



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) 305 8268, Fax (012) 323 5621, Onicca.Kekana@dcs.gov.za

Ref : 6/1/3/4
Enq : OM Kekana

The Manager

.....
.....
.....
.....

Sir

BID HO 3/2021: APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE DEPARTMENT WITH REVIEW, RECORD, RECONCILE AND UPDATE THE IRREGULAR EXPENDITURE REGISTER FOR ACCURACY AND COMPLETENESS WITH THE ALL INCURRED IRREGULAR EXPENDITURE TRANSACTIONS
BID VALIDITY PERIOD: 120 DAYS

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 13 May 2021** and will be valid for a period of **hundred and twenty (120) days** after the closing date.
- Bids must be submitted in sealed envelope. The name and address of the bidder, the bid number and closing date must be indicated on the envelope. 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).

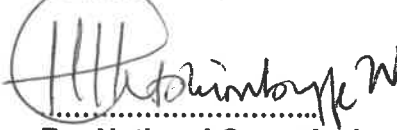
- A Compliance Checklist (BD 26) is provided in the bid document that will assist bidders to adhere to the conditions specified in the bid.

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



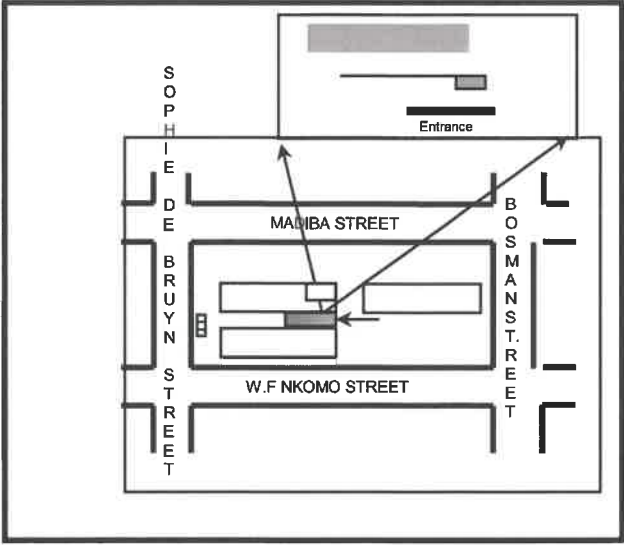
For National Commissioner: Correctional Services

Director : Procurement

T.V Netshimbupfe

Date: 2021/04/30

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	HO3/2021	CLOSING DATE:	13 MAY 2021	CLOSING TIME:	11:00am
DESCRIPTION	HO 3/2021: APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE DEPARTMENT WITH REVIEW, RECORD, RECONCILE AND UPDATE THE IRREGULAR EXPENDITURE REGISTER FOR ACCURACY AND COMPLETENESS WITH THE ALL INCURRED IRREGULAR EXPENDITURE TRANSACTIONS BID VALIDITY PERIOD: 120 DAYS				
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 124 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	OM Kekana		CONTACT PERSON	Jacob Sibanyoni	
TELEPHONE NUMBER	012 305 8549		TELEPHONE NUMBER	012 3058549	
FACSIMILE NUMBER	012 323 5621		FACSIMILE NUMBER		
E-MAIL ADDRESS	Onicca.Kekana@dcs.gov.za		E-MAIL ADDRESS	Jacob.Sibanyoni@dcs.gov.za	
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] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <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:

HO3/2021

INDEX OF BID DOCUMENTATION

Description of document	Pages
Covering Letter (BD 2.1)	Two (2) Pages
SBD 1 Invitation to Bid	Three (3) Pages
Index	One (1) Page
BD 26.1: Checklist for compiling bid documents	Two (2) Page
General Conditions of Contract (GCC)	Fourteen (14) Pages
BD 4.1 Special Conditions of contract	Twenty one (21) Pages
Terms of Reference	Seven (7) Pages
SBD 3.3 Pricing Schedules	Four (4) Pages
SBD 4 Declaration of Interest	Four (4) Pages
SBD 6.1 Preference Points Claimed form in terms of Procurement Regulations	Five (5) Pages
SBD 8 Declaration of Bidder's Past Supply Chain Management Practices	Two (2) Pages
SBD 9 Certificate of independent Bid determination	Three (3) Pages

**PRICING SCHEDULE**

(Professional Services)

To be included in envelope two (2)

NAME OF BIDDER: BID NO.: HO 3/2020

CLOSING TIME 11:00 AM ON 13 MAY 2021

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.	HO 3/2021: APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE DEPARTMENT WITH REVIEW, RECORD, RECONCILE AND UPDATE THE IRREGULAR EXPENDITURE REGISTER FOR ACCURACY AND COMPLETENESS WITH THE ALL INCURRED IRREGULAR EXPENDITURE TRANSACTIONS BID VALIDITY PERIOD: 120 DAYS	

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

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.....
.....
.....
.....

R.....
R.....
R.....
R.....
R.....

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

.....
.....

