



BID NO.: COM25/2024

**REQUEST FOR PROPOSALS ON CO-SOURCING OF
INTERNAL AUDIT SERVICES FOR 36 MONTHS FOR
CITY OF MBOMBELA**

**CLOSING DATE:
10 MAY 2024 @ 11:00**

TOTAL BID PRICE: R.....

CSD REG NO: MAAA.....

COMPANY NAME:



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**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE CITY OF MBOMBELA			
BID NUMBER:	COM25/2024	CLOSING DATE:	10 MAY 2024
CLOSING TIME:	11:00	DESCRIPTION	
REQUEST FOR PROPOSALS ON CO-SOURCING OF INTERNAL AUDIT SERVICES FOR		CITY OF MBOMBELA	
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).			

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			
TAX COMPLIANCE STATUS	TCS PIN:		OR CSD No:
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 PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	
SIGNATURE OF BIDDER	.....	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:	TECHNICAL INFORMATION MAY BE DIRECTED TO:
Financial Management Supply Chain Management Christopher Nkambule Telephone Number: 013 759 2358	Office of the City Manager Internal Audit Division Project Manager: Nontembeko Mkhiva Telephone Number: 013 759 2297

**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 ONLINE	
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.	
2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.	
2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.	
2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.5. 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 ABOVE.	

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:



BID NUMBER: COM25/2024
CLOSING DATE: 10 MAY 2024 @ 11:00

REQUEST FOR PROPOSALS ON CO-SOURCING OF INTERNAL AUDIT SERVICES FOR 36 MONTHS FOR THE CITY MBOMBELA

Proposals are hereby requested from experienced and capable service providers registered and in good standing with **INSTITUTE OF INTERNAL AUDITORS (IIA), SOUTH AFRICA** to assist the Municipality in undertaking certain internal audit functions.

It is compulsory that service providers download a copy of the bid document that will **ONLY** be available as from 9 April 2024 on the National e-Tender Portal: www.etenders.gov.za, free of charge.

Duly completed bid documents and supporting documents which are, current municipal rates and taxes statement from relevant authority / proof of res from a tribal authority / lease agreement accompanied by up-to-date municipal statement for both the business and business active directors, **VALID TAX COMPLIANCE STATUS, CERTIFIED COPY OF B-BBEE CERTIFICATE / SWORN AFFIDAVIT FOR B-BBEE, a copy of the COMPANY REGISTRATION CERTIFICATE AND FULL CSD REGISTRATION REPORT (SUMMARY WILL NOT BE ACCEPTED)**, together with the bid document must be sealed in an envelope clearly marked: "BID NO: COM25/2024: REQUEST FOR PROPOSALS ON CO-SOURCING OF INTERNAL AUDIT FUNCTIONS FOR 36 MONTHS FOR THE CITY OF MBOMBELA, CLOSING DATE 10 MAY 2024" with the name of the bidder shall be placed in the bid box at **MBOMBELA CIVIC CENTRE at 1 NEL STREET, MBOMBELA**, before 11:00 on the closing date.

Bids received by telegram, fax or e-mail will not be considered. Late bids shall not be accepted nor considered.

Bidders are advised not to commit fraudulent activities or forge documents. All abusers of the SCM system, including forging or faking of returnable documents, may be reported to SAPS and restricted from doing business with any Public Institutions for a period NOT exceeding 10 years which is in line with section 28 and 29 of the Prevention and Combating of Corrupt Activities Act 12 of 2004.

A preferential point system shall apply where by this contract will be allocated to a bidder in accordance with the Preferential Procurement Policy Framework Act, act no. 5 of 2000 and as defined in the conditions of bid in the bid document, read in conjunction Preferential Procurement Regulations of 2022, where 80 points will be allocated in respect of price and 20 points in respect of B-BBEE status level of contribution.

Procurement Enquiries : Mr Christopher Nkambule (013) 759 2045
Technical Enquires : Ms. Nontembeko Mkhiva (013) 759 2297
Employer : **City Manager, Mr W. Khumalo**
City of Mbombela
Po Box 45, Mbombela, 1200

VISIT OUR WEBSITE – www.mbombela.gov.za

NB: The results of this bid will be published on council website as prescribed on the MFMA sec 75 (1) (g) and SCM regulations, sec. 23 (c).

SPECIAL CONDITIONS OF THE BID

1. SUBMISSION OF TENDERS

The tender is to be made out on the tender form attached hereto, which must not be detached from this document, and the completed document, fully priced, extended and totalled, completed in all respects, signed and is to be sealed in an envelope which is to be endorsed and delivered in accordance with the instructions contained in the Letter of Invitation to Tender.

Proof of posting of a tender will not be accepted as proof of delivery to the appropriate place for the receipt of tender.

Tenders will be opened in public immediately after the advertised closing date.

The information to be submitted by prospective bidders will only be used for tender purposes taking into consideration the Protection of Personal Information Act (POPI Act).

2. ADJUDICATION OF TENDER

City of Mbombela (COM) will not be bound to accept the lowest or any tender and also reserves the right to cancel the tender when deemed necessary.

The tender will be adjudicated by City of Mbombela (COM) in terms of the Preferential Procurement Policy Framework. A preferential point system shall apply whereby this contract will be allocated to a bidder in accordance with the Preferential Procurement Policy Framework Act, no. 5 of 2000 and as defined in the conditions of bid in the bid document, read in conjunction with the Preferential Procurement Regulations of 2022, where 80 points will be allocated in respect of price and 20 points in respect of B-BBEE status level of contribution.

Prospective service providers may not make any alterations or additions to the Bid document, except to comply with instructions issued by the employer. The tender document must be furnished with non-erasable black ink and all corrections made by the service provider should be dated and signed by the authorised signatory. Erasures and the use of masking fluid, tippex, pencil or erasable ink are prohibited and failure to adhere to this condition will render your submission non responsive.

A bid not complying with the mandatory requirements stated in the bid document will be regarded as non-responsive and as such will be rejected. If a Bid has not been properly signed by a party having the authority to do so, according to the example of "Authority for Signatory" will be rejected. This condition will not apply to companies owned by one director / member / sole proprietorship.

A bid will be rejected if any municipal rates and taxes or municipal service charges owed by the bidder (business) or any of its directors to the municipality, or to any other municipality or municipal entity, are in arrears for more than three months. Similarly, none submission of proof of valid and up-to-date rates and taxes statement will render the submission non-responsive.

Bids will be rejected if the bidders or any of the directors are listed on the Register of Bid Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector. Bids will be rejected if the bidder has abused the CoM's Supply Chain Management System or SCM Processes of any state institutions.

MBD 1 will regarded as a FORM OF OFFER and if the forms is not completed in full and signed by the authorised signatory, the submission will be regarded as non-responsive.

