



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

Private Bag X136, Pretoria, 0001 or 124 Church Street, Poyntons Building West Block, Pretoria, 0001
Tel (012) 307 2431, Fax (012) 323 5621, jacob.sibanyoni@dcs.gov.za

Ref : 6/1/3/4
Enq : J Sibanyoni

The Manager

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.....
.....

Sir

BID HO 6/2022: APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO PROVIDE SUPPORT TO THE INTERNAL AUDIT ACTIVITY FOR A PERIOD OF THREE (3) YEARS: DEPARTMENT OF CORRECTIONAL SERVICES

The Department of Correctional Services requires the item(s)/service(s) as described per attached bid invitation.

You are requested to complete the bid documents and submit it to the address indicated in the SBD 1.

Bidders must take note of the following:

- The closing date of the bid will be at **11h00 am on 03 February 2023** and will be valid for a period of **hundred and twenty (120) days** after the closing date.
- Bids must be submitted in two separated sealed envelopes. The name and address of the bidder, the bid number and closing date must be indicated on the two envelopes. The envelope must not contain documents relating to any other bid.
- It is the responsibility of bidders to ensure that bids reach the address indicated on the SBD 1 before the closing date and time. **No late bids will be accepted.**
- Bidders need to acquaint themselves with the contents of the attached General and Special Conditions of Contract.
- It is the responsibility of bidders to ensure that they are registered on the National Treasury Central Supplier Database (CSD).

The following documentation must be submitted with your bid:

- Valid and original/certified copy of B-BBEE Certificate; or
- Sworn affidavit for B-BBEE Exempted Micro Enterprise/ B-BBEE Qualifying Small Enterprise.

It will be expected of the successful bidder to sign a formal contract at this office after being notified of the acceptance of his/her bid.

Yours faithfully



.....
For National Commissioner: Correctional Services
Acting Director : Procurement

E.L. Motoma
Date: 2022/12/14

HO6/2022

INDEX OF BID DOCUMENTATION

Description of document	Pages
Covering Letter (BD 2.1)	Two (2) Pages
Index	One (1) Page
SBD 1 Invitation to Bid	Three (3) Pages
General Conditions of Contract (GCC)	Fourteen teen (14) Pages
BD 4.1 Special Conditions of contract	Nineteen (19) Pages
Terms of reference	Nine (9) pages
SBD 3.3 Pricing Schedules	Four (4) Pages
SBD 4 BIDDER'S DISCLOSURE	Three (3) Pages
SBD 6.1 Preference Points Claimed form in terms of Procurement Regulations	Five (5) Pages

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	HO6/2022	CLOSING DATE:	03 FEBRUARY 2023	CLOSING TIME:	11:00am
DESCRIPTION	APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO PROVIDE SUPPORT TO THE INTERNAL AUDIT ACTIVITY FOR A PERIOD OF THREE (3) YEARS: DEPARTMENT OF CORRECTIONAL SERVICES				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
BID RESPONSE DOCUMENTS MAY BE POSTED TO: THE NATIONAL COMMISSIONER DEPARTMENT OF CORRECTIONAL SERVICES PRIVATE BAG X136 PRETORIA 0001					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT: POYNTONS-BUILDING WEST BLOCK 4 W.F. NKOMO STREET (C/O SOPHIE DE BRUYN AND W.F. NKOMO STREET) PRETORIA 0002					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	J Sibanyoni		CONTACT PERSON		
TELEPHONE NUMBER	012 305 8041		TELEPHONE NUMBER		
FACSIMILE NUMBER	012 323 8041		FACSIMILE NUMBER		
E-MAIL ADDRESS	Jacob.Sibanyoni@dcs.gov.za		E-MAIL ADDRESS		
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]	
	<input type="checkbox"/> Yes <input type="checkbox"/> No			<input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) 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?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
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QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.	

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bid documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or

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revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bid price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bid documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bid documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bid documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bid documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design

rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bid documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bid testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bid documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract.
Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental

- 13.1 The supplier may be required to provide any or all of the

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services

following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been

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delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. Contract amendments

- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

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- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding ten (10) years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer/ Authority will, at the discretion of the Accounting Officer/ Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer/Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information :

- (a) the name and address of the supplier and/or person restricted by the purchaser;
- (b) the date of commencement of the restriction;
- (c) the period of restriction; and
- (d) the reasons for the restriction.

These details will be loaded in the National Treasury's central data base of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities, Act No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury Website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

Amendment 1 of 2010

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34. Prohibition of Restrictive Practices

34.1 In terms of Section 4(1)b)(iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) was/were in collusive bid (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has/have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3 If a bidder(s) or contractor(s), has/have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and/or terminate the contract in whole or part, and/or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and/or claim damages from the bidder(s) or contractor(s) concerned.



DEPARTMENT OF CORRECTIONAL SERVICES

**SPECIAL CONDITIONS OF CONTRACT:
BID NO**

**APPOINTMENT OF A PANEL OF SERVICE PROVIDERS
TO PROVIDE SUPPORT TO THE INTERNAL AUDIT
ACTIVITY FOR A PERIOD OF THREE YEARS:
DEPARTMENT OF CORRECTIONAL SERVICES**

OLK WSP SB



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1. **INTRODUCTION**

Special Conditions of Contract

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- 1.1 This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999).
- 1.2 The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.
- 1.3 These conditions form part of the bid and bidders need to familiarize themselves with the content thereof.

2. REGISTRATION ON CENTRAL SUPPLIERS DATABASE

- 2.1 Bidders need to register on the National Treasury Central Supplier Database in order to do business with the state. Accounting Officers cannot award any bid or price quotation to any supplier who is not registered on the Central Suppliers Database. Bidders must log on www.csd.gov.za for self registration.
 - 2.1.1 **Tax Matters**
 - 2.1.1.1 Tax matters of the recommended bidder will be handled according to the National Treasury Instruction No 9 of 2017/2018.
 - 2.1.1.2 The Tax Compliance status requirements are also applicable to foreign bidders/individuals who wish to submit bids.

3. CERTIFICATION OF DOCUMENTS BY A COMMISSIONER OF OATH

- 3.1 Bidders must ensure that all certified copies comply with the regulation governing the administering of an oath or affirmation. The Commissioner of Oath must append a signature, date and also print out name. Copies that do not comply with this regulation will be regarded as invalid.
- 3.2 **The date of certification of the original on all copies submitted should not be older than six (6) months.**

4. CONTRACT PERIOD

- 4.1 The contract shall be for the period of three (3) years from the commencement of the contract.

5. RESPONSE FIELDS

- 5.1 It is imperative that bidders submit responsive bids by completing all mandatory response fields and item questionnaires for the individual items. In this regard bidder's attention is drawn to the response field and price structure explanations and examples supplied in the bid document.

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5.2 Bid documents should not be retyped or redrafted.

