aug 2024 @ 16:00 |
| Soul City Institute to respond to bidders' written questions on or before: | 19 Aug 2024 @ 14:00 |
| Tender Submission | 21 Aug 2024 @ 16:00 |
| Tender Evaluation | 22-28 Aug 2024 |
| Interviews/Presentation with selected Bidders | 29 Aug 2024 |
| Project Initiation and contracting process | 02 Sep 2024 |

3. PROPOSAL OFFER TO SOUL CITY

The Bidder must provide one proposal, covering the followings sections:

- Technical Offer - in response to the terms of reference.
- Financial Offer- in response to the terms of reference.

4. **EVALUATION PROCESS**

Evaluation of bids will be conducted in three (3) phases as follows:

| Stage | Details |
|--------------|---|
| Phase 1 | Eligibility / Pre-qualification criteria: The purpose of this criteria is to evaluate the bidders on their eligibility, largely based on their structure, organisational design, company documentation & declaration of interest. |
| Phase 2 | Technical / Functional evaluation: The purpose of this criteria is to evaluate the bidders on their technical competencies. |
| Phase 3 | Price and B-BBEE evaluation: The purpose of this criteria is to evaluate the bidders based on the bid price and B-BBEE status. |

4.1 **Phase 1: Eligibility/Pre-Qualification Criteria**

The Bidders will be evaluated according to pre-qualification requirements which include the submission of mandatory information or documentation. Bidders that fail to meet the pre-qualification requirements of the bid will not be considered further for evaluation on technical requirements i.e., Phase 2.

| ELIGIBILITY / PRE-QUALIFICATION CRITERIA |
|---|
| <p>The bidder must be able to commit at least one (1) director to the SOUL CITY, including the engagement director. The engagement director responsible for SOUL CITY 's internal audit must be based in the Gauteng province.</p> <p>In the event of a joint internal audit proposal, both service providers must have sufficient directors to meet the minimum of one (1) director.</p> |
| <p>The bidder must provide ALL the following supporting documentation:</p> <ul style="list-style-type: none">• Valid Tax Clearance Certificate• Valid B-BBEE Certificate• CK Company Documents• Not older than 3 months Bank Letter Confirmation |
| <p>The bidder must complete & sign declaration of interest form (Annexure D)</p> |

4.2 Phase 2: Technical/Functional Evaluation

The minimum qualifying score for functionality is 70%. All bids that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and B- BBEE.

NB: SOUL CITY reserves the right to invite shortlisted bidders to give a presentation on their service offering

| FUNCTIONAL/TECHNICAL EVALUATION CRITERIA | WEIGHTED SCORE |
|---|------------------|
| <p>1. <u>Internal audit approach</u></p> <p>The bidder's approach to perform an internal audit, including internal Audit Methodology and Quality Assurance processes.</p> <p>Signed Letter of undertaking from the bidder to confirm that the bidder adopts a quality assurance improvement programme as per the International Standards for the Professional Practice of Internal Auditing.</p> <ul style="list-style-type: none"> - 3 = all the expectations are met (10) - 2 = the response meets at least 70% of the expectations (6) - 1 = the response meets at least 50% of the expectations (2) - 0 = the response meets less than 50% of the expectations (0) | <p>10</p> |
| <p>2. <u>Internal audit experience</u></p> <p>The bidders internal audit services experience in the NPO sector, including specialised skills, expertise and value-added services</p> <ul style="list-style-type: none"> - To demonstrate knowledge and experience, the bidder must submit a minimum of three (3) client references where the bidder has successfully concluded internal audit work within the NPO sector in terms of scope and complexity in the past five (5) years. - 3 client references, meeting defined expectations have been included (20) - 2 out of 3 client references, meeting defined expectations have been included (15) - 1 out of 3 client references, meeting defined expectations have been included (5) - None of the submitted client references meet defined expectations (0) | <p>20</p> |
| <p>3. <u>The qualification and experience of the professionals proposed to provide the services:</u></p> <p>Assessment of the condensed curricula vitae of personnel who will be assigned to the SOUL CITY 's account. (Qualification and experience of proposed resources).</p> <ul style="list-style-type: none"> - 3 = all the expectations are met (20) - 2 = the response meets at least 70% of the expectations (15) - 1 = the response meets at least 50% of the expectations (5) <p>0 = the response meets less than 50% of the expectations (0)</p> | <p>20</p> |