Service providers are required to attach detailed curriculum vitae of key personnel who will be responsible for the project implementation. **The minimum qualification required for the key personnel to lead this project is a certified internal auditor or a registered chartered accountant with intensive internal audit experience in local government.** The key personnel as indicated on the bid document must strictly be the personnel that will directly implement the project. The bidders who fail to meet the minimum requirement for the project manager will be eliminated on the basis that their submissions are not responsive.

A B-BBEE status level original verification (SANAS) certificate or certified copy must be submitted in order to qualify for preference points for B-BBEE / Valid sworn affidavit for B-BBEE. A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid for claiming of points only.

The proposals will be adjudicated in terms of the functionality whereby 85 score points out of a possible 100 score points will be allocated for technical approach, understanding of tasks, skills and competencies of the project manager, key personnel and company experience. The bidders who fail to obtain a minimum of eighty five (85) points on functionality will be eliminated on the basis that their submissions are not responsive.

5. COMPLETION OF TENDER DOCUMENTS

Tenders will only be considered on receipt of this tender document correctly completed with all insertions in black ink and signed.

The following compulsory documentation must be attached in order for the bid to be considered:

- Valid Tax Compliance Status (*this is a disqualification criteria*)
- Certified copy of a company registration certificate
- Company profile with organisational structure and CV's of key personnel
- Formal agreement (in case of consortia/Joint Ventures)
- Registration proof with South African Institute of Chartered Accountants and or an Institute of Internal Auditors. Letters of good standing from professional bodies (i.e., Letter confirming a good standing of individual auditors from **IIA/SAICA/ISACA**) All copies of certificates attached must be fully certified by the commissioner of oath.
- Submit copies of relevant Annual Financial Statements (last 3 Financial Years). For JV, relevant Annual Financial Statements from all parties are required. Failure to provide for all the service Providers will result in disqualification.
- CSD full registration report must **NOT** be older than **30 days** from closing date and summary report will NOT be considered)
- Implementation plan for training and capacity building programme for the municipal internal audit unit;
- Tenderer must provide valid copy of current municipal rates and taxes statement from relevant local authority / proof of residential from tribal authority (if the business is operating or the directors are residing in rural areas) / lease agreement with the lessor's up-to-date municipal rates and taxes statement for both the business and all business directors including JV/Consortium partners. Prospective bidders should ensure that the physical address details of the company and directors reflected on the CSD is similar to the one reflected on the company registration certificate. The municipality reserves the right to verify both the municipal rates and taxes of the company details reflected on the CSD and company registration certificates. The municipality further reserves the right to use ID numbers of the directors to verify if any municipal rates and taxes are not owned by each director. It is prudent and remains the responsibilities of the

prospective bidders to ensure that each director, lessor and company rates are cleared with regards to the municipal rates and taxes.

NB: ALL CERTIFICATES, APPOINTMENT LETTERS, ID COPIES AND REFERENCES LETTERS, LETTERS OF GOOD STANDING MUST BE CERTIFIED BY THE COMMISSIONER OF OATH. THE CERTIFIED COPIES MUST NOT BE OLDER THAN 3 MONTHS AND FAILURE TO ADHERE TO THIS WILL RENDER YOUR SUBMISSION NON RESPONSIVE.

5. TAXES AND DUTIES PAYABLE

Bidders shall allow in their tender for the payment and recovery of all taxes and other duties. No claims for additional payment in this respect will be considered. Prices and rates quoted shall be inclusive of Value Added Tax (VAT). VAT shall be recorded as a lump sum in the tender summary and the total inclusive of VAT carried to the Form of Tender.

6. WITHDRAWAL OF TENDER

In the event of the successful bidder failing to execute the service in terms of this tender, the Municipality shall be entitled to cancel the contract summarily, in which event the Bidder shall be liable for any additional expense incurred by reason of the Municipality having to call for fresh tenders or having to accept any less favourable tender.

The prospective bidder must maintain good standing with the professional bodies such as the Institute of Internal Auditors, Institute of Risk Management or SAICA. Failure to demonstrate such will result in automatic disqualification.

7. PERIOD OF VALIDITY OF TENDERS

The bids submitted by the service providers will be valid for a period of hundred and twenty (120) days and the validity period may be extended for further period of thirty (30) days. The following procedures and processes shall be followed in extension of the validity date.

- (a) Requests for the extension of validity dates must be extended to all service providers.
- (b) Proof should be provided that all services providers shown interests in the bid have been contacted.
- (c) Service providers have consented on the extension.
- (d) Bidders that have not responded or rejected the request for the extension of the validity will be eliminated from the processes.
- (e) That any prices changes resulting from the extension of the validity date shall be taken into considerations when evaluating bids.
- (f) The request for the extension for the validity date extended to interested service providers shall have a (seven) 7 working dates respond period.
- (g) Every case will be treated on its own merit, however, non-response from the services providers does not render the entire project null and void.

8. NOTICE OF BIDDERS

Should any additions or alterations to the document as issued to Bidders be deemed necessary prior to the date for submission of tenders, these will be issued to Bidders in the form of Notices to Bidders and will form part of the tender document.

The Notices to Bidders shall be completed where applicable by Bidders, signed, dated and returned with the tender documents.

9. PENALTIES FOR POOR PERFORMANCE

The contract period will be (36) months after the final award and signing of contract. The successful service provider should ensure that services are rendered and completed within a reasonable time frame to avoid penalties. In the event of the successful service provider failing to perform or deliver services as expected a penalty of 3 percent per incident will be applied. Further terms and conditions will be detailed in the Service Level Agreement (SLA).

10. PRICE

- Bid prices will be regarded fixed and no additional cost will be added.
- Bid prices must include **disbursement** (e.g. travelling, accommodation, stationery or assisting material) and **Vat** (if applicable).
- All prices must be stated in S.A currency
- **Bidders should include a comprehensive pricing structure as part of the bid.**
- **No hidden costs will be accepted.**

11. CESSION OF ASSIGNMENT

Neither the Council nor the bidder shall cede or assign a contract for the required rendering of services or any part thereof or any benefit or interest therein or there under to third parties without having obtained written permission from the Council.

NOTES / CHECKLIST FOR RETURNABLE DOCUMENTS STIPULATED UNDER SPECIAL CONDITIONS OF TENDER DOCUMENTS AS MANDATORY REQUIREMENTS. THIS DOCUMENT SHALL BE APPLICABLE TO ALL TENDER DOCUMENTS OF THE CITY.

Preamble

The objective of this checklist is aimed at ensuring that interpretation and application of the special conditions and other mandatory requirements at Bid Evaluation Committee (BEC) & Bid Adjudication Committee (BAC) are aligned as envisaged by the Bid Specification Committee (BSC). This will enhance consistency and uniformity in the entire bid committee system whilst promoting “user friendly” principles by simplifying tender requirements to all interested prospective bidders.