5.3 The following bid documents must be completed in ink, signed and submitted in an original format:

Document	Description
SBD 1	Invitation to Bid
SBD 3	Pricing Schedule
SBD 4	Bidder's Disclosure
SBD 6.1	Claim Form in Terms of Preferential Procurement Regulations 2017

5.4 Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated in line with the index provided. No liability shall be accepted with regard to claims arising from the fact that pages are missing or duplicated.

6. **EVALUATION CRITERIA**

The evaluation process will be conducted in phases as follows:

Phase 1	Phase 2	Phase 3	Phase 4
Pre-qualifying Criteria	Mandatory Requirements	Functionality Evaluation	Price and B-BBEE
Compliance with pre-qualifying criteria	Compliance with mandatory requirements	Bids evaluated in terms of functionality	Bids evaluated in terms of Preferential Procurement Regulations, 2017 Bid awarded to the bidder who scored the highest total number of points in terms of the preference point system

6.1 **Phase 1: Pre-qualifying Criteria**

6.1.1 The Preferential Procurement Regulations, 2017 prescribes that pre-qualifying must be used to advance designated groups.

6.1.2 **Only bids with a BBEE level one (1) to four (4) will be considered.**

6.2 **Phase 2: Mandatory Requirements**

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6.2.1 CSD Registration

6.2.1.1 Bidder must be registered on the Central Supplier Database (CSD) and provide its CSD number and as per SBD1.

6.2.1.2 When a Consortium/ joint Venture / Sub- contracts are involved, each party must be registered on the Central Suppliers Database and their tax compliance status will be verified through the Central Supplier Database.

6.2.2 References

6.2.2.1 Please provide contactable details of current and previous clients where internal audit support was provided within the public service excluding information technology projects, training and external quality assessment (both public and private experience will be considered) and Financial Statements Review which should have been performed at National and/or Provincial Departments where business was gained in the last five (5) years by means of a price quotation/bidding process.

6.2.2.2 Reference letters from clients must be on the letterhead of the client and must be signed, the date must not be older than five (5) years on advertisement date. Copies provided must comply with the regulation governing the administering of an oath or affirmation.

6.2.2.3 Proof of registration with a professional body; Institute of internal Auditors (IIA), and/or Independent Regulatory Board of Auditors and/or South African institute of Chartered Accountants (SAICA) and/or Information Systems Audit and Controls Association (ISACA), South African Institute of Professional Accountants (SAIPA) and/or Institute of Public Finance and Auditing (IPFA).

6.2.3 Failure to comply with paragraph 6.2 will invalidate your bid.

6.3 Phase 3 (Functionality Evaluation)

6.3.1 The criteria and weights will be applied during phase 3 of the evaluation process.

6.3.2 The Bid Evaluation Committee evaluates the bid against the set criteria indicated in the special conditions. A form will be used which will reflect the name of the bidder, the different criteria, with space provided to record the points awarded and motivation for points awarded. The bid evaluation committee will ensure that the scores allocated are consistent with scoring guidelines.

6.3.3 The following scoring matrix will be used for Phase 3:

Very poor	Poor	Fair	Good	Very good	Excellent
0	1	2	3	4	5

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6.3.4 The following formula will be used to convert the points scored against the weight:

$$Ps = \left(\frac{So}{Ms} \right) \times 100$$

Where:

- Ps = Percentage scored for functionality by bid under consideration
- So = Total score of bid under consideration
- Ms = Maximum possible score

6.3.5 Only bidders who achieve the threshold score of 70% will be short-listed to proceed to phase 4.

6.4 **Phase 4: Price and B-BBEE**

6.4.1 In terms of Regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the Department on the 80/20 preference point system in terms of which points are awarded to bidders on the basis of:

- a) Bid price (maximum 80 points)
- b) B-BBEE status level of contributor (maximum 20 points)

6.4.2 The following formula will be used to calculate the points for price:

Cases with a Rand value below R50 million (all applicable taxes included)		
$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$		
Where :		
PS	=	Points scored for comparative price of bid or offer under consideration
Pt	=	Comparative price of bid or offer under consideration
Pmin	=	Comparative price of lowest acceptable bid or offer

6.4.3 Subject to sub-regulation (3), points will be awarded to a bidder for attaining their B-BBEE Status Level of Contributor in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14

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

- 6.4.4 Bidders are required to complete the preference claim form (SBD 6.1), and submit a valid and original/originally certified copy of B-BBEE status level verification certificate or a certified copy thereof at the closing date and time of the bid in order to claim the B-BBEE status level point. **The date of certification of the original should not be older than six (6) months.**
- 6.4.5 Preference points will be allocated to bidders who have completed and signed the declaration part of the preference claim form on the SBD 6.1 and who have substantiated their claim for B-BBEE points by submitted a B-BBEE status level certificate issued by the following verification agencies:
- 6.4.5.1 *Bidders other than EMEs and QSE,s*
- a) Verification agencies accredited by SANAS; or
- 6.4.5.2 *Bidders who qualify as EMEs and QSE's*
- a) Sworn affidavit signed by the EMEs and QSEs representative and attested by a Commissioner of Oaths.
- Bidders can access the sworn affidavits templates on https://www.thedti.gov.za/economic_empowerment/bee_codes.jsp
- 6.4.6 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid.
- 6.4.7 Public entities and tertiary institutions must also submit a B-BBEE Status Level Verification Certificate together with their bids.
- 6.4.8 The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.
- 6.4.9 The points scored will be rounded off to the nearest 2 decimals.
- 6.4.10 Only bid prices which are market related will be considered.
- 6.4.11 A bid must be awarded to the bidder who scored the highest total number of points in terms of the preference point systems (price and B-BBEE points), unless

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objective criteria in terms of section 2(1)(f) of the Act justify the award of the bid to another bidder.

6.4.12 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for B-BBEE.

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

6.4.5 EVALUATION PHASES

The following method of evaluation will be used:

NO.	CRITERIA	SUB WEIGHT	WEIGHTS																		
1.	EXPERIENCE Previous Experience in conducting internal audit engagements within the public service excluding information technology projects, training and external quality assessment (both public and private experience will be considered) and Financial Statements Review which should have been performed at National and/or Provincial Departments where business was gained in the last five (5) years (sixty (60) months) by means of a price quotation/bidding process.	20	20																		
2.	PROVISION OF STAFF <table border="1"> <thead> <tr> <th>Audit Engagement</th> <th>Competency Level</th> </tr> </thead> <tbody> <tr> <td>Annual Financial Statements and Annual Report</td> <td>1x Senior Manager 1x Manager</td> </tr> <tr> <td>Interim Financial Statements</td> <td>1x Senior Manager 1x Manager</td> </tr> <tr> <td>Annual performance Plan</td> <td>1x Senior Manager 1x Manager</td> </tr> <tr> <td>In-year Monitoring Review</td> <td>1x Manager</td> </tr> <tr> <td>Information Security Assessment</td> <td>1x Senior Manager 2x Managers 6x IT Auditors</td> </tr> <tr> <td>Probity Audit</td> <td>1x Senior Manager 1x Audit Manager 2x Audit Seniors</td> </tr> <tr> <td>External Quality Assurance (Readiness Assessment and Full Scope External Quality Assessment)</td> <td>1x Senior Manager 1x Manager 2x Assistants</td> </tr> <tr> <td>Internal Audit Methodology Training</td> <td>1x Project leader (Facilitator) 2x Assistants</td> </tr> </tbody> </table>	Audit Engagement	Competency Level	Annual Financial Statements and Annual Report	1x Senior Manager 1x Manager	Interim Financial Statements	1x Senior Manager 1x Manager	Annual performance Plan	1x Senior Manager 1x Manager	In-year Monitoring Review	1x Manager	Information Security Assessment	1x Senior Manager 2x Managers 6x IT Auditors	Probity Audit	1x Senior Manager 1x Audit Manager 2x Audit Seniors	External Quality Assurance (Readiness Assessment and Full Scope External Quality Assessment)	1x Senior Manager 1x Manager 2x Assistants	Internal Audit Methodology Training	1x Project leader (Facilitator) 2x Assistants	20	20
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NO.	CRITERIA	SUB WEIGHT	WEIGHTS																		
3.	<p>QUALIFICATIONS Capability, experience and educational background. (Number of project team members to handle the project, supported by the relevant document) as follows:</p> <table border="1"> <thead> <tr> <th data-bbox="331 443 593 533">Audit Engagement</th> <th data-bbox="593 443 858 533">Competency Level</th> <th data-bbox="858 443 1120 533">Required Qualifications and Experience</th> </tr> </thead> <tbody> <tr> <td data-bbox="331 533 593 810">Annual Financial Statements and Annual Report</td> <td data-bbox="593 533 858 810">1x Senior Manager 1x Manager</td> <td data-bbox="858 533 1120 810">Bcom Honours in Accounting and Chartered Accountant 5-10 years experience in reviewing AFS for national and provincial departments.</td> </tr> <tr> <td data-bbox="331 810 593 1070">Interim Financial Statements</td> <td data-bbox="593 810 858 1070">1x Senior Manager 1x Manager</td> <td data-bbox="858 810 1120 1070">Bcom Honours in Accounting and Chartered Accountant 5-10 year experience in reviewing IFS for national and provincial departments.</td> </tr> <tr> <td data-bbox="331 1070 593 1460">Annual Performance Plan</td> <td data-bbox="593 1070 858 1460">1x Senior Manager 1x Manager</td> <td data-bbox="858 1070 1120 1460">NQF level 8 with strategic planning and performance information as majors 10 years experience working in a strategic planning and monitoring and evaluation environment or similar, of which 5 years should be at a senior management level</td> </tr> <tr> <td data-bbox="331 1460 593 1594">In-year Monitoring Review</td> <td data-bbox="593 1460 858 1594">1x Manager</td> <td data-bbox="858 1460 1120 1594">Bcom Honours In Accounting Minimum of 5 years experience in an auditing field.</td> </tr> <tr> <td data-bbox="331 1594 593 1731">Information Security Assessment (cyber security)</td> <td data-bbox="593 1594 858 1731">1x Senior Manager 2x Managers 6x IT Auditors</td> <td data-bbox="858 1594 1120 1731"> <ul style="list-style-type: none"> SN-(CISA and relevant Degree/Diploma) Minimum 10 years experience </td> </tr> </tbody> </table>	Audit Engagement	Competency Level	Required Qualifications and Experience	Annual Financial Statements and Annual Report	1x Senior Manager 1x Manager	Bcom Honours in Accounting and Chartered Accountant 5-10 years experience in reviewing AFS for national and provincial departments.	Interim Financial Statements	1x Senior Manager 1x Manager	Bcom Honours in Accounting and Chartered Accountant 5-10 year experience in reviewing IFS for national and provincial departments.	Annual Performance Plan	1x Senior Manager 1x Manager	NQF level 8 with strategic planning and performance information as majors 10 years experience working in a strategic planning and monitoring and evaluation environment or similar, of which 5 years should be at a senior management level	In-year Monitoring Review	1x Manager	Bcom Honours In Accounting Minimum of 5 years experience in an auditing field.	Information Security Assessment (cyber security)	1x Senior Manager 2x Managers 6x IT Auditors	<ul style="list-style-type: none"> SN-(CISA and relevant Degree/Diploma) Minimum 10 years experience 	20	20
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NO.	CRITERIA			SUB WEIGHT	WEIGHTS
			<p>at a senior manager level in an IT Audit field.</p> <ul style="list-style-type: none"> • M-(CISA and relevant Degree/Diploma) 5-10 years experience at a manager level in an IT Audit field. • IT Auditor- Relevant diploma/degree and 3+ years experience in IT Audit field 		
	<p>Probity Audit</p>	<p>1x Senior Manager 1x Audit Manager 2x Audit Seniors</p>	<p>The senior manager must have a BCOM honours and CA with minimum ten (10) years experience in an auditing field plus five (5) years experience doing probity audits.</p> <p>The audit manager must have a BCOM honours with minimum six (6) years experience in an auditing field plus three (3) years experience doing probity audits.</p> <p>The audit seniors must have a BCOM honours with minimum two (2) years experience in an auditing field.</p>		
	<p>External Quality Assurance (Readiness Assessment and Full Scope External Quality Assessment)</p>	<p>1x Lead Assessor 2x Assessors</p>	<p>Lead Assessor NQF level 8 qualification with auditing and/or internal auditing as majors plus minimum ten years experience</p>		

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NO.	CRITERIA		SUB WEIGHT	WEIGHTS
		<p>gained from working previously as a team member on an external quality assessment, successful completion of The IIA's quality assessment training course or similar training.</p> <p>Have CAE or comparable senior internal audit management experience for 5 years.</p> <p>Have at least 3 years of recent experience in the practice of internal auditing at a management level.</p> <p>Be a competent, certified audit professional (e.g. CIA, CPA, CA or CISA) who possesses current, in-depth knowledge of the standards.</p> <p>Assessors should have NQF 7 qualification with auditing and/or internal auditing plus minimum 3 years experience as an assessor and minimum 3 years experience in an auditing field.</p> <p>The lead assessor and assessment team should be in possession of a certificate as an</p>		

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NO.	CRITERIA			SUB WEIGHT	WEIGHTS
			<p>assessor</p> <p>In-depth knowledge of the IPPF.</p> <p>Be well-versed in the best practices of the profession.</p>		
	Internal Audit Methodology Training	1x Project leader (Facilitator) 2x Assistants	<p>NQF level 8 qualification with auditing and/or internal auditing as majors plus minimum five years experience providing training in an auditing environment.</p>		
	Important: (please provide evidence)				
4.	EQUIPMENT			10	10
	Bidders must indicate what equipment e.g. hardware and software tools to be used for the rendering of the services for audit engagements. For Information Security Assessment (Cybersecurity) bidders must indicate the Vulnerability Assessment (Scanning) Tools to be used. Important: (please provide evidence)				
5.	AUDIT METHODOLOGY FOR EACH IDENTIFIED PROJECT			20	20
	Bidders must submit a detailed proposed workplan that demonstrate the ability to carry out all identified audit projects as well as PFMA, Treasury Regulations, IIA Standards, King Code IV, COBIT 5 and Modified Cash Standards, National Treasury Guidelines and other specialized areas requirement.				
6.	TRANSFER OF SKILLS			10	10
	Previous experience on transfer of the skills Important: (please provide evidence)				
TOTAL					100

↓ Bidders will be expected to reach a minimum threshold score of 70% to be considered for further evaluation.