R.....
R.....

..... days
..... 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
 OM KEKANA
 Tel: 012-307 2338

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

ANNEXCURE TO PRICING SCHEDULE FOR PROFESSIONAL SERVICES: BID NO HO 3/2021: APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE DEPARTMENT WITH REVIEW, RECORD, RECONCILE AND UPDATE THE IRREGULAR EXPENDITURE REGISTER FOR ACCURACY AND COMPLETENESS WITH THE ALL INCURRED IRREGULAR EXPENDITURE TRANSACTIONS BID VALIDITY PERIOD: 120 DAYS

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 (CxD)	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 finalising of Project	E) Total Amount for consultant (CxD)	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.

Total Cost for Project to be carried over to SBD 3.3



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF CORRECTIONAL SERVICES

TERMS OF REFERENCE

**APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE DEPARTMENT WITH
REVIEW, RECORD, RECONCILE AND UPDATE THE IRREGULAR EXPENDITURE
REGISTER FOR ACCURACY AND COMPLETENESS WITH THE ALL INCURRED
IRREGULAR EXPENDITURE TRANSACTIONS.**

BID NO: HO3/2021

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1. PURPOSE

- 1.1 The purpose of these terms of reference (TOR) is to invite or request qualified service providers to submit a proposal to assist the Department of Correctional Services with reviewing, recording, reconciling and updating the irregular expenditure register with the incurred irregular expenditure (IE) for accuracy and completion.
- 1.2 This terms of reference is a preamble to the attached bid documents. Bidders must respond to the bid by adhering to the requirements of the Special Conditions of Contract, and all other applicable bid requirements.
- 1.3 The duration of contract shall be valid for a period of 6 months, from the date of award.

2 BACKGROUND

- 2.1 The Department of Correctional Services obtained a qualified audit opinion from Auditor General of South Africa (AGSA) in the past two financial years.
- 2.2 The qualified audit opinion was due to the completeness of the irregular expenditure register and the fact that AGSA could not put reliance on the irregular expenditure register.
- 2.3 Department maintains the irregular expenditure register at head office and regions also maintains Regional Registers their own registers. Each region reports their irregular expenditure case to head office for consolidation into the main register.
- 2.4 The Department has seven (7) regions including Head Office are indicated below as follows:
 - a) Head Office
 - b) Gauteng
 - c) KZN
 - d) FS/NC
 - e) WC
 - f) EC
 - g) LMN

3 POLICY FRAMEWORK

- 3.1 The services required by the Department shall be regulated by the following legislation, policies guidelines and other applicable regulations:

- 3.1.1 The Constitution of the Republic of South Africa, 1996, (Act 108 of 1996) Sections 27(1)(b), 27(2) and 35(2)(e).
- 3.1.2 Public Finance Management Act
- 3.1.3 Preferential Procurement Regulations Framework Act.
- 3.1.4 Treasury Regulations
- 3.1.5 All other relevant regulations.
- 3.1.6 All other relevant National Treasury Instructions and circulars.

4 SERVICE DESCRIPTION

4.1 SCOPE OF WORK

- 4.1.1 The appointed service provider will be required to conduct all relevant tasks under irregular expenditure framework on the transactions that have been identified by Department to be non-compliant and confirm or dispute whether they meet the criteria.
- 4.1.2 The Irregular Expenditure Framework stipulates that an organ of state must first conduct a process of identifying the transaction as follows: recognition, confirmation and determination of irregular expenditure.
- 4.1.3 The project will be in two phases, the first phase will be verification of documents in line with the irregular register and ensuring completeness of departmental irregular register including the compilation of the Annual financial statement disclosure notes as per modified cash standard (MCS) for submission on or before 31 May 2021.
- 4.1.4 The second phase will be ensuring that irregular expenditure audit findings are included in the register including the compilation of the interim financial statements disclosure notes as per modified cash standard (MCS) for submission on or before 30 October 2021.
- 4.1.5 The estimated number of transaction is three thousand (3000).

4.2 The successful bidder will be required to:

- 4.2.1.1 Revisit the population for obtaining transaction data.
- 4.2.1.2 Revisit the population for COVID 19 transactions.
- 4.2.1.3 Reviewing and analyse transaction below R500 000 from 01 April 2018 to 31 March 2021 to determine whether splitting of case in these transactions.

- 4.2.1.4 Identify transactions, where contracts are not in place and goods or service was procured and the value exceed R500 000.00
- 4.2.1.5 Recording all transaction relating to splitting of case.
- 4.2.1.6 Reconcile and update all cases of irregular expenditure into the irregular expenditure register for accuracy and completeness.
- 4.2.1.7 Verify all AGSA management report for inclusion in the irregular expenditure register.
- 4.2.1.8 Verify and ensure completeness of irregular expenditure including contractual transactions that were flagged by AGSA as irregular expenditure.
- 4.2.1.9 Assist in responding to any audit findings.
- 4.2.1.10 Training and transfer of skills from consultants to at least three (3) Departmental staff will be required.

