



REQUEST FOR BIDS

BID DETAILS

BID NUMBER:		FB-SETA (23-24) T0005
CLOSING	Date:	22 April 2024
	Time:	12:00 pm
DESCRIPTION:		APPOINTMENT OF INTERNAL AUDIT SERVICES FOR THE FOOD AND BEVERAGES MANUFACTURING SECTOR EDUCATION AND TRAINING AUTHORITY (FOODBEV SETA)
TECHNICAL QUERIES		Lunga Mokoena
EMAIL ADDRESS:		scm@foodbev.co.za
BRIEFING SESSION:	Date:	09 April 2024
	Time:	10:00 am – 11:00 am
Validity Period		120 Days

DETAILS OF BIDDER

Organisation/individual:

Contact person:

Telephone/ Cell number:

E-mail address:

TOTAL BID PRICE
(inclusive of VAT)

GLOSSARY

AWARD	Conclusion of the procurement process and final notification to the effect to the successful bidder
B-BBEE	Broad-based Black Economic Empowerment in terms of the Broad-based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) and the Codes of Good Practice issued thereunder by the Department of Trade and Industry
BID	Written offer in a prescribed or stipulated form in response to an invitation by FOODBEV SETA for the provision of goods, works or services
CONTRACTOR	Organisation with whom FOODBEV SETA will conclude a contract and potential service level agreement subsequent to the final award of the contract based on this Request for Bid
CORE TEAM	The core team are those members who fill the non-administrative positions against which the experience will be measured
DTI	Department of Trade and Industry
EME	Exempted Micro Enterprise in terms of the Codes of Good Practice
GCC	General Conditions of Contract
GRAP	A set of concepts that function as guidelines for the accounting processes in the public sector
IP	Intellectual Property
IIA	Institute of Internal Auditors
FOODBEV SETA (FBS)	Food and Beverage Manufacturing Sector Education and Training Authority
ORIGINAL BID	Original document signed in ink or Copy of original document signed in ink.
ORIGINALLY CERTIFIED	To comply with the principle of originally certified, a document must be both stamped and signed in original ink by a commissioner of oaths.
SAICA	South African Institute of Chartered Accountants
SCM	Supply Chain Management
SLA	Service Level Agreement
SCHEDULE 3A ENTITY	As per the classification by National Treasury these refer to other National public entities

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TENDER NUMBER: FB-SETA (23-24) T0005

THE APPOINTMENT OF INTERNAL AUDIT SERVICES FOR THE FOOD AND BEVERAGES MANUFACTURING SECTOR EDUCATION AND TRAINING AUTHORITY (FOODBEV SETA)

SECTION A

1. INTRODUCTION

FoodBev SETA is a Schedule 3A Public Entity established in terms of the Skills Development Act 97 of 1998. FoodBev is currently operating in Johannesburg at number 7 Wessels Road, Rivonia. FoodBev SETA's function is to promote, facilitate and incentivize skills development in the food and beverages manufacturing sector. FoodBev SETA is one of 21 sector education and training authorities (SETAs) across the economy mandated to deliver on the National Skills Development Plan (NSDP) goals and objectives.

This document serves as Terms of Reference (TOR) for a tender inviting qualified service providers that can maintain and support an appropriate Internal Audit Service to the Accounting Authority and Management of FoodBev SETA. In terms of the PFMA the SETA should have an effective Internal Audit function which should also comply with the Institute of Internal Auditors (IIA) standards. The Internal Audit function should assist the FoodBev SETA to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management control and governance processes. The risk management strategy including the fraud prevention plan must be used to direct the internal effort.

2. SCOPE OF WORK

The scope of Internal Audit function includes at least the under-mentioned the following but not limited to:

- Conducting risk assessments and developing a three-year rolling internal audit plan.
- Performing internal audits of financial, operational, and compliance processes and controls.
- Reviewing and evaluating the effectiveness of internal controls based on the approved annual internal audit plan.
- Identifying areas for improvement and providing recommendations for corrective actions.
- Conducting special audits and/or investigations as requested by management or ARC
- Providing assistance and support during external audits.
- Delivering timely and comprehensive audit reports to management and the ARC.
- Ensuring compliance with relevant laws, regulations, and internal policies

3. QUALITY ASSURANCE REVIEWS OF THE WORK

- 3.1. The internal auditor shall ensure that all work conforms to the Standards for the Professional Practice of the Institute of Internal Audit. Such work may further be subject to an external quality assurance as may be considered necessary.

4. MONITORING PROGRESS OF ASSIGNMENTS

- 4.1. On completion of each assignment, the auditor shall distribute the reports to the CFO and CEO. Internal Auditors must on a quarterly basis, submit a report to the Audit and Risk Committee on progress against the plan, significant findings, recommendations, and administrative matters.