↓ The following Scoring methodology of (0 – 5) will be utilised to allocate scores for each evaluation criteria.

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EVALUATION CRITERIA	WEIGHT (%)	SCORES TO BE ALLOCATED												
<p>1. EXPERIENCE</p> <p>Previous Experience in conducting internal audit engagements within the public service excluding information technology projects, training and external quality assessment (both public and private experience will be considered) and Financial Statements Review which should have been performed at National and/or Provincial Departments where business was gained in the last five (5) years (sixty (60) months) by means of a price quotation/bidding process.</p>	20	<table border="1"> <tr> <td data-bbox="1204 383 1236 414">0</td> <td data-bbox="1236 383 1439 465">No required experience.</td> </tr> <tr> <td data-bbox="1204 472 1236 504">1</td> <td data-bbox="1236 472 1439 651">3 Related Internal Audit engagements performed in the public and/or private sector</td> </tr> <tr> <td data-bbox="1204 658 1236 689">2</td> <td data-bbox="1236 658 1439 837">6 Related Internal Audit engagements performed in the public and/or private sector</td> </tr> <tr> <td data-bbox="1204 844 1236 875">3</td> <td data-bbox="1236 844 1439 1023">9 Related Internal Audit engagements performed in the public and/or private sector</td> </tr> <tr> <td data-bbox="1204 1030 1236 1061">4</td> <td data-bbox="1236 1030 1439 1209">12 Related Internal Audit engagements performed in the public and/or private sector</td> </tr> <tr> <td data-bbox="1204 1216 1236 1247">5</td> <td data-bbox="1236 1216 1439 1391">15 Related Internal Audit engagements performed in the public and/or private sector</td> </tr> </table>	0	No required experience.	1	3 Related Internal Audit engagements performed in the public and/or private sector	2	6 Related Internal Audit engagements performed in the public and/or private sector	3	9 Related Internal Audit engagements performed in the public and/or private sector	4	12 Related Internal Audit engagements performed in the public and/or private sector	5	15 Related Internal Audit engagements performed in the public and/or private sector
0	No required experience.													
1	3 Related Internal Audit engagements performed in the public and/or private sector													
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5	15 Related Internal Audit engagements performed in the public and/or private sector													
<p>2. PROVISION OF STAFF</p> <table border="1" data-bbox="288 1451 1027 1715"> <thead> <tr> <th data-bbox="295 1458 639 1512">Audit Engagement</th> <th data-bbox="639 1458 1021 1512">Competency Level</th> </tr> </thead> <tbody> <tr> <td data-bbox="295 1518 639 1597">Annual Financial Statements and Annual Report</td> <td data-bbox="639 1518 1021 1597">1x Senior Manager 1x Manager</td> </tr> <tr> <td data-bbox="295 1603 639 1659">Interim Financial Statements</td> <td data-bbox="639 1603 1021 1659">1x Senior Manager 1x Manager</td> </tr> <tr> <td data-bbox="295 1666 639 1715">Annual Performance Plan</td> <td data-bbox="639 1666 1021 1715">1x Senior Manager 1x Manager</td> </tr> </tbody> </table>	Audit Engagement	Competency Level	Annual Financial Statements and Annual Report	1x Senior Manager 1x Manager	Interim Financial Statements	1x Senior Manager 1x Manager	Annual Performance Plan	1x Senior Manager 1x Manager	20	<table border="1"> <tr> <td data-bbox="1204 1391 1236 1422">0</td> <td data-bbox="1236 1391 1439 1552">No indicated provision of staff and no required competency level</td> </tr> <tr> <td data-bbox="1204 1559 1236 1590">3</td> <td data-bbox="1236 1559 1439 1731">100 % capacity at a management level plus 60% production team.</td> </tr> </table>	0	No indicated provision of staff and no required competency level	3	100 % capacity at a management level plus 60% production team.
Audit Engagement	Competency Level													
Annual Financial Statements and Annual Report	1x Senior Manager 1x Manager													
Interim Financial Statements	1x Senior Manager 1x Manager													
Annual Performance Plan	1x Senior Manager 1x Manager													
0	No indicated provision of staff and no required competency level													
3	100 % capacity at a management level plus 60% production team.													

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EVALUATION CRITERIA		WEIGHT (%)	SCORES TO BE ALLOCATED		
In-year Monitoring Review	1x Manager		4 100 % capacity at a management level plus 80% production team.		
Information Security Assessment	1x Senior Manager 2x Managers 6x IT Auditors				
Probity Audit	1x Senior Manager 1x Audit Manager 2x Audit Seniors				
External Quality Assurance (Readiness Assessment and Full Scope External Quality Assessment)	1x Senior Manager 1x Manager 2x Assistants				
Internal Audit Methodology Training	1x Project leader (Facilitator) 2x Assistants				
3. QUALIFICATIONS		20	0 No CVs and qualifications attached		
Capability, experience and educational background. (Number of project team members to handle the project, supported by the relevant document) as follows;					
Audit Engagement	Competency Level			Required Qualifications and Experience	1 Less than 50% of team members meet the minimum required experience and qualifications as per defined evaluation criteria
Annual Financial Statements and Annual Report	1x Senior Manager 1x Manager			Bcom Honours in Accounting and Chartered Accountant Minimum 10 years experience in reviewing AFS for national and provincial departments.	
Interim Financial Statements	1x Senior Manager 1x Manager			Bcom Honours in Accounting and Chartered Accountant Minimum 10 years experience in reviewing IFS for national and provincial departments.	2 More than 50% of team members but not all meet the minimum required experience and qualifications as per defined evaluation criteria
Annual Performance	1x Senior Manager	NQF level 8 with _____	3 All team members meet the minimum required experience and qualifications as		