4.3 The successful bidder will be required to have the following expertise:

- 4.3.1 Have knowledge and understanding of the public procurement legislations and regulations such as PFMA, PPPFA, BBBEE Act and Code of Good Practice, applicable National Treasury Instruction Notes or Circulars.
- 4.3.2 Have knowledge and understanding of Modified Cash Standards (MCS)
- 4.3.3 Have knowledge and practical application of the National Treasury Irregular Expenditure Framework
- 4.3.4 Have knowledge and understanding of Public Audit Act (PAA)
- 4.3.5 Familiarise themselves with DCS Supply Chain Management Policy and Delegations of Authority
- 4.3.6 Know and understand Contract Management Guide
- 4.3.7 Know and understand Generally Recognised Accounting Practice (GRAP) or International Financial Reporting Standards (IFRS) requirements
- 4.3.8 Have knowledge of any other legislation impacting on Public Procurement.
- 4.3.9 Extensive understanding of irregular expenditure framework

5 PROVISION OF STAFF

- 5.1 A qualified Chartered Accountant and/ Professional Accountant with 5 years' experience working with government and public entities will be required to manage the project
- 5.2 It is essential that resources to be allocated to this project must have the following requirements
 - 5.2.1 Bachelor of Commerce and or Diploma/Auditing/Accounting qualifications.

- 5.2.2 Qualified Chartered Accountant (CA) and/ Professional Accountant SA will be a Project Manager.
- 5.2.3 Three (3) years of experience in Public sector reviewing or reconciliation or managing of irregular expenditure project will be added advantage
- 5.2.4 Computer skills and be conversant with advanced excel
- 5.2.5 A qualified data analyst will be required for this project.
- 5.2.6 Five (5) years' experience (Company or Audit Firm or Accountants) in performing Accounting work within government.
- 5.2.7 The team must have qualification of Accounting/auditing

6 PRICING

- 6.1 Bidders are accordingly invited to provide Department of Correctional Services with:
 - 6.1.1 A proposal of how the bidder would provide the required services accompanied by a project plan; and
 - 6.1.2 A fee arrangement / cost estimate (detailed) that the bidder would require to render the services for this project.
- 6.2 All bid prices should be VAT inclusive. The bid pricing scheduled must be utilised for this purpose.
- 6.3 The consulting fees must be in line with updated DPSA rates
- 6.4 Department shall under no circumstances, after the award of the bid, negotiate with any party regarding the cost of the rendering the required services, therefore suppliers must not underquote.
- 6.5 Bid Prices must also include all travel disbursement.

7 BID INFORMATION SESSION

- 7.1 No bid information session will be held

8 BID DOCUMENTS

- 8.1 The complete set of bid documents is available at no cost and can be downloaded from www.etenders.gov.za with the attachments and annexures:
 - 8.1.1 Standard Bidding Documents
 - 8.1.2 Pricing Schedule
 - 8.1.3 Special Conditions of Contracts and
 - 8.1.4 Draft Service Level Agreement

9 SUBMISSION AND CLOSING DATE

- 9.1 To respond to the bid no HO3/2021 as per the attached tender documents and annexures.
- 9.2 The bid documents should not be retyped or redrafted. The completion of all documents/forms and the signature must be original.
- 9.3 Bidders must provide a detailed proposal accompanied by a project plan with a fee arrangement / cost estimate required for rendering the services of this project to the Department.
- 9.4 Proposals must be submitted at the Department of Cooperative Governance, The Foyer, Poyntons Building, c/o WF Nkomo and Sophie De Bruyn Street, Pretoria CBD; and be deposited into the Tender Box.
- 9.5 The closing date is on **13 May 2021** at 11h00.

10 ENQUIRIES

- 10.1 Request for Proposal: All inquiries relating to the requirements of this document should be directed to:

Ms Onicca Kekana
Directorate Procurement
Department of Correctional Services
Email: onicca.kekana@dcs.gov.za

- 10.2 All enquiries relating to the bidding documents and procurement process should be directed to:

Mr Jacob Sibanyoni
Directorate Procurement
Department of Correctional Services
Email: jacob.sibanyoni@dcs.gov.za

END



SPECIAL CONDITIONS OF CONTRACT

BID NO HO3/2020:

**APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE
DEPARTMENT WITH REVIEW, RECORD, RECONCILE AND
UPDATE THE IRREGULAR EXPENDITURE REGISTER FOR
ACCURACY AND COMPLETENESS WITH THE ALL INCURRED
IRREGULAR EXPENDITURE TRANSACTIONS
BID VALIDITY
PERIOD: 120 DAYS**

CLOSING DATE AND TIME OF BID: 13 May 2021

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ABBREVIATIONS

BAC	: Bid Adjudication Committee
BSC	: Bid Specification Committee
B-BBEE	: Broad-Based Black Economic Empowerment
CPA	: Contract Price Adjustment
OCPO	: Office of the Chief Procurement Officer
QC	: Quality Control
ROE	: Rate of Exchange
SABS	: South African Bureau of Standards
SANAS	: South African National Accreditation System
SBD	: Standard Bidding Document
SANS	: South Africa National Standards