5. PERFORMANCE EVALUATION

- 5.1. Internal audit function will be evaluated on an annual basis by the Audit and Risk Committee and reported to Accounting Authority.
- 5.2. In carrying out the work, the auditor must ensure that their staff maintain independence, objectivity, and confidentiality throughout the audit process.

6. DURATION OF THE SERVICES

The duration of the contract is anticipated to run for a period of three (3) years commencing on the date of signing the service level agreement.

SECTION B

7. THE BID EVALUATION PROCESS

Bid submissions will be evaluated in accordance with the below tender evaluation stages:

7.1 STAGE 1: MANDATORY CRITERIA:

Failure to comply with the mandatory requirements will result in the rejection of the bidder's submission.

<p>Description of the criteria</p>	<p>Attendance of briefing session. A virtual briefing session will be held from (10:00) to (11:00) via Microsoft Teams. Interested bidders must RSVP (with the bid reference number as the subject of the email) two days before the session to the email below: scm@FoodBev.co.za</p> <ul style="list-style-type: none"> a) Bidder(s) must have a physical office within the Gauteng Province b) The engagement director that will be dedicated to the audit must be registered with a professional body (IIASA/SAICA/IRBA and/or other relevant professional bodies). c) Submission of a Quality Assurance Review (QAR) results conducted within the last five years that confirms that the firm generally conforms with the Standards
<p>Means of verification</p>	<p>Bidder must submit certified documents. The following certified documents, must not be older than six (6) months:</p> <ul style="list-style-type: none"> a) Physical Offices: Proof must be submitted in the form of a lease agreement, rental office agreements, sale agreement, or latest municipal statements. b) Professional Body Registration: Proof of registration with the professional body (IIA/SAICA/IRBA and/or other relevant professional bodies.)

c) **Quality Assurance Reviews:** Proof must be submitted in the form of a report, certificate or assessment results which indicates General Conformance with the Standards.

7.2 ADMINISTRATIVE REQUIREMENTS:

1.	Submission format & compliance documents	<p>The Potential bidder must submit three (3) bid proposals as follows:</p> <ul style="list-style-type: none"> i) Two (2) Hard copies and one (1) electronic copy in PDF format saved on a memory stick, clearly marked, and indexed. ii) Bid proposals must be properly bonded, punched and numbered in line with the response format detailed in Section C of this bid document. iii) Submit fully completed and signed documents required in Section C of this bid document.
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7.3 STAGE 2: FUNCTIONAL EVALUATION CRITERIA:

7.3.1 Bidders must meet the minimum functionality of **75.00** points out of 100 points in order to be evaluated further in terms of stage 3. Any bid that does not meet the minimum threshold will be automatically disqualified. See detailed scoring criteria below.

TECHNICAL EVALUATION		WEIGHTING ALLOCATED
1. BIDDERS QUALIFICATIONS AND EXPERIENCE		
The Engagement Director must have a minimum of five (5) years' experience as director in internal and/or external audit and have at least NQF level 8 qualification plus Certified Internal Auditor (CIA) or South African Chartered Accountant CA (SA).		20.00
✓ CV submitted demonstrating more than five (5) years' experience as a director in internal and/or external audit service and relevant qualifications	20.00	
✓ CV submitted demonstrating five (5) years' experience as a director in internal and/or external audit service and relevant qualifications	10.00	
✓ CV submitted demonstrating less than five (5) years' experience as a director in internal and/or external audit service and relevant qualifications	0.00	

<p>The Senior Audit Manager must have a minimum of five (5) years' experience as a Senior audit manager in internal and/or external audit and have at least NQF level 7 qualification plus CIA or CA (SA), or AGA (SA) or equivalent.</p>		<p>20.00</p>
<p>✓ CV submitted demonstrating more than five (5) years' experience as a senior audit manager in internal and/or external audit service and relevant qualifications</p>	<p>20.00</p>	
<p>✓ CV submitted demonstrating five (5) years' experience as a senior audit manager in internal and/or external service and relevant qualifications</p>	<p>10.00</p>	
<p>✓ CV submitted demonstrating less than five (5) years' experience as a senior audit manager in internal and/or external and relevant qualifications</p>	<p>0.00</p>	
<p>2. EXPERIENCE OF THE INTERNAL AUDIT TEAM</p>		<p>WEIGHTING ALLOCATED</p>
<p>The internal audit team members to be assigned to the project with tertiary audit qualification in internal audit and minimum three (3) years' experience in internal and/or external audit. Years of experience should exclude internship/training learnerships. The proposed internal audit team must be a combination of different skills which are Certified Internal Auditor (CIA), Professional Internal Auditor (PIA), and Certified Information System Auditor (CISA) .</p>		<p>10.00</p>
<p>✓ CV submitted demonstrating more than 3 years and relevant qualifications</p>	<p>10.00</p>	
<p>✓ CV submitted demonstrating 3 years' experience and relevant qualifications</p>	<p>5.00</p>	
<p>✓ CV submitted demonstrating less than 3 years and relevant qualifications</p>	<p>0.00</p>	
<p>3. REFERENCES</p>		<p>15.00</p>
<p>Bidders must provide written reference letters relating to the provision of internal audit assignment (not older than five (5) years) on the bidder's current/ previous client's letterhead (excluding FoodBev SETA) to whom internal audit services are/were provided. The reference letters must include:</p> <ul style="list-style-type: none"> • Contact person, designation, contact number, and e-mail address of the authoriser. • The reference letter must clearly articulate the level of performance received from the bidder regarding the service rendered. • The reference letter must be duly signed by an authorised person. 		