ITEM NO:	DESCRIPTION / RETURNABLE DOCUMENTS	NOTES	FOR OFFICE USE ONLY	
			CHECKLIST	YES or NO or N/A
1.	Company Registration Certificate	<p>a) It's a certificate issued by the Companies and Intellectual Property Commission in line with section 14 of the Companies Act 78 of 2008</p> <p>b) A Certificate issued by CIPRO in line with section 2 of the Close Corporation Act 69 of 1984</p> <p>NB: The registration of Close Corporations (CCs) was replaced by introduction of the New Companies Act which came to effect in April 2011. CCs to be recognized as valid registration certificate will be up to 2010.</p>	Has the bidders attached a valid company registration document in line with the applicable legislation?	
2.	Company Profile	<p>a) A Company Profile is a professional introduction of your Business that aims to inform Clients about its purpose, vision, trustworthiness, products and services, and experience of your Company. It is basically a “CV for your Business/Company”</p>	Has the bidder attached a company profile and its experience is relevant to add value on this project?	

<p>3.</p>	<p>Certification of documents to be submitted together with the tender document.</p> <p>I.e. ID Copies of business owners, qualifications, Licenses and certificates, accreditation by professional bodies, proof of ownership document, appointment letters, completion certificates, etc.</p>	<p>a) The certification of documents must be done by a commissioner of oath as prescribed in the Justices of the Peace and Commissioners of Oaths Act 16 of 1963 and its Regulations.</p> <p>b) Acceptable certified copies are copies originally certified from any police station, post office, Lawyers or <u>notary public</u> (who are members of a recognised professional body), Actuaries or accountants (who are members of a recognised professional body), Members of the judiciary, Directors, managers or company secretaries of a banks or regulated financial services business.</p> <p>c) <i>Commissioner of Oaths stamps can be purchased at Stationary shops, but it can be custom made following the below example:</i></p> <div data-bbox="772 699 1568 1005" style="border: 1px solid black; padding: 5px;"> <p>CERTIFIED TRUE COPY OF THE ORIGINAL DOCUMENT. THERE ARE NO INDICATIONS THAT THE ORIGINAL DOCUMENT HAS BEEN ALTERED BY UNAUTHORISED PERSONS.</p> <p>Designation (rank) .....ex officio: RSA</p> <p>Date: Place</p> <p>Business Address:</p> <p>.....</p> <p>Commissioner of Oaths</p> <p>.....</p> <p>Signature Full Names</p> </div> <p>NB: All certified copies must NOT exceed three months and be originally certified.</p>	<p>Has the bidder certified all documents to be certified as per special conditions of bid?</p> <p>Check validity on the date, check if the commissioner of oaths stamp is compliant as per example copied from the Regulations.</p>	
<p>4.</p>	<p>Central Supplier Database (CSD) Full report, (Summary report will NOT be acceptable). N/B CSD Report date should not be more than 30 days before Bid closing date.</p>	<p>a) The City requires that all prospective bidders should be registered on CSD. This is aimed at verification of email addresses, phone numbers, banking details, company registration numbers, tax status with SARS, state employees, etc.</p>	<p>Has the bidder attached a full CSD report, are tax matters in good order, are the directors not in the employment of any state and the CSD report is not older than 30 days from the closing date?</p>	

5.	Tax Compliant Status (TCS)	a) Prospective bidders are required to attach a valid TCS together with the tender document.	<p>Has the bidder attached a valid (not expired) TCS? The designated official should verify the bidder's tax compliance status prior to finalization of the award of a bid or prize quotation. Where the recommended bidder is not tax compliant, the bidders should be notified of their non-compliant status and the bidder must be requested to submit to the City within 7 working days, written proof from SARS of their tax compliance status or proof from SARS that they have made arrangements to meet their outstanding tax obligations. The proof of tax compliance status submitted by the bidder to the City must be verified via the CSD report or e-Filing. The City should reject a bid submitted by the bidder if such a bidder fails to provide proof of tax compliance status within the timeframe stated above (See MFMA Circular No: 90).</p>	
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6.	<p>Certified copy of B-BBEE Certificate / affidavit for B-BBEE status level of contributor (to claim points only).</p>	<p>a) EMEs in terms of the B-BBEE Act 53 of 2003 may submit a sworn affidavit confirming annual total revenue and level of black ownership or Certified Copy of B-BBEE Certificate.</p> <p>b) Bidders other than EMEs and QSEs MUST submit their certified copies of valid B-BBEE status level verification certificate, substantiating their B-BBEE rating issued by a registered auditor approved by IRBA or a verification agency accredited by SANAS.</p> <p>c) A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.</p> <p>NB: There is NO consolidated affidavit for B-BBEE status level of contributor. Only consolidated B-BBEE certificate will be considered for JVs / Consortium & large companies that are making an annual turnover in excess of R50 million including value added tax (VAT). <i>This is not a disqualifying factor, non-adherence will lead to no allocation of B-BBEE points.</i></p>	<p>Is the copy B-BBEE Certificate valid? Is the sworn affidavit for EME / QSE in line with the threshold for EME and EME and valid? If the tendering entity is a JV / Consortium / Large company, has the bidder attached a certified copy of a valid and consolidated B-BBEE certificate in order to claim points as prescribed by the MSCM Regulations? Is the copy of B-BEE certificate certified by the Commissioner of Oaths reflects as prescribe on the regulations of the Act? Is the affidavit for B-BBEE stamped and signed by commissioner of oaths? I.e. full names and signature, force/practice number, designation / rank, date and address. Is the certification date not older than 3 months and original ink is clear on the document to confirm if it is originally certified?</p>	
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7.	Formal agreement must be attached in case of a joint venture (JV) or consortium.	a) The JV/consortium must amongst others, reflect clear profit and loses sharing percentages. It is compulsory that the lead partner must have at least 51% majority shares in the JV/consortium.	If the tendering entity / bidder is a JV/Consortium, has the bidder attached a detailed JV/Consortium agreement with all critical information?	
8.	In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit separate required returnable documents.	a) This will not be applicable to functionality and B-BBEE requirements.	If the tendering entity / bidder is a JV/Consortium, have the parties involved attached all individual required documents as per special condition of bid?	
9.	<p>Latest municipal rates and taxes certificates from relevant local authority for the business and all business directors</p> <p>OR</p> <p>Proof of resident from tribal authority for the business and all business directors</p> <p>OR</p> <p>Lease agreement with the Lessor's latest municipal rates and taxes certificates from relevant local authority.</p> <p>NB: All accounts owing any municipality for more than 90 days will be disqualified as prescribed on the MSCM Regulations.</p>	<p>a) If the business is operated and its director(s) are residing within a municipal area, bidders are expected to attach latest municipal rate and taxes certificates for the business and ALL its directors.</p> <p>b) If the business is operated and its director(s) are residing within a tribal authority. Bidders are expected to attach proof of resident for the business and ALL its directors.</p> <p>c) If the business directors are leasing a facility for residential purposes, they are required to attach individual lease agreement with lessor's latest municipal rates and taxes for a facility is within a Municipal boundary and if the business is renting office / business facility, the bidders are required to attach lease agreement for the business with lessor's latest municipal rates and taxes for a facility within a municipal boundary. If the facility leased is in a rural area, lease agreement will be accompanied with the lessor's proof of residential from a tribal authority.</p> <p>NB: <i>Domicilium citandi at executandi</i>: Domicilium citandi et executandi is a Latin legal term meaning the address</p>	<p>Has the bidder attached latest municipal rates and taxes from relevant local authority for the company / business and all company directors / owners?</p> <p>In case of lease, has the bidders attached lease agreements and lessor's proof of res from a tribal authority or latest municipal rates and taxes certificate?</p> <p>Is the account not in areas for more than 90 days (3 months)?</p>	