SECTION A: BID REQUIREMENTS

1. LEGISLATIVE AND REGULATORY FRAMEWORK

- 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 The services shall be regulated by the following legislation, policies and guidelines:
 - 1.3.1. The Constitution of the Republic of South Africa, 1996, (Act 108 of 1996) Sections 27(1)(b), 27(2) and 35(2)(e).
 - 1.3.2. Public Finance Management Act
 - 1.3.3. Preferential Procurement Regulations Framework Act.
 - 1.3.4. Treasury Regulations
 - 1.3.5. All other relevant regulations.
 - a) All other relevant National Treasury Instructions and circulars.
- 1.4 These conditions form part of the bid and bidders need to familiarize themselves with the content thereof.

2. CONTRACT PERIOD

- 2.1 The contract period shall be for a period not exceeding 6 months.

3. REGISTRATION ON CENTRAL SUPPLIERS DATABASE

- 3.1 Bidders need to register on the National Treasury Central Supplier Database in order to do business with the Department. The Department of Correctional Services will not award any bid or price quotations to any supplier who is not registered on the Central Suppliers Database. Bidders must log on www.csd.gov.za for self-registration.



4. CERTIFICATION OF DOCUMENTS BY A COMMISSIONER OF OATH

- 4.1 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.**
- 4.2 The date of certification of the original on all copies submitted should not be older than six (6) months at the closing date and time of the bid.

- 4.3 Department might require original documents of the successful bidder before final award

5. BID INFORMATION SESSION

- 5.1 No bid information sessions will be held any enquiry email must be send to the staff indicated at the terms of reference.

6. SECURITY COMPLAINECE

- 6.1 The contractor will be required to adhere to the security compliance requirements of the Department of Correctional Services.
- 6.2 The Successful Bidder shall ensure compliance with all the Departmental security procedures (identification, access control, searching, and prohibition of unauthorized items).
- 6.3 The Successful Bidder agrees that all the staff shall adhere and be subjected to the security regulations applicable to each Correctional Centre.

7. STANDARD BIDDING DOCUMENTS (SBD)

- 7.1 Bid documents should not be retyped or redrafted.
- 7.2 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	Declaration of Interest
SBD 5	National Industrial participation programme (If Applicable)
SBD 6.1	Claim Form in Terms of Preferential Procurement Regulations 2017
SBD 6.2	Declaration Certificate Designated Sectors by DTI for Local Content.(If applicable)
SBD 8	Declaration of Bidders past SCM Practises
SBD 9	Certificate of Independent Determination

- 7.3 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.

8. DECLARATION OF INTEREST (SBD 4)

- 8.1 It is important that bidders acquaint themselves with the content of the Declaration of Interest (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 Department; 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 or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
- 8.3 The Declaration of Interest (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 Department may not conduct business with the Department.
- 9.3 Bidders having a kinship with persons employed by the Department, including a blood relationship, must declare their interest on the SBD 4 (Declaration of Interest).

10. SUBMISSION OF BIDS

- 10.1 Each bid should be submitted in a separate, sealed envelope or suitable cover on which the name and address of the bidder (company), the bid number and the closing date and time must be clearly endorsed.
- 10.2 Bidders must initial each page of the bid document on the top right hand corner.
- 10.3 The Department reserves the right to award to more than one firm or in specific groupings as they may deem fit.
- 10.4 Bids must be submitted to **Head Office (Poyntons Building, Corner Sophie De Bruyn and WF Nkomo Street).**

11. LATE BIDS

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

12. FRONTING

- 12.1 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.
- 12.2 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.

13. COMMUNICATION

- 13.1 No communication with any Procurement Official will be allowed during the running period of the bid, all bid related and technical enquiries should be addressed to the contacts mentioned in paragraph 15 below.
- 13.2 Communication after the closing date of the bid must be in writing and addressed to the contact details mentioned on paragraph 15 below.

14. CONTACT DETAILS

- 14.1 General Enquiries:
Kekana Onicca
Directorate Procurement
Department of Correctional Services.
Tel: 012 305 8541

Mr Jacob Sibanyoni
Directorate Procurement
Department of Correctional Services
Email: jacob.sibanyoni@dcs.gov.za

15. NON-COMMITMENT

- 15.1 The Department reserves the right not to award, to award in part or in full.
- 15.2 The right is reserved not to accept any of the bids submitted.
- 15.3 The right is also reserved to withdraw or amend any of the bid conditions by notice in writing to all bidders prior to closing of the bid and post award.
- 15.4 In the event that an incorrect award has been made, the Department reserves the right to remedy the matter in any manner it may deem fit.