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EVALUATION CRITERIA			WEIGHT (%)	SCORES TO BE ALLOCATED
Plan	1x Manager	strategic planning and performance information as majors 10 years experience working in a strategic planning and monitoring and evaluation environment or similar, of which 5 years should be at a senior management level		per defined evaluation criteria including less than 50% teams exceeding the minimum required experience and qualifications as per defined evaluation criteria.
In-year Monitoring Review	1x Manager	Bcom Honours in Accounting Minimum of 5 years experience in an auditing field.		4 More than 50% of team members but not all exceed the minimum required experience and qualifications as per defined evaluation criteria
Information Security Assessment (cyber security)	1x Senior Manager 2x Managers 6x IT Auditors	<ul style="list-style-type: none"> • SN-(CISA and relevant Degree/Diploma) Minimum 10 years experience at a senior manager level in an IT Audit field. • M-(CISA and relevant Degree/Diploma) 5-10 years experience at a manager level in an IT Audit field. • IT Auditor- Relevant diploma/degree and 3+ years experience in IT Audit field 		5 All team members exceed the minimum required experience and qualifications as per defined evaluation criteria.
Probity Audit	1x Senior Manager 1x Audit Manager 2x Audit Seniors	The senior manager must have a BCOM honours and CA with minimum ten (10) years experience in an auditing field plus five (5) years experience doing		

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EVALUATION CRITERIA			WEIGHT (%)	SCORES TO BE ALLOCATED
		<p>probity audits.</p> <p>The audit manager must have a BCOM honours with minimum six (6) years experience in an auditing field plus three (3) years experience doing probity audits.</p> <p>The audit seniors must have a BCOM honours with minimum two (2) years experience in an auditing field.</p>		
External Quality Assurance (Readiness Assessment and Full Scope External Quality Assessment)	1x Senior Manager 1x Manager 2x Assistants	<p>Lead Assessor NQF level 8 qualification with auditing and/or internal auditing as majors plus minimum ten years experience gained from working previously as a team member on an external quality assessment, successful completion of The IIA's quality assessment training course or similar training.</p> <p>Have CAE or comparable senior internal audit management experience for 5 years.</p> <p>Have at least 3 years of recent experience in the practice of internal auditing at a</p>		

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EVALUATION CRITERIA			WEIGHT (%)	SCORES TO BE ALLOCATED
		<p>management level.</p> <p>Be a competent, certified audit professional (e.g. CIA, CPA, CA or CISA) who possesses current, in-depth knowledge of the standards.</p> <p>Assessors should have NQF 7 qualification with auditing and/or internal auditing plus minimum 3 years experience as an assessor and minimum 3 years experience in an auditing field.</p> <p>The lead assessor and assessment team should be in possession of a certificate as an assessor</p> <p>In-depth knowledge of the IPPF.</p> <p>Be well-versed in the best practices of the profession.</p>		
Internal Audit Methodology Training	1x Project leader (Facilitator) 2x Assistants	NQF level 8 qualification with auditing and internal auditing as majors plus minimum five years experience providing training in an auditing environment.		
4. EQUIPMENT			10	0
Bidders must indicate what equipment e.g. hardware and software tools to be used for the rendering of the services for				No hardware and software tools to conduct Internal Audit

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EVALUATION CRITERIA	WEIGHT (%)	SCORES TO BE ALLOCATED
audit engagements. For Information Security Assessment (Cybersecurity) bidders must indicate the Vulnerability Assessment (Scanning) Tools to be used.		engagements 5 hardware and software tools to conduct Internal Audit engagements
5. AUDIT METHODOLOGY FOR EACH IDENTIFIED PROJECT Bidders must submit a detailed proposed workplan that demonstrate the ability to carry out all identified audit projects as well as IIA standards, PFMA, Treasury regulations, King Code IV, COBIT 5, Modified Cash Standard and National Treasury guidelines and other specialized areas requirement.	20	0 No Audit methodology attached 2 Audit methodology attached, but does not fully meet required standards 5 Audit methodology attached fully meet required standards
6. TRANSFER OF SKILLS Previous experience on transfer of the skills Important: (please provide evidence)	10	0 No indication of skills transfer 2 Capacity skills transfer provided but practical and difficult to implement 3 Acceptable strategy of skills transfer to internal audit staff for identified projects 5 Well thought strategy of how the skills transfer will be performed to internal audit staff for identified

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EVALUATION CRITERIA	WEIGHT (%)	SCORES TO BE ALLOCATED
		projects

7 VALUE ADDED TAX

7.1 All bid prices are inclusive of 15% Value Added Tax (VAT), except in the case of a person that is not required to register for Value Added Tax.

8 BIDDER'S DISCLOSURE (SBD 4)

8.1 It is important that bidders acquaint themselves with the content of the Bidder's Disclosure (SBD 4).

8.2 A bidder or his/her authorised representative is required to declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where -

a) The bidder is employed by the state; and/or

b) 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.

8.3 The Bidder's Disclosure (SBD 4) must be completed in full.

8.4 Declarations of any nature will not necessarily prejudice any bidder, however should a bidder knowingly submit false declarations, this Department will act against such bidder (company) and/or its Directors in terms of paragraph 23 of the General Conditions of Contract.

9 PARTICIPATION OF GOVERNMENT OFFICIALS IN THE BIDDING PROCESS

9.1 In accordance with Sections 118 and 121 of the Correctional Services Act, 1998 (Act 111 of 1998), no member of the Department of Correctional Services may participate in the bidding process of the Department.

9.2 The Public Administration Act, 2014 (Act no. 11 of 2014), chapter 3, section 8(2)(a) specifies that an employee of the State may not conduct business with the State.

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- 9.3 Bidders having a kinship with persons employed by the state, including a blood relationship, must declare their interest on the SBD 4 (Bidder's Disclosure).

10 FRONTING

- 10.1 The Department of Correctional Services supports the spirit of Broad Based Black Economic Empowerment and recognizes that real development can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in:

- a) An honest, fair, equitable, transparent and legally compliant manner. Against this background the Department of Correctional Services condemn any form of fronting.
- b) The Department of Correctional Services, in ensuring that bidders conduct themselves in an honest manner will as part of the bid evaluation processes, conduct or initiate the necessary enquiries, investigations to determine the accuracy of the representations made in the bid documents.

- 10.2 Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry/ investigation, the onus will be on the bidder/ contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from the date of notification may invalidate the bid/ contract and may also result in the restriction of the bidder/ contractor to conduct business with the public sector for a period not exceeding ten (10) years, in addition to any other remedies the Department may have against the bidder/ contractor concerned.

11 PRICE AND PRICE QUALIFICATION

- 11.1 Prices submitted for this bid are firm.
- 11.2 Prices shall be quoted in South African currency.
- 11.3 The bid prices shall be given in the units **shown on the pricing schedule**.
- 11.4 Prices must be inclusive of delivery cost and all applicable taxes.

12 SUBMISSION OF BIDS

- 12.1 Bidders are required to submit their proposals in two envelopes.

- 12.2 **Envelope 1** marked with the name of the Bidder and titled:

"PRE-QUALIFYING, MANDATORY DOCUMENTS AND TECHNICAL PROPOSAL: APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO SUPPORT INTERNAL AUDIT ACTIVITY FOR A PERIOD OF THREE YEARS: DEPARTMENT OF CORRECTIONAL SERVICES".