		<p>nominated by a bidder in a legal contract where legal notices may be sent.</p> <p>Bidders are encouraged to update their addresses when they relocate their businesses and the preferred address on the CSD should be in line with the address on the Company Registration Document. It is the responsibility of the bidder to ensure that all physical addresses reflected either on the company registration document and CSD are not owing any municipal rates and taxes for more than three months including the Lessor's municipal account in case of lease. The rationale behind this requirement is the enhance revenue in RSA municipalities as enshrined on the Municipal Systems Act 32, 2000. Failure to attach is an immediate disqualification but failure to align addresses will not be a disqualifying factor, however all addresses reflected on the both the CSD and company registration document will be subjected to this requirement.</p>		
10.	<p><u>Forging of documents/certificates</u></p> <p>The City has noted that prospective bidders are allegedly submitting fraudulent and forged documents when bidding for tenders.</p> <p>Bidders are advised not to commit fraudulent activities and forge documents. The City will ensure that this Act is adhered to by reporting all abusers of the SCM system to SAPS and enlist them on the Register of Tender Defaulters as prescribed on section 29 of the Prevention and Combating of Corrupt Activities Act 12 of 2004.</p>	<p>Section 34(1)(b) of the Prevention and Combating of Corrupt Activities Act 12 of 2004, stipulates that: <i>“any person who holds a position of authority and who knows or ought reasonably to have known or suspected that any other person has committed the offence of theft, fraud, extortion, forgery or uttering a forged document involving an amount of R100 000 or more, must report such knowledge or suspicion or cause such knowledge or suspicion to be reported to any police official”.</i></p> <p>Section 34(2) of the same Act stipulates that: <i>“subject to the provision of section 37(2), any person who fails to comply with subsection (1), is guilty of an offence”.</i></p>	<p>Are there any suspicious / alleged fraudulent or forged documents?</p> <p>If yes, has the matter been reported to the nearest SAPS following correct institutional protocol?</p> <p>Has the matter been registered with the Registrar to enable due processes and per the Act?</p> <p>NB: The minutes of the BEC / BAC should detail all the elements of alleged fraud and forged documents.</p>	

	Abusers of the SCM system, amongst other penalties, may be restricted to do business with any Public Institutions for a period NOT exceeding 10 years (see section 28 of this Act).			
11.	Copy of Public Liability insurance. Only insurance covers from registered and authorized financial service providers will be accepted.	a) Public liability insurance may vary from one project to another on the basis of the level of risk and complexity of the project. Minimum cover to be determined by the BSC prior consultation with the project manager if deemed necessary.	If applicable, is the bidder compliant with the minimum cover stipulated in the bid document? Is the public liability insurance from a registered financial institution?	
12.	Recent audited / independently reviewed financial statements for three consecutive years. NB: if a company provides any financial statements in terms of section 29 of the Companies Act, such statements must comply with the provision of the Act.	a) Applicable to private companies that are not managed by its owners, if: <ul style="list-style-type: none"> - It compiles its financial statement internally and its public interest score is less than 100. - It has its financial statements compiled independently and its public interest score is between 100 and 349. - The public interest score is 350 points or more, is required for an audit to be conducted. 	Has the bidder furnished MBD 5 as mandatory for all projects estimated to be in excess of R10 million? Has the bidder attached the relevant AFS as required by law and is it aligned with his/her declaration on MBD 5? False / mismatched / inconsistent declaration may lead to immediate disqualification.	
13.	Recent annual financial statement (AFS) for three consecutive years (unaudited AFS). NB: if a company provides any financial statements in terms of section 29 of the Companies Act, such statements must comply with	a) Applicable to private companies with a public interest score of less than 100. b) If, with respect to a particular company, every person who is a holder of, or has a beneficial interest in, any securities issued by that company is also a director of the company, that company is exempt from the requirements in this section to have its annual financial	Has the bidders furnished MBD 5 as mandatory? Has the bidder attached the relevant AFS as required by law in line with his/her declaration on MBD 5?	

	the provision of the Act.	statements audited or independently reviewed. NB: An independent review will suffice if the company has opted to have its financial statement audited or is required by its Memorandum of Incorporation (MOI) to do so.		
14.	Functionality / Quality for evaluation of complex projects	a) Functionality test refers to evaluation of bidders on various aspects of the contract to establish if the bidders has the capabilities to execute the contract or not. The various aspect may include but not limited to: track record and experience on similar projects, human resource and their individual experience, financial capabilities, relevant technology, etc. NB: Functionality will not be compulsory for all projects but for complex projects. Functionality criteria will vary from one project to another.	Has the bidder met the minimum threshold on functionality in order to qualify for further evaluation on price and B-BBEE? Has the bidders been scored in line with the evaluation criteria set on the tender document? All portfolio of evidence attached and certified as stated on the bid document?	
15.	The Compensation for Occupation Injuries and Diseases Act 130 of 1993 (COIDA)	a) The COIDA provides for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases, hence bidders are expected to attach COIDA certificates in line with their specialize area aligned to the type/nature of business.	If applicable, is the COIDA certification / letter of good standing attached, valid and reflects the nature of work in line with the scope of works?	

6.1. TERMS OF REFERENCE

1 BACKGROUND

The primary objective of the Internal Audit Unit is to provide a comprehensive assurance and consulting services to ensure that adequate measures and procedures are in place for sound economic, effective and efficient management as required by MFMA. To meet legislative and stakeholder requirements as well as its primary objective, the Unit has prepared a three-year internal audit strategic plan and one-year risk-based operational plan. However, the challenge is lack of full capacity that will enable achievement of these audit plans.

The municipality requires co-sourced assistance in relation to internal audit assignment for the period of thirty-six months (36). The co-sourced service will be required to compliment the capacity of the Internal Audit Unit to render internal audit services as outlined in the risk-based audit plan.

The approved serviced provider(s) must have the capacity, functional skill and experience, to provide the services required to assist the municipality to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, controls, and governance processes.