✓ Three (3) or more reference letters	15.00	
✓ Two (2) reference letters	10.00	
✓ One (1) reference letters	5.00	
✓ No reference letters	0.00	
4. PUBLIC SECTOR EXPERIENCE		WEIGHTING ALLOCATED
The bidder must attach at least one written reference/ testimonials letters (will be counted as part of the above letters) relating to the provision of internal audit assignment in the Public Sector not older than five (5) years.		10.00
✓ Public Sector Experience demonstrated	10.00	
✓ No Public Sector experience demonstrated	0.00	
5. METHODOLOGY AND APPROACH		WEIGHTING ALLOCATED
The bidder must submit a detailed proposed methodology and approach to conduct internal audit services as outlined in the scope of work.		
✓ Excellent: Satisfies the requirements The response is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement and provides details of how the requirement will be met in full.	25.00	
✓ Good: Satisfies the requirements. The response is sufficiently detailed to demonstrate a good understanding and provides details on how the requirements will be fulfilled.	20.00	
✓ Acceptable: Satisfies the requirement. The response shows an acceptable level of understanding of the requirement and provides some satisfactory level of details on how the requirements will be fulfilled.	15.00	
✓ Unacceptable: Does not meet the requirement. Does not comply and/or insufficient/no information provided.	0.00	25.00
TOTAL POINTS		100.00

7.4 STAGE 3: PREFERENCE POINTS SYSTEM

PREFERENCE POINTS SYSTEM

The 80/20 preference points system will be utilized for this bid. This preference points system is for the acquisition of goods or services with a Rand value up to R50 million as follows:

Criteria	Means of Verification	Points
Price	Proposed Bid Price	80.00
Preference Points	Specific Goals	20.00
Total Points		100.0

7.4.1 Specific Goals

a. The following allocation will determine the specific goals for this tender process:

Category	% Allocation for each category	Points allocated
Black People Ownership (> 51% blacks)	60%	12.00
Woman Ownership	40%	8.00
Total	100%	20.00

- b. Bidders must submit the following documents as a means of verification for specific goals:
 - i. CIPC documents (company registration documents),
 - ii. A certified copy of the B-BBEE certificate (or an original affidavit signed by a Commissioner of Oaths regarding the B-BBEE status), and
 - iii. Submission of proof of the bidder’s registration on the CSD (Full report)
- c. Bidders who fail to submit the mandatory documents will not qualify for points allocated for specific goals.

7.4.2 Pricing

- a. Bidders must complete the below pricing table for full price evaluation. The following table illustrates the price breakdown required. Any other price structure not indicated thereon may not be added herein.

Team members	Rates Per Hour Including VAT
Engagement Director	
Senior Internal Audit Manager	
Internal Audit Manager	
IT Audit Manager	
Senior Internal Auditor	
Internal Auditor	
Other costs (Add details)	
TOTAL	

- b. Bidders must quote for all or provide explanations for lines not quoted for, failing to quote all lines with no explanations provided may lead to the bid considered non-responsive. Failing to submit the required pricing as prescribed above will result in the bid considered as none-responsive.
- c. The SETA will consider DPSA or SAICA - AGSA pricing circular on awarding to the preferred bidder.

d. Pricing Special Conditions

- i. Pricing Schedule: In terms of General Conditions of contract, the price schedule remains unchanged for the duration of the contract with FBS accepting no changes, extensions, or additional ad hoc costs to the pricing conditions of the contract with the exception of any price adjustments approved in the Special Conditions of Contract for pricing set out below:
- ii. FoodBev SETA applies the transactional fee model to deliver the best possible cost-effective solution. The transaction fee must be a fixed amount per service linked to the cost involved in delivering the service and not a percentage of the value or cost of the service provided by third party service providers.
- iii. Estimated quantities/volumes: The FBS provides estimated quantities of what its requirements and estimated timing during the contract period for bidders to establish their pricing. The FBS may require quantities above or below these estimates during the current period with the actual quantity and time of delivery being determined when such quantities are needed.
- iv. Total bid price: For bidding purposes the total unit price will be used to establish the total bid price for comparing price offers of bidders. The unit price will be used as contract unit price should the bidder be successful.
- v. The FoodBev SETA may require a breakdown of rates on any of the items priced and the audit firm are required to provide same.
- vi. The audit firm must include all transaction types that they anticipate incurring that might not be included in the list.