SECTION B: EVALUATION CRITERIA

16. 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	Functional Evaluation	Price and B-BBEE and awards
Compliance with pre-qualifying criteria	Compliance with mandatory requirements	Compliance with technical specifications	Recommendation and award

16.1 **PHASE 1: PRE-QUALIFICATION CRITERIA**

- 16.1.1. The Preferential Procurement Regulations, 2017 prescribes that pre-qualifying must be used to advance designated groups.
- 16.1.2. **Only bids with a BBBEE status level one (1) to four (4) will be considered for this bid.**



16.2 PHASE 2: MANDATORY REQUIREMENTS

16.2.1. Tax Matters

- 16.2.1.1. It is a condition of this price quotation that the tax matters of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Services (SARS) to meet the bidder's tax obligations.
- 16.2.1.2. The Tax Compliance status requirements are also applicable to foreign bidders/ individuals who wish to submit price quotations.
- 16.2.1.3. Bidder must be registered on the Central Supplier Database (CSD) and provide its CSD number and TCS Pin as per SBD1.
- 16.2.1.4. 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.
- 16.2.1.5. **Only bidder's whose tax matters are in order on award of the price quotation will be considered.**

16.2.2. Qualifications.

- 16.2.2.1. The service Provider must have a Chartered Accountant and/ Professional Accountant to oversee the project. (Proof of qualifications certified certificates not older than 6 months) RBA will be added advantage
- 16.2.2.2. The services provider must have consultants with Bachelor of Commerce Accounting / Auditing and or Diploma/Auditing and or Diploma /Auditing /Accounting. (Bidders must provide certificates not older than 6 months
- 16.2.2.3. Computers Skills and advance excel is required (proof must be attached for each resources) certificates not older than 6 months
- 16.2.2.4. Detailed Project plan to complete this project within 6 months.



16.2.3. Experience

16.2.3.1. The services provider must have at least five (5) years' experience doing work for government in Accounting / Auditing, Bidders must provide three appointment letters, or Purchase Orders with clear bid number or order number for work performed or reference letters in client letterhead with contact details for previous work done as proof of work done.

16.2.3.2. **Failure to comply with the above requirements will invalidate your proposal**

16.3 PHASE 3 (FUNCTIONALITY EVALUATION)

16.3.1. The criteria and weights as per paragraph 6.2 will be applied during Phase 3 of the evaluation process.

16.3.2. 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 allocation of points will not be effected on a basis of consensus.

16.3.3. The following scoring matrix will be used for Phase 3 of

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

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

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

16.3.5. **Only bidders who achieve the threshold score of 70% will be short-listed to proceed to Phase 4.**

16.4 BID EVALUATION CRITERIA.

16.4.1. The following criteria will be applied during evaluation of the bid:

CRITERIA	WEIGHT
1. <u>PROJECT PLAN</u> 1.1 Bidders are required to provide a detailed project plan with clear deliverables/ milestones on how they will execute the project within 6 months. In line with Terms or reference	15
2. <u>PROVISION OF STAFF</u> 2.1 Team Leader Qualifications 2.2.1 The bidder needs to provide a team leader with a Chartered Accountant (CA) and/or Professional Accountant with 5 years' experience. Attach proof of certified qualifications not older than 6 months and curriculum vitae (CV).	15
3. <u>EXPERIENCE OF SERVICES PROVIDER</u> The service provider must provide proof that they have completed Accounting / Auditing projects, accompanied by at least 3 applicable references (appointment letters/Purchase order/ copy of contract/ reference letters) from other organs of State and/or private sector in a client letterhead with telephone numbers and email address, physical address and contact persons. Failure to provide the relevant references will lead disqualification.	25
4. <u>TEAM MEMBERS QUALIFICATIONS</u> 4.1.1 The bidder needs to provide resources or team members with the following qualifications: 4.1.2 Certified copies of certificates not older than six (6) months for Bachelor of Commerce, or Diploma Accounting / Auditing and Advanced excel	20
5. <u>EXPERIENCE</u> 5.1.1 The team members must have at least three (3) years working experience in auditing as well as accounting work. Attach CVs. NB. (Please note this can only be evaluated if CV is attached and if not no score will be allocated	25

Each panel member will rate each individual element on the above score sheet using the following scale: 1-Poor, 2-Average, 3-Good, 4-Very Good and 5- Excellent

NB: The bidder must score a minimum of 70% on technical evaluation for the bidder to be considered for further evaluation.