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12.2.1 Envelope 1 must contain the following:

12.2.1.1 Documents to be submitted in terms of the Pre-Qualifying Criteria

- 12.2.1.1.1 Proof of BBBEE Level of the bidder (Only bids with a BBBEE level one (1) to four (4) will be considered).
- 12.2.1.1.2 Attach a valid and original/ originally certified copy B-BBEE Status Level Verification Certificates or certified copies thereof together with their bids, to substantiate their B-BBEE rating claims as per SBD 6.1.
- 12.2.1.1.3 Claim Form in terms of the Preferential Procurement Regulations, 2017 (SBD 6.1).

12.2.1.2 Documents to be submitted in terms of Mandatory requirements

12.2.1.2.1 Please provide contactable details of current and previous clients where internal audit support was provided within the public service excluding information technology projects, training and external quality assessment (both public and private experience will be considered) and Financial Statements Review which should have been performed at National and/or Provincial Departments where business was gained in the last five (5) years by means of a price quotation/bidding process.

12.2.1.2.2 Reference letters from clients must be on the letterhead of the client and must be signed, the date must not be older than five (5) years advertisement date. Copies provided must comply with the regulation governing the administering of an oath or affirmation.

12.2.1.2.3 Proof of registration with a professional body; Institute of Internal Auditors (IIA), and/or Independent Regulatory Board of Auditors and/or South African Institute of Chartered Accountants (SAICA) and/or Information Systems Audit and Controls Association (ISACA), South African Institute of Professional Accountants (SAIPA) and/or Institute of Public Finance and Auditing (IPFA).

12.2.1.3 Other bidding document

- 12.2.1.3.1 Fully completed and signed SBD 1 (without pricing) – Invitation to bid.
- 12.2.1.3.2 Fully completed and signed SBD 4 – Bidder's Disclosure.

12.2.1.4 Technical Proposal

12.2.1.4.1 The bidder's response / proposal information required by all stipulations outlined in the terms of reference.

N.B. This Envelope must NOT include any price proposal.

12.2.2 Envelope 2 marked with the name of the Bidder and titled:

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"FINANCIAL PROPOSAL: APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO SUPPORT INTERNAL AUDIT ACTIVITY FOR A PERIOD OF THREE YEARS: DEPARTMENT OF CORRECTIONAL SERVICES".

13 LATE BIDS

- 13.1 Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where possible, be returned unopened to the bidder.

14 COMMUNICATION

- 14.1 No communication with any Procurement Official will be allowed during the running period of the bid.
- 14.2 Communication after the closing date of the bid must be in writing and addressed to the Director Procurement Administration.
- 14.3 The Department may request clarification regarding information provided by bidders. Bidders are to supply the required information within the specified period. Failing to do so will invalidate your bid.

15 COUNTER CONDITIONS

- 15.1 Bidder's attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders will result in the invalidations of such bids.

16 DUE DILIGENCE

- 16.1 The Department will have the right to confirm the ability of bidders to execute this contract successfully.
- 16.2 The premises/factory of the bidder or contractor should be open at all reasonable hour for inspection by a representative of the Department and/or its approved institution.
- 16.3 **Should the contractor not cooperate in any of these matters and/or do not have the capability to execute the contract his/her offer will be regarded as not acceptable.**

17 NEGOTIATIONS

- 17.1 The Department reserves the right to negotiate with bidders prior to the award of the bid.

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18 ORDERS/DELIVERIES/DELIVERY BASIS

- 18.1 Before any services are rendered, the contractor must be in possession of an official order issued by an authorized official of the Department.

19 SERVICE LEVEL AGREEMENT

- 19.1 The successful bidder will be expected to enter into a Service Level Agreement with the Department of Correctional Services.

20 INDEMNITY AND INSURANCE

The successful bidder shall indemnify the DCS and not hold DCS liable against:

- 20.1 Any damage to DCS property, whether movable or immovable, including any loss directly flowing from damage to such property or any act or omission on the part of the successful bidder or its employees or any damage arising from the use and occupation of the DCS property by the successful bidder;
- 20.2 Legal liability in respect of any claims which may be made against the DCS arising out of damage to property, whether movable or immovable, or any third parties, including any damage directly or indirectly flowing from any act or omission on the part of the successful bidder and its management staff or any damage arising from the use and occupation by the successful bidder of the DCS property;
- 20.3 Legal liability claims in respect of death, injury or illness of any person, or loss flowing or arising from anything done or omitted by the successful bidder; management staff of the successful bidder or any damage while using or occupying DCS property;
- 20.4 Any legal cost or expenses reasonably incurred in connection with claims or actions against the DCS arising out of the foregoing including attorney and client costs;

21 CONTRACT MANAGEMENT

- 21.1 The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without the prior written approval from the Department.
- 21.2 Contractor must inform the relevant Institution immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

22 PENALTIES

- 22.1 The Department will impose a penalty as a result of unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.)
- 22.2 The following formula will be utilized for this purpose :

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$$\text{Penalty} = \left(V_x \frac{10}{100} \right) \times N$$

V = Value of delayed goods or services
N = Number of days of delay

A penalty will be limited to 30% of the value of delayed goods or services.

22.3 In addition to a penalty being imposed, the Department reserves the right to act in accordance with paragraph 21.6 of the General Conditions of Contract (GCC), which reads "Upon delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier."

22.4 The Department may terminate the contract at its sole discretion due to unsatisfactory performance (e.g. poor quality, late delivery, non-delivery, etc.) during the window period of two months, following the occurrence of the unsatisfactory performance.

23 PAYMENTS

23.1 Payments will only be effected by the Department in the following cases:

23.1.1 The successful completion of a deliverable/ service in line with the specification/ terms of reference.

23.1.2 Invoices should be delivered/posted or e-mailed to reach the institution that placed the order, timeously.

23.1.3 The invoices must be accompanied by timesheets and/or proof of disbursements where applicable.

23.2 Companies not registered in terms of Value Added Tax, may not claim VAT on invoices.

24 SETTLEMENT OF DISPUTES

24.1 Should any dispute arise from the contract paragraph 27 of the General Conditions of Contract shall apply.

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correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

TERMS OF REFERENCE FOR APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO PROVIDE SUPPORT TO INTERNAL AUDIT ACTIVITY

PURPOSE

To appoint a panel of service providers that will capacitate and support internal audit to provide assurance and express an opinion on the adequacy and effectiveness of the operation of the system of internal controls within the Department of Correctional Services.

BACKGROUND

Internal Audit of the Department of Correctional Services is planning to provide training to the internal audit team and intend to undergo a quality assessment in order to provide full objectivity that internal audit conform with the International Standards for the Professional Practice of Internal Auditing. Additionally, the internal audit intend to conduct the following reviews and audits:

- Annual Financial Statements (AFS);
- Annual Report (AR);
- Annual Performance Plan (APP);
- Interim Financial Statements (IFS);
- In-year Monitoring (IYM);
- Information Security Assessment; and
- Probity Audit.