SECTION C**8 TENDER SUBMISSION INSTRUCTIONS**

- 8.1 Tenders should be submitted in triplicate consisting of two (2) hard copies all bound in a sealed envelope endorsed (one original and one copy) and one electronic copy (must be identical to hardcopy) in PDF format saved on a memory stick, clearly marked, and indexed. **BID No: FB-SETA (23-24) T0005: The Appointment of internal audit services.** The sealed envelope must be placed and be deposited in the FoodBev SETA Tender Box, Ground Floor, 7 Wessels Road, Rivonia, Sandton, 2128 no later than the closing time and date.
- 8.2 Bids must be submitted in a prescribed response format herewith enclosed as 'Response Format'.
- 8.3 The closing date, company name and the return address must also be endorsed on the envelope.
- 8.4 If a courier service company is being used for delivery of the tender document, the tender description must be endorsed on the delivery note/courier packaging and the courier must ensure that documents are placed / deposited into the tender box. FoodBev SETA will not be held responsible for any delays where tender documents are handed to the FoodBev SETA Receptionist and/or arrives late.
- 8.5 Courier Company should indicate on the submission register who they are submitting on behalf of.
- 8.6 No bids received by telegram, telex, email, facsimile, or similar medium will be considered.
- 8.7 Where a tender document is not in the tender box at the time of the tender closing, such a tender document will be regarded as a late tender. FoodBev SETA reserves the right not to consider/evaluate any late tender response.
- 8.8 All the documentation submitted in response to this bid must be in English.
- 8.9 The bidder is responsible for all the costs that they shall incur related to the preparation and submission of the tender document.
- 8.10 Bids submitted by bidders must be signed by a person or persons duly authorised.
- 8.11 Bidders should check the numbers of the pages to satisfy themselves that none are missing or duplicated. No liability will be accepted by FoodBev SETA regarding anything arising from the fact that pages are missing or duplicated.
- 8.12 A valid tax clearance certificate or confirmation of pin must be included in the bid response.
- 8.13 A copy(s) of certificates from the organizations/ bodies that the bidder is affiliated to must be included in the bid response.
- 8.14 FoodBev SETA reserves the right to call bidders for further presentation of their service or perform due diligence before awarding.
- 8.15 The FoodBev SETA reserves the right to conduct supply chain due diligence process, including site visits and inspections at any time during the bidding and contract period.

9 RESPONSE FORMAT

9.1 Bidders are requested to adhere to the following format when submitting proposals:

9.1.1 **Cover Page:** The cover page must clearly indicate the bid reference number, bid description and the bidder's name.

9.1.2 Schedule 1:

- a. Executive Summary/Cover Letter – The cover letter should be brief (not more than two pages maximum). Describe why your company/consortium considers it to be best qualified to achieve any of the services listed in scope of work.
- b. Brief company profile
- c. Reference letters
- d. Qualifications and Experience – Include CVs and qualification of personnel that will be assigned to FoodBev SETA
- e. Signature Requirements: All bids must be signed by an authorized person.

9.1.3 Schedule 2: Administrative documents

- a. Valid tax clearance certificate or confirmation of pin.
- b. Bidders CIPC or company registration documents listing all members with percentages, in case of a CC or latest certified copies of all share certificates in case of a company.
- c. Original certified copy of the company's professional accreditation (not a copy of a certified copy)
- d. Certified ID copy of the engagement director.
- e. A certified copy of the B-BBEE certificate (or an original affidavit signed by a Commissioner of Oaths regarding the B-BBEE status)
- f. Submission of proof of the bidder's registration on the CSD (Full report)

Note: If a Consortium, Joint Venture or Subcontractor, the documents listed above must be submitted for each Consortium/ JV member or subcontractor. A consolidated B-BBEE certificate is required for Joint Venture bidders.

AUTHORISATION

*The **BAC** committee hereby confirms that the information included in this bid document is agreed upon by all members, compliant, accurate and complete.*

SIGNATORIES:

Approval by the BAC Chairperson: Mr Magugu Maphiwa

Signature: _____

Date: _____

Noted by the CEO: Ms Nokuthula Selamolela

Signature: _____

Date: _____

10. ANNEXURES

10.1. ANNEXURE A - COMPLIANCE DOCUMENTS AND CONDITIONS TO TENDER

10.2. ANNEXURE B – SBD FORMS

10.3. ANNEXURE C – GENERAL CONDITIONS OF CONTRACT (GCC)