16.4.2. **BREAKDOWN OF FUNCTIONALITY FOR SCORING PURPOSES**

16.4.2.1. **Criteria Project Plan**

Criteria	Score
No project plan	0
Project plan with deliverables and no time frames	1
Project plan with clear deliverables/milestones in more than 6 months	3
Project plan with clear deliverables/milestones in 6 months	5

16.4.2.2. **Criteria: Provision of staff (Team Leader Qualifications)**

Criteria	Score
No Chartered Accountant (CA) and/ Professional Accountant qualifications and no proof of curriculum vitae (CV) attached. Chartered Accountant (CA) and/ Professional Accountant with less than five years' experience.	0
Chartered Accountant (CA) qualification and/ Professional Accountant and proof of qualifications attached with at least five (5) years' experience. Attach proof of certified qualifications not older than 6 months.	5

16.4.2.3. **Criteria: Experience of service provider**

Criteria	Score
Less than five (5) years' experience in organ of state and/or private sector with no references letters.	0
At least five (5) years' experience in organ of state and/or private sector with one (1) references letters.	1
At least five (5) years' experience in organ of state and/or private sector with two (2) references letters.	2
At least five (5) years' experience in organ of state and/or private sector with	3



three (3) references letters.	
At least five (5) years' experience in organ of state and/or private sector with four (4) references letters.	4
From (5 years and above) years' experience in organ of state and/or private sector with five (5) references letters	5

16.4.2.4. **Criteria: Team member (Qualification)**

Criteria	Score
No attached qualifications (Bachelor of Commerce, or Diploma Accounting / Auditing) for the proposed team members	0
Attached qualifications (Bachelor of Commerce, or Diploma Accounting / Auditing) for the proposed team members	5

16.4.2.5. **Criteria: Team members (experience)**

Criteria	Score
Less than three (3) years' working experience in reconciling of transaction on (Auditing / Accounting work of similar projects) for the proposed team members.	0
Three (3) Years or more experience working in reconciling of transactions and on (Auditing/ Accounting work of similar projects) for the proposed team members.	5

ENVELOPE 2 MARKED WITH THE NAME OF THE BIDDER AND TITLED

FINANCIAL PROPOSAL: APPOINTMENT OF A SERVICE PROVIDER(S) TO ASSIST THE DEPARTMENT WITH THE RECONCILIATION OF IRREGULAR EXPENDITURE: DEPARTMENT OF CORRECTIONAL SERVICES

16.5. **PHASE 4: PRICE AND B-BBEE**

16.5.1. 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)

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

Cases with a Rand value exceeding R50 million (all applicable taxes included)

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

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

16.5.3. 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	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1

16.5.4. 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 three (3) months.

16.5.5. 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 submitting a B-BBEE status level certificate issued by the verification agencies.

16.5.6. Bidders other than EMEs and QSE's



- a) Verification agencies accredited by SANAS; or

16.5.7. Bidders who qualify as EMEs and QSE's

- b) 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

16.5.8. 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.

16.5.9. Public entities and tertiary institutions must also submit a B-BBEE Status Level Verification Certificate together with their bids.

16.5.10. The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.

16.5.11. Failure on the part of the bidder to comply with paragraphs 5.3.4 and 5.3.5 above will be deemed that preference points for B-BBEE status level of contribution are not claimed and will therefore be allocated a zero (0).

16.5.12. The points scored will be rounded off to the nearest 2 decimals.

16.6. **PHASE 5: RECOMMENDATION AND AWARD**

16.6.1. The Bid Evaluation Committee will recommend a preferred responsive bidder based on phase 1, phase 2, phase 3 and phase 4 to the Bid Adjudication Committee for award and approval.

16.6.2. The Department reserves the right to award contracts to more than one contractor for the same item.

16.6.3. The Department reserves the right to limit the award to the bidder in one or more management area (s) as they may deem adequate during the evaluation and adjudication process.

SECTION C

17. SUPPLIER DUE DILIGENCE

17.1. The Department reserves the right to conduct due diligence prior to final award or at any time during the contract period and this may include pre-announced/ non-announced site visits.]

18. VENDOR ASSESSMENT

18.1. The Department will have the right to confirm the ability of bidders to execute this contract successfully. This includes an investigation by the Department or its appointee of the following:

- a) The bidder's financial position to execute the contracts,
- b) Letter confirming going concern status from the Accountant/ Auditor which is not
- c) Older than six months by closing date and time of the bid.
- d) Bidder's operational plan on how to execute the supply of items bidding for.
- e) Previous contracts executed and current contracts (SBD 4 and SBD 8 must be completed.
- f) Delivery periods, quality and quantity of products.

19. COUNTER CONDITIONS

19.1. Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders may result in the invalidation of such bids.

20. PAYMENTS

20.1. Payments will only be effected by the Department in the following cases: The successful completion of a delivery/service in line with the specification/terms of reference.

- a) Invoices should be delivered/posted or e-mailed to reach the institution that placed the order, timeously.
- b) The invoices must be accompanied by an inspection certificate and/or proof of delivery.
- c) Invoices will be paid by the Department within 30 days from the date of receipt.



- 20.2. The Department / Management Areas will not make a payment to or consult with a third party.
- 20.3. No third party is entitled to put an account of the relevant Management Areas on hold.
- 20.4. Companies not registered in terms of Value Added Tax, may not claim VAT on invoices.