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As part of augmenting our resources and skills base, we require the services of external service providers to assist in conducting these reviews and exercises. The appointed service providers are expected to fully deliver on the projects and will also be expected to work with identified in-house audit staff for skills transference on identified areas.

PROJECT DESCRIPTION

The following will be performed during the engagement:

Audit Engagement	Audit Objectives
<p>Annual Financial Statements (AFS),</p>	<p>The primary objective for reviewing AFS is to determine if the AFS for the financial year and the direct supporting documentation are in line with the required accounting standards, being the modified cash basis standards. Specific objectives of these reviews are as follows:</p> <ul style="list-style-type: none"> • High level review in terms of the latest accounting framework of financial statements as at the end of the financial year. • The availability and reliance of supporting documentation for balances as at the end of the financial year. <p>This review will assist in providing reasonable assurance that the organisation is ready for the external audit. It does not replace the external audit but ensure readiness thereof.</p>
<p>Annual Report (AR)</p>	<p>AR will be reviewed to ensure consistency regarding information provided in the annual financial statements, planning documents as well as other supporting documents and compliance with PFMA, guidelines and other applicable regulations.</p>

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Annual Performance Plan (APP)	APP will be reviewed to ensure compliance with the PFMA, Treasury Regulations, Framework for Managing Programme Performance Information, Framework for Strategic Plans and Annual Performance Plans and other relevant prescripts, plans and budget are interrelated and ensure that annual and MTEF targets are SMART.
Interim Financial Statements	<p>Review of the Interim Financial Statements (IFS) prior to submission to National Treasury to determine whether:</p> <ul style="list-style-type: none"> • IFS are prepared in accordance with National Treasury Guidelines • Disclosure of any material items is made. • Comparative figures are accurately and completely transferred • Explanations for all significant variances are provided
In-year Monitoring Review	Assessment of the effectiveness of budget monitoring controls and expenditure management controls and to ensure compliance with legislation (PFMA and Treasury Regulations).
Information Security Assessment	The objective of the review is to evaluate whether the organization has adequate and effective governance, controls and process on the data protection and privacy of personal information, safeguarding of organizational information and intellectual property rights.
Probity Audit	To obtain reasonable assurance that there is compliance with prescribed norms and standards as set out by National Treasury and Supply Chain prescripts and supply chain management process including compliance with laws and regulations,

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	commitments, cost control, performance measures, risk management process, and payments. Also perform independent reviews of bids exceeding R20 million.
External Quality Assurance (Readiness Assessment and Full Scope External Quality Assessment)	The objective of the external assessment is to evaluate an internal audit activity's conformance with The IIA's Definition of Internal Auditing, Code of Ethics and Standards.
Training on Internal Audit Methodology	To enhance the knowledge, skills and competencies of the internal audit team and capacitate them to implement the approved methodology effectively.

PROJECT SCOPE AND TIMELINES

The audit assignments shall be conducted as and when necessary based on the approved annual audit plan for the period of three years with the following scope areas and timelines:

1. Annual Financial Statements (AFS)	Region	# of Personnel	Total # of Hours
Execution	Head Office	1x Manager	40
Supervision and Project Management	Head Office	1x Senior Manager	40
Sub-Total Hrs			80
2. Annual Report (AR)	Region	# of Personnel	Total # of Hours
Execution	Head Office	1x Manager	40
Supervision and Project Management	Head Office	1x Senior Manager	40
Sub-Total Hrs			80
3. Annual Performance Plan (APP)	Region	# of Personnel	Total # of Hours
Execution	Head Office	1x Manager	40
Supervision and Project Management	Head Office	1x Senior Manager	40
Sub-Total Hrs			80
4. Interim Financial Statements (IFS)	Region	# of Personnel	Total # of Hours

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Execution	Head Office	1x Manager	40
Supervision and Project Management	Head Office	1x Senior Manager	40
Sub-Total Hrs			80
5. In-year Monitoring Review	Region	# of Personnel	Total # of Hours
Execution	Head Office	1x Manager	232
Sub-Total Hrs			232
6. Information Security Assessment	Region	# of Personnel	Total # of Hours
Execution and Supervision	Head Office	2x Managers 6x IT Auditors	840
Project Management	Head Office and six regions	1x Senior Manager	80
Sub-Total Hrs			920
6. Probity Audit	Region	# of Personnel	Total # of Hours
Execution & Supervision	Head Office and six regions	1x Specialist 2x Audit Seniors	Ad Hoc
Project Management	Head Office and six regions	1x Audit Manager	Ad Hoc
Sub-Total Hrs			Ad Hoc
7. External Quality Assurance (Readiness Assessment and Full Scope External Quality Assessment)	Region	# of Personnel	Total # of Hours
Execution & Supervision	Head Office	1x Manager 2x Assistants	600
Project Management	Head Office	1x Lead Assessor	128
Sub-Total Hrs			728
8. Training on Internal Audit Methodology	Region	# of Personnel	Total # of Hours
Training for 28 officials	Head Office	1x Project leader (Facilitator) 2x Assistants	200
Sub-Total Hours			200
Grand Total			2400

- Hours allocated includes travel time, planning, execution and reporting.
- The department comprises of Head Office located in Pretoria Central which is a primary location for the projects and six Regions namely Kwazulu-Natal, Gauteng, Western Cape, Eastern Cape, LMN (Limpopo, Mpumalanga and North West) and FS/NC (Free State and Northern Cape).
- The internal audit staff compliment comprises of 28 officials.
- Audit engagements will be conducted on-site and/or virtually where applicable.
- The grand total number of 2400 hours is for one year from the commencement of the contract and is subject to change based on the approved annual audit plan for subsequent financial years.

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The department will give full cooperation to the appointed service providers and provide office space and other facilities that may be reasonably required to perform the expected services. The appointed service providers must make provision for accommodation, travelling, software and computers.

PROJECT GOALS

The audits will be conducted to ensure full compliance with the PFMA, Treasury Regulations, Correctional Service Act, King Code IV, COBIT 5 and Modified Cash Standards and other applicable regulations.

COMPETENCY AND EXPERTISE REQUIREMENTS

- It is essential that the service provider has the knowledge and experience of internal auditing in a public sector.
- Quality control will be the responsibility of the successful service providers on audit work completed throughout the audit process. Poor quality of work conducted will result in non-payment or part payment. The results will be used, inter alia, as criteria when future assignments are considered.
- Transfer of skills to identified Internal Audit staff will form part of the project deliverables. This will take the form of on the job training on identified areas.
- Audit review meetings with Internal Audit will be held as and when required. However, progress reports should be provided to the assigned in-house Audit Manager or Chief Audit Executive (CAE) weekly. Reporting structures will be discussed and defined at the first Internal Audit briefing meeting. These will be coordinated by the CAE within the Internal Audit.
- The appointed service provider will be required to discuss all audit findings and obtain management comments / action plans with the process owners before the report is issued. The final audit reports will be issued for the attention of the Accounting officer/ relevant CDC's and RC's of the Department of Correctional Services
- The final audit reports should contain an audit opinion regarding the adequacy and effectiveness of controls within the respective areas reviewed.