The approved service provider(s) must demonstrate the capability to perform the internal audits in accordance with the Institute of Internal Auditing Standards and Practices, and any relevant legislation. Bidders who have or are providing internal audit services to similar entities are encouraged to submit bids.

The approved service provider(s) should operate in a way which is empowering to all concerned, particularly those which are owned, operated, and staffed by people from previously disadvantaged groups.

Service providers that wish to submit a proposal should have a single managerial reference point.

Training and mentoring of Internal Audit staff should preferable be explicitly built into the bid submission.

2 INTRODUCTION

The objectives of the audit engagement planning process are to determine what internal audit activities will be scheduled for the year and to help ensure that capacity is created and that qualified audit staff is assigned to the highest priority assignments. The principles and procedures discussed in this document have been developed to provide a process for fulfilling these objectives.

The internal audit process provides oversight to obtain reasonable assurance regarding management's assertions that objectives outlined in the IDP and SDBIP are achieved especially for effectiveness and efficiency of operations, reliability of financial information, and compliance with laws and regulations. Internal audit unit will proactively partner with Mbombela management in undertaking financial, compliance, information technology, operational and performance audits, as well as consulting reviews, to maximise value added contributions from the process.

The Municipal Finance Management Act, No. 56 of 2003 ("MFMA") as amended, Chapter 8, Section 62 (1)(c)(i) requires that "Accounting Officer for Mbombela Municipality must take all reasonable steps to ensure that the Municipality has and maintains, inter alia, effective, efficient and transparent systems of financial and risk management and internal controls."

On that note, the primary objective of the Internal Audit Function is to provide a comprehensive service to ensure that adequate measures and procedures are in place for sound economic, effective and efficient management as required by the Municipal Finance Management Act. The Unit is headed by a Chief Audit Executive and is an in-house with the onus to co-source some of the focus areas in order to create capacity to enable achievement of this plan.

3 PURPOSE

The purpose of this bid will be to augment the capacity of internal Audit strategic responses to challenges facing the municipality, to take initiatives and implement programmes which will give effect to those responses, and to undertake specific tasks, either as part of strategies to be developed, or as ad hoc responses to particular problems which may arise.

In all cases, it is important that staff of the Internal Audit unit is empowered in the process of carrying out the assignment. Staff must develop appropriate skills and experience in their interaction with the relevant service provider which will decrease the necessity in the need for future assignments of this nature. A detailed skill transfer plan will have to be submitted with the proposal.

4 INTERNAL AUDIT MANDATE

The Internal Audit Unit's mandate emanate from Section 165 (1) of the Municipal Finance Management Act, (Act. 56 of 2003) (MFMA) which postulate that each municipality must have an Internal Audit Unit. Internal audit should prepare in consultation with and for approval by, the Audit Committee:

- a rolling three-year strategic internal audit plan based on risk assessment of key areas for the Municipality, having regard to its current operations, those proposed in its Service Delivery and Budget Implementation Plan and its risk register/risk management strategy;
- an annual internal audit operational plan for the first year of the rolling three-year strategic internal audit plan;
- audit planning memorandums indicating the proposed scope of each audit in the annual internal audit plan; and
- a quarterly report to the Audit Committee detailing its performance against the annual internal audit plan, to allow effective monitoring and possible intervention.

STRATEGIC APPROACH

A risk based strategic approach is adopted which takes into account the results of the risk assessments conducted during May 2020 by Risk Management Unit, subsequent discussions with management, previous internal and external audit reports as well as previous experience with COM. This approach involves a focus on understanding the work of each focus area and identifying risks associated with that focus area. It further includes a process of linking risk analysis to assigned planning and audit program development.

a. Description of work to be performed

The scope of internal audit work to be undertaken, which is detailed in the Three-Year Rolling Strategic Internal Audit Plan and, more specifically for a specific year, the One-Year Operational Plan and any variations thereto, will be approved by the Audit Committee on an annual basis. The above-mentioned plans can be referred to in **SECTION 8** of this document, and included are details of various internal audit assignments planned to be performed for the current and subsequent years. Kindly note that the audit plan is not returnable with the tender document.

Managing risk effectively means that the objective of the Municipality is more likely to be achieved. The Municipal Finance Management Act confers the Accounting Officer with the responsibility for the **development and maintenance of Internal Control Systems**. The responsibility of Internal Audit is **to evaluate the existing Internal Control Systems** for the adequacy and effectiveness and to test adherence to these control systems.

The Municipality Internal Audit approach is founded on the principle that cost of control must not exceed the benefit, which will be obtained from implementing the control measures. We are therefore continually sensitive not to recommend any unnecessary or costly control procedures. **Our audit approach is designed to place more emphasis on high-risk areas, which naturally implies that we will not necessarily detect all errors, fraud and irregularities.**

Our approach to risk analysis is a top-down process that focuses on those risks that has the most significant impact or threat on achievement of the Municipality's objectives. It is this impact of risk that drives our internal audit focus, and the risk assessment therefore provides the base for the development of the operational plan.

b. Timeline together with measurable milestones

The timeline for undertaking internal audit work for the thirty-six months (36) period from 01 August 2024 ending 30 July 2027 is outlined in the Strategic Internal Audit Plan.

The duration of the engagement has been used as the starting point and the work to be performed, has been divided into a number of work streams in order to address the internal audit needs of COM. The work will be undertaken using a six-step approach for delivering a strategic internal audit as follows:

- Understand the business environment;
- Use the COM operational and strategic risk assessment (*risk register*) to identify auditable areas;
- Prepare a rolling Three-Year Strategic Plan and an Annual Operational Plan;
- Launch fieldwork;
- Communicate results; and
- Measure Internal Audit performance and quality assurance.

It is important to monitor both the extent and the quality of the internal audit work on an on-going basis. The quality of the internal audit assignments will be addressed by adhering to the Institute of Internal Auditors (IIA) SA Standards on quality control and the Internal Auditor's internal audit procedures such as the involvement of the Chief Audit Executive in planning and on-going review of the work performed.

c. Reporting and communications

The required output is to provide the necessary assistance to the Internal Audit Unit in the form of quality assessed final internal audit reports.

The successful bidder(s) shall ensure that all work conforms to the Standards for the Professional Practice on the Internal Auditing issued by the Institute of Internal Auditors (IIA) SA.

The successful bidder(s) must be in a position to commence work within fourteen (14) days of the awarding of the contract.

Timing of reviews will be mutually agreed upon between the Internal Audit Unit, other stake holders and service provider(s). Particularly project will be initiated by means of written instruction to the successful bidder (s), backed by verbal briefings, when required.

Key deliverables and milestones will be part of the service level agreement. The duration of the given assignment will depend mainly on the nature and scope of the work to be done. The appointed bidder(s) must be available at all stages to provide assistance within the set time frames as requested and agreed per project plan. When deadlines are set, it will be expected of the successful bidder(s) to deliver the required services in a set timeframe, failure to adhere to these conditions will result in penalties being imposed.