| | |
|---|------------|
| <p>4. <u>Internal audit objectives, scope of work and capacity of the bidder:</u></p> <p>A proposed three-year plan of action to achieve the objectives of the internal audit. This plan should cover short, medium and long-term objectives.</p> <p>The bidder must submit a resource plan, including the structure of the core team to be committed to the SOUL CITY; as well as demonstrate that they have the appropriate tools to execute the plan.</p> <ul style="list-style-type: none"> - Bidder meets all specification requirements (30) - Bidder meets some specification requirements (15) - Bidder does not meet specification requirements 0 | 30 |
| <p>5. <u>Professional membership</u></p> <p>The bidder and its directors must submit evidence of its and their registration with a relevant professional body (latest proof of current annual IIA and ISACA Registrations).</p> <ul style="list-style-type: none"> - Certified Internal Auditor (Certified by the Institute of Internal Auditors South Africa) (10) - Chartered Accountant (SA) (Certified by the South African Institute of Chartered Accountants (SAICA)) and Certified Information Systems Auditor (for individuals). (10) - Other recognized professional membership (e.g., ACCA / RGA), with relevant internal audit experience (6) | 10 |
| <p>6. <u>Geographic reach of the service provider</u></p> <p>The bidder must demonstrate by providing a work method plan that will be used to service the SOUL CITY regional offices:</p> <p>Work <u>method</u> plan that will demonstrate that the bidder has an effective and well-practiced project management process and technology capabilities to audit remotely (10)</p> <ul style="list-style-type: none"> - Work method plan that will demonstrate that the bidder has some practiced project management process and some technology capabilities (5) - Work method plan that will demonstrate that the bidder has no practiced project management process and no technology capabilities (0) | 10 |
| TOTAL | 100 |

4.3 Phase 3: Price & B-BBEE Evaluation

All bids that achieve the minimum qualifying score of 70% for functionality (acceptable bids) will be evaluated further in terms of price and B-BBEE, as follows:

| PRICE AND B-BBEE SCORE | POINTS ALLOCATED |
|--|------------------|
| <p>1.1 Price: Bidders must submit a comprehensive and detailed line-item (VAT-exclusive) budget; as well as proposed hours and rates of personnel involved with reference to different levels of proposed resources to be utilized and an estimate of recoverable expenses in line with price template on ANNEXURE C</p> | 80 |

| | |
|---|------------|
| 1.2 The preference points, in terms of 5.1 above, will be awarded to bidders who provide valid proof of their B-BBEE status | 20 |
| TOTAL | 100 |

4.4 Broad-Based Black Economic Empowerment

The following preference point systems 80 / 20 are applicable. Allocation of the B-BBEE points will be as follows:

| B-BBEE Status Level of Contributor | Number of points (80 / 20 system) |
|------------------------------------|-----------------------------------|
| 1 | 20 |
| 2 | 18 |
| 3 | 16 |
| 4 | 12 |
| 5 | 8 |
| 6 | 6 |
| 7 | 4 |
| 8 | 2 |
| Non-compliant contributor | 0 |

Original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a verification agency accredited by the South African National Accreditation System (“SANAS”). In the case of Exempt Micro Enterprises (EMEs) and Qualifying Small Enterprises (QSEs), an affidavit is to be submitted.

4.4.1 In the event of a Joint Venture or Consortium(s) / primary bidder with a subcontractor, the following requirements will apply:

- Bidders who wish to respond to this bid as a Joint Venture [JV] or consortium with B-BBEE entities / primary bidder with a subcontractor must state their intention to do so in their tender submission. Such bidders must also submit a signed JV / consortium / subcontracting agreement between the parties clearly stating the percentage [%] split of business (internal audit fee and work) and the associated responsibilities of each party.
- If such a JV or consortium / subcontracting agreement is unavailable, the directors must submit confirmation in writing of their intention to enter into a JV / consortium / subcontracting agreement should they be awarded business by SOUL CITY through this tender process. This written confirmation must clearly indicate the percentage [%] split of business (internal audit fee and work) and the responsibilities of each party. In such cases, before contracting, a signed copy of a JV / consortium / subcontracting agreement must be submitted to SOUL CITY.

- A consortium or joint venture must submit a valid consolidated B-BBEE Status Level verification certificate.

5. Submission of tenders

Proposals are to be electronically submitted to procurement@soulcity.org.za not later than the closing date which is the 21 August 2024 at 16:00.

No late proposals will be accepted and considered for evaluation. Soul City reserves the right to award the contract to one or more service providers.

6. Period during which tenders are binding

Bidders are bound by their tenders for 45 days after the deadline for the submission of tenders.

7. Alteration or withdrawal of tenders

Bidders may alter or withdraw their tenders by written notification prior to the deadline for submission of tenders. No tender may be altered after this deadline.

Any such notification of alteration or withdrawal shall be prepared and submitted in accordance with Paragraph 5.

8. Costs for preparing tenders

No costs incurred by the tenderer in preparing and submitting the tender as well as attending the interview shall be reimbursable. All such costs shall be borne by the tenderer.

9. Ownership of tenders

The contracting Authority retains ownership of all tenders received under this tender procedure. Consequently, Bidders have no right to have their tenders returned to them.

10. Confidentiality

The entire evaluation procedure, from the drawing up of the shortlist to the signature of the contract, is confidential. The Tender Committee's decisions are collective, and its deliberations are held in closed session.

The evaluation reports and written records are for official internal use only and may not be communicated to either the Bidders or to any other party.