SECTION D: SUPPLIER PERFORMANCE AND CONTRACT MANAGEMENT

21. SUPPLIER PERFORMANCE AND CONTRACT MANAGEMENT

- 21.1. The Department and the contractor will enter into a Service Level Agreement (Annexure H).
- 21.2. Department of Correctional Services will conduct meetings with the end users and contractors to discuss contracting issues.
- 21.3. Contracted suppliers must notify the Department of Correctional Services in writing of any unforeseeable circumstances that may adversely affect supply against the contract. The notification must be done 21 days before the expected delivery date.
- 21.4. The Department of Correctional Services will monitor the performance of contracted suppliers for compliance to the terms of this contract as follows:
 - a) Compliance to delivery lead times;
 - b) Percentage of orders supplied in full first time;
 - c) Compliance with reporting requirements according to reporting schedule.
 - d) Attendance of compulsory quarterly meetings.
- 21.5. Any change in the status in supply performance during the contract period must be reported within seven (7) days of receipt of such information to the Department of Correctional Services.
- 21.6. The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without the prior written approval from the Department.
- 21.7. 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.



- 21.8. Contract performance management will be the responsibility of Management Area/ Self Accounting Store (end-user) and where supplier performance disputes cannot be resolved between the contractor and the relevant purchasing institution, The Directorate Contract Management must be informed for corrective action.

22. MERGERS, TAKE OVERS AND CHANGES IN SUPPLIER DETAILS

- 22.1. Where a contracted supplier plans to merge with or is going to be acquired by another entity, the contracted supplier must inform the Department of Correctional Services writing 30 days prior to such event of relevant details.
- 22.2. The Department reserves the right to agree to the transfer of contractual obligations to the new supplier under the prevailing conditions of contract or to cancel the contract.
- 22.3. A contracted supplier must inform the Department of Correctional Services within 14 days of any changes of address, name, contact or banking details.

23. BREACH OF CONTRACT

- 23.1. The Department of Correctional Services reserves the right to terminate the contract(s) for not honouring contract(s) obligations including submission of information.

24. SETTLEMENT OF DISPUTES

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

25. TERMINATION

- 25.1. The Department shall be entitled to terminate this Agreement if one or more of the following occur: -
- a) The service provider is provisionally or finally liquidated, making it impossible for the service provider to perform its functions in terms of this Contract;



- b) The service provider enters into settlement arrangements with their creditors;
- c) The service provider commits an act of insolvency;
- d) In the event that the service provider is a member of an unincorporated joint venture or consortium and the membership of such joint venture or Consortium changes.

25.2. The Department reserves its right to terminate the Contract in the event that there is a change in ownership of the service provider that has the effect that the over 50% ownership of the service provider belongs to the new owner without prior written approval of the Department.

25.3. Either Party may terminate this Contract for breach in the event that the other party fails to comply with any of its obligations in terms of this Contract, and having failed to remedy such breach within 14 (fourteen) calendar day's written notice to remedy such non-compliance.

25.4. Notwithstanding the provisions above, either Party may terminate this Contract by giving the other Party 30 (thirty) days' written notice to that effect.

END

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 bidding 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 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 bidding 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 bidding 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 bidding 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 bidding 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 bidding 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 bidding 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 **Page 5 of 14**

- 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 bidding 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-bidding 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 bidding 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 services

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

- (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

- 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.
- 35. 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 bidding (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.



DECLARATION OF INTEREST

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

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price bid, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where –

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

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

2.1 Full name of bidder or his or her representative

2.2 Identity number :

2.3 Position occupied in the Company (director, trustee, shareholder, member) :

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust :

2.5 Tax Reference Number :

2.6 VAT Registration Number :

2.6.1 The names of all directors / trustees / shareholders² / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹"State" means –

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

²"Shareholder" means a person who owns shares in the company and is actively involved in the



management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder, presently employed by the state?

Yes	No
-----	----

2.7.1 If so, furnish the following particulars :

Name of person/ director/ shareholder/ member	Name of state institution to which the person is connected	Position occupied in the state institution

Any other particulars :

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?

Yes	No
-----	----

2.7.2.1 If yes, did you attach proof of such authority to the bid document?

Yes	No
-----	----

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

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

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors/shareholders/members or their spouses conduct business with the state in the previous twelve (12) months?

Yes	No
-----	----

2.8.1 If so, furnish particulars :

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by

Yes	No
-----	----



the state and who may be involved with the evaluation and or adjudication of this bid?

--	--

2.9.1 If so, furnish particulars :

Name of person/ director/ shareholder/ member	Name of state institution to which the person is connected	Position occupied in the state institution	Nature of relationship

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between the bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

Yes	No
-----	----

2.10.1 If so, furnish particulars :

Name of person/ director/ shareholder/ member	Name of state institution to which the person is connected	Position occupied in the state institution	Nature of relationship

2.11 Do you or any of the directors/shareholders/members of the company have any interest in any other related companies whether or not they are bidding for this contract?

Yes	No
-----	----

2.11.1 If so, furnish particulars :

.....

.....

.....

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

Full name	Identity number*	Personal Tax Reference Number	State Employee Number / Persal Number

***Copies of Identity Document must be attached.**



DECLARATION

I, THE UNDERSIGNED (NAME)
CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPH 2 TO 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF
PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THE DECLARATION
PROVE TO BE FALSE.