The Internal Audit Unit is headed by a Chief Audit Executive (CAE) who administratively reports to the Municipal Manager and functionally to the Audit Committee. On completion of each assignment, the successful bidder will in collaboration with the CAE, report to the Audit Committee.

A quarterly progress report will be presented to the Municipal Manager and the Audit Committee. Any critical issues will be reported orally to management and the Audit Committee immediately upon identification.

Management will be given 5 working days to respond to management reports and will have up to **5 calendar days** after the issuance of final reports to see that corrective action on reported weaknesses is either planned or taken. Follow-up audits will be carried out to ensure that control weaknesses have been adequately rectified, or that appropriate action is being planned.

d. Internal audit expectation

To execute our responsibilities and achieve our objectives the following need to be adhered to:

- Respect to each other's responsibilities;
- Being objective and open minded;
- Transparency;
- Making available all documentation;
- Ensuring unlimited access to all staff of the Municipality;
- Informing and updating the component regarding new developments which might have an impact on the audits;

- Timeous, adequate and action planned replies to audit queries and time frames for implementation of corrective action; and
- Respecting the role of Internal Audit Unit and the Audit Committee.

5 UNDERSTANDING COM

Objectives of COM

VISION

The Ultimate Destination

6 CO-ORDINATION OF INTERNAL AUDIT

The co-ordination of internal audit will consist of:

a. Internal Audit Team

Name	Position	Telephone no
Nontembeko Mkhiva	Chief Audit Executive	013 759 2297
Zanele Maphanga	Senior Internal Auditor	013 759 2296
Khulekani Magugu	Internal Auditor	013 759 2103
Wiseman Hlatshwayo	Internal Auditor	013 759 9152
Thulisile Mchachua	Internal Auditor	013 759 9152
Simphiwe Marasha	Junior Internal Auditor	013 759 9394

It is accepted that the co-operation and availability of COM personnel plays a significant role in impacting the effectiveness and efficiency of the IAU. Every effort must be made to obtain the complete co-operation of COM's management. Any delays should be reported to the Municipal Manager to avoid limitation of scope.

b. Contact with the Auditor-General

Internal Audit should liaise closely with the Office of the Auditor-General (AG) to avoid unnecessary duplication of audit work. Liaison with the AG will include regular meetings between the AG and the IAU to ensure that there is proper co-ordination.

7 OBJECTIVES AND RISKS

Risk analysis consists of two crucial elements, identification and the quantification of risks. Identification depends to a large extent on the knowledge of COM and the environment in which it operates. Quantification depends on a combination of mathematics and judgement. Judgement depends on the knowledge of the assessors and the required objectives.

Assessments need to be revised as new information becomes available. The ultimate action will depend on how risk-averse those responsible for the risks are.

a. Risk treatment

Risk management includes the following treatments:

- Accepting the risk
- Diversifying operations
- Avoiding the risk
- Transfer of the risk
- Control activities

Accepting the risk (or the residual risk after applying other means) as the price of doing business.

Diversifying operations so that the risk of total loss is minimised.

Avoiding the risk by choosing to change the business process to achieve the objectives in a less risky manner,

Sharing or transferring the risk through contractual relationships with third parties (most commonly through insurance contracts).

Designing and maintaining a set of **control activities** that will reduce risk by reducing the likelihood of an unfavourable event materialising, and/or containing the impact should it materialise.

b. Categories and risks

One of the reasons of the risk assessment exercise, as set out earlier in the document, is to ensure that internal audit work is properly focussed and represents value for money for COM and the major inherent risks identified under each category are listed in the risk register. Risk assessments were conducted during May 2017. The results of the risk assessment were used to prepare the Rolling Three-Year Strategic Internal Audit plan for the period ending 30 June 2020.

8 ROLLING THREE-YEAR STRATEGIC AND ONE-YEAR OPERATIONAL INTERNAL AUDIT PLAN

The rolling three-year strategic plan and the one-year risk-based operational plan is available on request. Ms. Nontembeko Mkhiva can be contacted on this email address Nontembeko.mkhiva@mbombela.gov.za

REQUEST FOR PROPOSALS ON CO-SOURCING OF INTERNAL AUDIT SERVICES FOR THE CITY MBOMBELA

TERMS OF REFERENCE

Below is the scope of work to be co-sourced and it is compulsory for all bidder's proposals to cater for all the field work as indicated.

The duties of the service provider are listed, but not limited to the following (ad hoc projects will be delegated should the need arise):

1. Audit of performance information

- Evaluation of the policies, systems processes and procedures for the managing of and reporting on performance against predetermined objectives and submission of a detailed report on the findings and recommendation within specified timeframes;
- Compliance with relevant laws and regulations
- Validity, Accuracy and completeness of information

2. Review of interim and annual financial statements

- Audit of the interim and annual financial statements prior to submission to the auditor general;
- Reviews of the adequacy and effectiveness of critical financial reporting controls;
- High level review of the AFS and GRAP compliance checklist

3. Supply chain management

- Irregular, fruitless and wasteful expenditure
- Poor contracted service providers
- Value for money
- Safeguarding of original contracts documents
- Fraud and theft
- Supplier database
- Compliance with relevant laws and regulation
- Financial delegations
- Procurement reporting
- Policies, processes and procedures

4. Financial Governance

- Accounts Management
- Cash flow management
- Revenue Management
- Grants
- Tariff Policy
- Budgeting
- Payment procedures

5. IT Audit

- General Controls
- Application Controls
- Business Continuity Engagement (IT)
- Data recovery
- Safeguarding of Information

6. Risk Management Review

- Fraud and prevention plan and awareness programs
- Review the adequacy and effectiveness of ERM Processes

7. Corporate Governance Review

- Internal Control Environment
- Governance Model
- Management model
- Intergovernmental Governmental Relations
- Delegation of Powers
- Strategic planning

8. Compliance Audit

- Compliance with laws and regulations
- Compliance with Council resolutions
- By-laws enforcement
- Occupational Health and Safety Act

9. Operational Audits

- Reviews of the adequacy and effectiveness of critical operational controls of Capital projects

10. Follow up audits

- Audit the progress by management on the implementation plan to address audit findings raised by the Auditor General and internal audit unit for the previous reporting period;

11. Skills transfer

- To develop and implement a training and capacity building programme for the municipal internal audit unit;

12. perform ad-hoc audits as and when required

- High risk areas as identified on the risk assessment
- Management request as and when required

TOTAL HOURS ALLOCATED TOWARDS THIS PROJECT

The total labour hours allocated per year is **21120** and the service provider is expected to allocate the hours amongst the above areas of audit, planning as well as reporting and skills transfer.