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- The CAE shall at all times be granted access to working papers and electronic files. Such files shall remain the property of DCS at the conclusion of every assignment and be handed over to the CAE with evidence of review by a person in capacity of a manager and senior manager.
- The appointed service provider must provide resources as indicated under paragraph Project Scope and Timelines.

CONDUCT OF WORK

- The service provider will be required to work from DCS premises; these will include Head Office and all the regional offices and management areas throughout the country.
- Audits must be conducted in accordance with the standards set by the Institute of Internal Auditors (IIA) and the DCS Internal Audit Methodology.

IMPLEMENTATION FRAMEWORK

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

- objectives and values are established and communicated and the accomplishments of objectives is monitored;
- accountability is ensured;
- corporate values are preserved;
- the adequacy and effectiveness of the system of internal controls 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 including updates or revisions and regulations, which could have significant impact on operations are reviewed;
- the economy, efficiency and effectiveness with which resources are employed, are appraised;

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- the results of operations or programmes are reviewed to ascertain whether results are consistent with DCS's established objectives and goals;
- the operations or programmes are being carried out as planned; and
- the adequacy of established systems and procedures are assessed

EXPECTED OUTCOMES AND DELIVERABLES

The assignment should at least consist of the following:

- Pre - audit survey;
- Audit planning memorandum;
- Minutes of entrance meeting;
- Control-risk matrix document;
- System description(s);
- Audit programme;
- Sampling methodology;
- Mechanisms for follow-up on matters previously reported and feedback;
- Mechanisms to ensure that working papers are reviewed at the appropriate level;
- Record of work performed;
- Audit findings and recommendations;
- Reporting (draft internal audit report and final internal audit report);

REPORTING REQUIREMENTS

- Draft report in the DCS internal audit format must be submitted.
- The draft audit report must have been reviewed and quality assured by the project manager before being submitted – proof will be required.
- The audit findings raised in the report must, at all cost, be substantiated by the audit working papers and also show that the work undertaken was well researched by the audit team.
- The audit findings must be accompanied by value adding recommendations for operational enhancement.
- Draft report to be discussed with internal audit, respective CDC's and RC's and their management teams.

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- Final report accompanied by management comments be submitted to Internal Audit Unit.
- Adequate supervision of the team undertaking the assignment, by a senior official of the service provider is expected, to ensure the outputs are of high quality and to the satisfaction of the respective client and DCS internal audit unit.

REPORT STRUCTURE

The structure should consist of but not limited to the following:

- Introduction;
- Audit objective and scope;
- Background;
- Executive summary, highlighting significant findings;
- Findings, recommendations and management responses (including implementation dates);
- Conclusion

RECORDS AND FILE MANAGEMENT

Internal audit will own all deliverables and project outputs. Comprehensive records of all work undertaken will need to be maintained and filed using the following structure:

- A copy of the letter of engagement issued to the service provider
- The TOR of the assignment
- Time sheets (already reviewed and approved by the Senior Manager) for monitoring and billing purposes.
- Final documents relating to the project
- Audit working papers to support documents/deliverables; and
- Correspondence and any other documents considered relevant to the assignment.

Within 1 week of the completion of the assignment and submission of the audit report, the project file (s) compiled in accordance with the above, will need to be delivered to the office of the CAE. All working papers and supporting documents must be documented and cross referenced.

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FEES

Fees charged and payable shall be as prescribed by SAICA Guideline on fees for audits done on behalf of the Auditor-General of South Africa (AGSA).

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PRICING SCHEDULE
(Professional Services)
To be included in envelope two (2)

NAME OF BIDDER:	BID NO.: HO 6/2022
CLOSING TIME 11:00 AM ON 03 FEBRUARY 2023	

OFFER TO BE VALID FOR **120** DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY (ALL APPLICABLE TAXES INCLUDED)
1.	APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO PROVIDE SUPPORT TO THE INTERNAL AUDIT ACTIVITY FOR A PERIOD OF THREE (3) YEARS: DEPARTMENT OF CORRECTIONAL SERVICES	

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/ deliverables and including all expenses inclusive of VAT for the project. R.....

“ALL APPLICABLE TAXES INCLUDED” includes value-added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.

NOTE : According to the VAT Act, 1991 (Act No. 89 of 1991), all contract prices are inclusive of 15% Value-Added Tax (VAT), except in the case of a person that is not required to register for Value-Added Tax..

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

4. 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.....			

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?
.....
- 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.
.....
.....
.....

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

THE COMMISSIONER
DEPARTMENT OF CORRECTIONAL SERVICES
PRIVATE BAG X 136
PRETORIA
0001
JB SIBANYONI
Tel: 012-305 8041

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

ANNEXURE TO PRICING SCHEDULE FOR PROFESSIONAL SERVICES: BID HO 6/2022: APPOINTMENT OF A PANEL OF SERVICE PROVIDERS TO PROVIDE SUPPORT TO THE INTERNAL AUDIT ACTIVITY FOR A PERIOD OF THREE (3) YEARS: DEPARTMENT OF CORRECTIONAL SERVICES

MAIN CONTRACTOR:- _____

A) Identity Number of Consultant/ Employee	B) Name of Consultant/ Employee	C) Tariff per Hour	D) Estimated Hours finalizing of Project	E) Total Amount for consultant (Cx D)	Responsible For Deliverable (to be in line with the proposed deliverable)	% Percentage involvement in Project.

¹SUB CONTRACTOR:- _____

A) Identity Number	B) Name of Consultant	C) Tariff per Hour	D) Estimated Hours finalizing of Project	E) Total Amount for consultant (Cx D)	Responsible For Deliverable (to be in line with the proposed deliverable)	% Percentage involvement in Project.
		R				
		R				
		R				

¹ To be completed when Sub Contractors will be utilised for the completion of the project.

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

I, _____ the _____ undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 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 consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the

² 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.

bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature	Date
.....
Position	Name of bidder



PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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, 2017.

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 R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 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

- (a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of

section 9(1) of the Broad-Based Black Economic Empowerment Act;

- (c) **“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 goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
- 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

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

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

80/20

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (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	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 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 or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. **DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 **TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

8.5 **DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

.....

.....

8.6 **COMPANY CLASSIFICATION**

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

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 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 contributor indicated in paragraphs 1.4 and 6.1 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 paragraphs 1.4 and 6.1, 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 contributor 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) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

<p>WITNESSES</p> <p>1.</p> <p>2.</p>
--

<p>..... SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p> <p>ADDRESS</p> <p>.....</p> <p>.....</p>