.....
SIGNATURE

.....
DATE

.....
POSITION

.....
NAME OF BIDDER

Note : Should the bidder or any of its directors/members or shareholders be employees of any organ of state as contemplated in the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), such member/director or shareholder must submit a certified copy of the permission granted by the Executive Authority of his/her Department to conduct remunerative work in the Public Service as contemplated in the Public Service Act, 1994 (Act 103 of 1994) Chapter VII, Sections 30 and 31. Failure to submit the proof will automatically invalidate the bid. Knowingly not submitting it will make the person liable for fraud.



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 least 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.

WITNESSES

1.

2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....



DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bid Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that service provider, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

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



4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes	No
4.4.1	If so, furnish particulars:		

CERTIFICATION

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder



CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4(1)(b)(iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that service provider, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ Includes price bids, advertised competitive bids, limited bids and proposals.

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



7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the service provider, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Service provider

COMPLIANCE CHECKLIST TO ASSIST BIDDERS WITH COMPLETION OF BID DOCUMENTS			
BID HO 3/2021: APPOINTMENT OF A SERVICE PROVIDER TO ASSIST THE DEPARTMENT WITH REVIEW, RECORD, RECONCILE AND UPDATE THE IRREGULAR EXPENDITURE REGISTER FOR ACCURACY AND COMPLETENESS WITH THE ALL INCURRED IRREGULAR EXPENDITURE TRANSACTIONS BID VALIDITY PERIOD: 120 DAYS			
Very important	Did you take note of the contents of the General Conditions of Contract & BD 4.1: Special Conditions of Contract?	Yes	No
1.	PRE- MANDATORY CRITERIA (See par 9.1 of the BD 4.1: Special Conditions)		
1.1	Only bids with a BBEE status level one (1) to four (4) will be considered for this bid.		
2.	MANDATORY CRITERIA (See par 9.1 of the BD 4.1: Special Conditions)		
1	Only bids complying with all requirements as stipulated in the General Conditions and Special Conditions of Contract and Terms of reference will be regarded as acceptable		
2.2	The service Provider must have a Chartered Accountant and/ Professional Accountant to oversee the project. (Proof of qualifications certified certificates not older than 6 months) RBA will be added advantage? (Special Conditions par 16.2.2.1)		
2.3	The services provider must have consultants with Bachelor of Commerce Accounting / Auditing and or Diploma/Auditing and or Diploma /Auditing /Accounting. (Bidders must provide certificates not older than 6 months (See Special Conditions - BD 4.1 par 16.2.2.2)?		
2.4	Computers Skills and advance excel is required (proof must be attached for each resources) certificates not older than 6 months (See Special Conditions - BD 4.1 par 16.2.2.3)?		
2.5	The bidder need to have detailed Project plan to complete this project within 6 months. (See Special Conditions - BD 4.1 par 16.2.2.4)		
3.	<u>Experience</u> The services provider must have at least five (5) years' experience doing work for government in Accounting / Auditing, Bidders must provide three appointment letters, or Purchase Orders with clear bid number or order number		

	for work performed or reference letters in client letterhead with contact details for previous work done as proof of work done. (See Special Conditions - BD 4.1 par 16.2.3.1)		
4.	The bidder must be tax compliant (See Special Conditions - BD 4.1 par 16.2.1)		
3.	<u>SUBMISSION OF BIDS</u>		
3.1	Bids should be submitted in a separate sealed envelope or suitable cover on which the name and address, the bid number and the closing date must be clearly endorsed. (Special Conditions par 8).		
3.2	Did you complete and sign the SBD 1 (invitation to Bid Form) ?		
3.3	Did you complete the preference claim form (SBD 6.1) w.r.t BBBEE points?		
4	Did you attach a certified BBBEE certificate in support of your claim?		
3.5	Did you attach a list of contactable details of current or previous clients?		
4.	<u>LATE BIDS</u>		
4.1	Bids received after the closing date and time will not be accepted for consideration and where practicable, be returned unopened to the bidder at the address indicated in the envelope (Special Conditions par 11).		
5.	<u>DECLARATIONS</u>		
5.1	Did you familiarize yourself with the contents of the Declaration of Interest (SBD 4) and did you indicate your declaration (if applicable)?		
5.1.1	Did you sign the Declaration of Interest SBD 4 form?		
5.2	Did you familiarize yourself with the contents of Declaration Of Bidder's Past Supply Chain Management Practices?(SBD 8)		
5.2.1	Did you declare past supply chain management practices e.g. Fraud, improper conduct, failed to perform on any previous contract?		
5.2.2	Did you sign the declaration SBD 8?		
5.3	Did you familiarize yourself with the contents of the Independent Bid Determination (SBD 9)?		
5.3.1	Did you sign the Independent Bid Determination form.(SBD 9)		
6.	Take note that no late bids will be considered!		