PRICING STRUCTURE

Resource Description	Required qualification	Required experience	Estimated Hours	Rate per hour excluding vat (SAICA Rates)	Tendered Rates excluding vat	Total Excluding Vat
Director/Parter	CA (SA)/ LLB/ACFE/ICFP or other relevant qualifications	12 years' experience in leading similar projects	240			
Senior Manager/ Overall Project Manager	Post graduate qualification in Auditing/ Accounting CIA/CA	5 year of experience in managing similar projects	760			
Audit Manager	Post graduate qualification in Auditing/ Accounting/Forensic Investigation/ICT Audit CIA/CA/CISA/ACFE/CRM	5 Years' experience in leading and supervising the audit team	960			
Senior Internal Auditors	Post graduate qualification in Auditing/ Accounting /CIA	5 years of experience in Internal Auditing	1152			
Senior Forensic Auditor	Post graduate qualification in Auditing/ Accounting/ Law /ACFE	5 years of experience in Forensic Auditing	800			
Senior IT auditor	Post graduate qualification in Auditing/ Computer Science/ Accounting /CISA	5 years of experience in Information Systems Auditing	800			
Senior Performance Auditor	Post graduate in Auditing/ Accounting /CIA	5 years of experience in Internal and or Performance Auditing	1152			

Internal Auditor	Degree/Btech in Auditing or Accounting	5 years' experience in Internal Auditing	1152			
Forensic Auditor	Degree/Btech in Auditing or Law	5 years' experience in Forensic Auditing	800			
Performance Auditor	Degree/Btech in Auditing/ Performance management/Monitoring and Evaluation/ Accounting	5 years' experience in Performance Auditing	1152			
Junior Internal Auditor	Degree/BTech in Auditing	2 years' experience in Internal Auditing	1920			
Junior Forensic Auditor	Degree/BTech in Auditing or forensic auditing	2 years' experience in Forensic Auditing	800			
Junior Performance Auditor	Degree in Performance Management or Monitoring and Evaluation	2 years' experience in Performance Auditing	1920			
TOTAL EXCLUDING VAT						
15% OF VAT						
TOTAL BID PRICE INCLUDING VAT						

NB: The quantities are estimated quantities for evaluation purposes. This contract will be a rates-based contract which will also include the ad-hoc audits/investigations. The total bid price will not be regarded as the total value of the contract. SAICA rates will be used as the guideline for evaluation of credible and realistic pricing of the bid.

FUNCTIONALITY REQUIREMENTS

POINTS FOR TECHNICAL APPROACH, UNDERSTANDING OF THE TASKS, SKILLS, COMPETENCIES OF KEY PERSONNEL AND COMPANY EXPERIENCE [100]

Points to be scored on the following basis:

Table A: Approach and understanding (Legislative adherence) of the tasks to be performed
(Maximum number of pages is 15, font aerial 11, bidders must strictly adhere to this requirement, and failure will result in bidders been allocated a zero score)

		15 points		
Item	Attach (max 4 pages)	Tendered Goal	Points Claimed by Bidder	Allocated Points
Methodology and Approach				
1	Methodology in line with the scope of work and the plan.	10		
2	Project Management approach	5		
	Sub total	15		

Table B: Academic and Professional Qualifications of personnel

15 points

Item	Attach CVs and certified copies of academic and professional qualifications (Certificates)	Tendered Goal	Points Claimed by Bidder	Allocated Points																								
1	Professional qualifications such as CIA, CA, CISA, CRM, CFE	5																										
	<table border="1"> <thead> <tr> <th>Qualification</th> <th>Points Allocation</th> </tr> </thead> <tbody> <tr> <td>CIA</td> <td>1 points</td> </tr> <tr> <td>CA</td> <td>1 points</td> </tr> <tr> <td>CISA</td> <td>1 points</td> </tr> <tr> <td>CRM</td> <td>1 points</td> </tr> <tr> <td>CFE</td> <td>1 points</td> </tr> </tbody> </table>				Qualification	Points Allocation	CIA	1 points	CA	1 points	CISA	1 points	CRM	1 points	CFE	1 points												
	Qualification				Points Allocation																							
	CIA				1 points																							
	CA				1 points																							
	CISA				1 points																							
	CRM				1 points																							
CFE	1 points																											
2	Academic Qualification in auditing or equivalent	10																										
	<table border="1"> <thead> <tr> <th>Qualification</th> <th>Qty</th> <th>Minimum Experience</th> <th>Points</th> </tr> </thead> <tbody> <tr> <td>Internal Audit/ Auditing: NQF Level 7 or above</td> <td>4</td> <td>6 years</td> <td>4</td> </tr> <tr> <td>Accounting: NQF Level 7 or above</td> <td>2</td> <td>6 years</td> <td>2</td> </tr> <tr> <td>Forensic Audit: NQF Level 7 or above</td> <td>1</td> <td>6 years</td> <td>1</td> </tr> <tr> <td>IT audit: NQF Level 7 or above</td> <td>1</td> <td>6 years</td> <td>1</td> </tr> <tr> <td>Monitoring and Evaluation: NQF Level 7</td> <td>2</td> <td>6 years</td> <td>2</td> </tr> </tbody> </table>				Qualification	Qty	Minimum Experience	Points	Internal Audit/ Auditing: NQF Level 7 or above	4	6 years	4	Accounting: NQF Level 7 or above	2	6 years	2	Forensic Audit: NQF Level 7 or above	1	6 years	1	IT audit: NQF Level 7 or above	1	6 years	1	Monitoring and Evaluation: NQF Level 7	2	6 years	2
	Qualification				Qty	Minimum Experience	Points																					
	Internal Audit/ Auditing: NQF Level 7 or above				4	6 years	4																					
	Accounting: NQF Level 7 or above				2	6 years	2																					
	Forensic Audit: NQF Level 7 or above				1	6 years	1																					
IT audit: NQF Level 7 or above	1	6 years	1																									
Monitoring and Evaluation: NQF Level 7	2	6 years	2																									
Sub total		15																										

Table C: Skills and competencies of key personnel

35 points

Item	Attach appointment letters; reference letters with details of work executed and contactable references.	Tendered Goal	Points Claimed By Tenderer	Allocated Points
1	<p>1. The Project manager has executed a minimum of three risk-based audit plans of any public or private institution of a similar size (R4 Billion Budget). (5 points per successful completed project/risk-based audit plan) 3 X 5 = 15.</p> <p>2. Key personnel have executed any five of the key projects / audits as reflected in the risk-based audit plan and in line with their area of specialising. (1 point per successful project) Key personnel include:</p> <p>2.1 Manager Internal Audit with 6 years' experience in Internal Audit, Audit of Performance Information and Operations audit. (1 X 5 =5)</p> <p>2.2 ICT specialist with 6 years' experience in ICT audit. (1 X 5 =5)</p> <p>2.3 Forensic Auditor with 6-year experience in investigation, understanding of MFMA and other applicable legislations. (1 X 5 =5)</p> <p>2.4 Financial Accountant with 6 years' experience in reviewing annual financial statement and budget assessment. (1 X 5 =5)</p> <p>The following should be attached in order to claim points:</p> <ul style="list-style-type: none"> • The CVs of the project manager and key personnel (they should clearly indicate the employment period on each employer. • List of projects completed by the project manager/key personnel for each CV. (<i>In the case of a project manager, provide a list of all projects completed per each risk-based audit plan whilst in the case of other key personnel, a minimum of one project per client will suffice</i>) <p>Project manager's Name</p> <p>_____</p>	35		
	Sub total	35		

Table D: Company experience

20 points

Item	Experience, Skills and Ability of Service Provider to fulfil City of Mbombela requirements for Internal Audit Services, Past experience in work of this nature and ability to transfer skills.	Tendered Goal	Points Claimed by Bidder	Allocated Points
1	<p>The service provider must have at least 6 years' experience of Internal Auditing, Risk Management, Accounting, Supply Chain Management processes and IT Auditing.</p> <ul style="list-style-type: none"> • Must have knowledge of public and private sector; must have conducted internal auditing and consulting work within a similar environment. (5 appointment letters and reference letters for the company: 4 points for each project successfully completed within a period of 5 years). The reference letter must confirm the following: <ul style="list-style-type: none"> • The work performed; • the period in which the project was conducted; • contract value • the period taken to complete each project; • contact details for verification purposes. (Email and contact number) 	20		
	Sub total	20		

Table E: Quality Assurance

Item	Quality assurance review from an independent reviewer	Tendered Goal	Points Claimed by Bidder
1	The firm must provide evidence of the following: <ul style="list-style-type: none">• External Quality Assurance Review (not older than 5 years) = 15 points	15	
	Sub total	15	

Total

100 Points

NB:

1. The bidders who fail to obtain a minimum of eighty-five (85) points on functionality will be eliminated on the basis that their submissions are not responsive.

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED, NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASE WHERE DIFFERENT DELIVERY POINTS INFLUENCES THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder..... Bid number: COM25/2024

Closing Time 11:00 on **10 MAY 2024**

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

ITEM NO.	QTY	DESCRIPTION	BID PRICE IN RSA CURRENTLY (INCLUDING VAT)
-	Required by	.....	.....
-	At:	.....	.....
-	Brand and model	.....	.....
-	Country of origin	.....	.....
-	Does the offer comply with specification?		*YES/NO
-	If not to specification, indicate deviation(s)	.....	.....
-	Period required for delivery	.....	*Delivery: Firm/not firm
-	Delivery basis (all delivery costs must be included in the bid price)	.....	.....

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

Any enquiries regarding the bidding procedure may be directed to:

Procurement information – C Nkambule P.O Box 45 Mbombela 1200 Tel: 013 759 2358	or	Technical information – Ms Nontembeko Mkhiva P.O Box 45 Mbombela 1200 Tel: 013 759 2013
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DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, hareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity Numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state?**YES / NO**

3.8.1 If yes, furnish particulars.....

.....

¹MSCM Regulations: “in the service of the state” means to be –

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of 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);

- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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

3.9 Have you been in the service of the state for the past twelve months? **YES / NO**

3.9.1 If yes, furnish particulars.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?..... **YES / NO**

3.10.1 If yes, furnish particulars.

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?..... **YES / NO**

3.11.1 If yes, furnish particulars

3.12 Are any of the company’s directors, trustees, managers, Principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.

3.13 Are any spouse, child or parent of the company’s directors, trustees, managers, principle Shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract? **YES / NO**

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 2022**

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- 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 To be completed by the organ of state

a) The applicable preference point system for this tender is the 80/20 preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \mathbf{Ps} = \mathbf{80} \left(\mathbf{1} + \frac{\mathbf{Pt} - \mathbf{Pmax}}{\mathbf{Pmax}} \right) & \mathbf{or} & \mathbf{Ps} = \mathbf{90} \left(\mathbf{1} + \frac{\mathbf{Pt} - \mathbf{Pmax}}{\mathbf{Pmax}} \right) \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
 - (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.

Item No.	The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Number of points allocated (90/10 system)
1.	100% Black owned enterprises within the definition of the HDI	2	1
2.	At least 30% women owned enterprises	2	1
3.	At least 30% youth owned enterprises	2	1
4.	At least 30% enterprises people living with disabilities	2	1
5.	Enterprises regarded as EMEs located within the City of Mbombela	2	1
6.	Enterprise who will sub-contract minimum of 30% of the contract value to EME's in the ward or local communities where the services to be rendered of works to be undertaken (Bidders shall list sub-contracting works or items)	2	1
7.	Corporate Social Investment (CSI) Plan. (see notes below)	5	3
8.	B-BBEE level 1 contribution (SANAS verified B-BBEE certificate for generic enterprise, and for EME and SME a sworn affidavit or CIPC issued certificate confirming annual turnover and level of Black Ownership)	3	1
Total		20	
The City will utilise the CSD report for the above-mentioned information			

Corporate Social Investment (CSI)

NB: The minimum total value of the CSI should not be less than 2% of the total project value excluding vat and contingencies. The CSI project should be delivered concurrently with the project. The final product should be delivered prior to the issuing of completion certificate. The nature of the CSI project must benefit the community at large. (1 page, Arial font size 12) Prospective bidders will be expected to provide the City with a written explanation on how to implement the Corporate Service Investment on that particular ward, community or region. The investment must benefit the community at large. In order to claim points, a detailed one page report must be included in the list of returnable documents. The corporate social investment initiatives must be implemented by the company/successful bidder. The final details of the CSI project will be finalized prior to the signing of the contract in consultations with relevant stakeholders.

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety

- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:.....

DATE:.....

ADDRESS:.....

THIS MBD FORM MUST NOT BE COMPLETED PRIOR TO APPOINTMENT. IT WILL BE ONLY BE FURNISHED AND SIGNED BY THE SUCCESSFUL BIDDER/SERVICE PROVIDER

CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2022;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1	.....
2.	.....
DATE:	

(BIDDERS / SERVICE PROVIDERS MUST NOT FILL THIS PART TWO OF THIS MBD 7)

CONTRACT FORM - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER / CITY OF MBOMBELA)

- 1. I..... in my capacity as..... accept your bid under reference numberdated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
- 2. An official order indicating delivery instructions is forthcoming.
- 3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

2.2 DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities 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 rejected if that bidder, or any of its directors have:
 - a. abused the municipality’s / municipal entity’s supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury’s database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury’s website, www.treasury.gov.za, click on the icon “Register for Tender Defaulters” or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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 of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME).....
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM 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 Municipal Bidding Document (MBD) 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 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a) take all reasonable steps to prevent such abuse;
 - b) reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c) cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD 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 (MBD 9) must be completed and submitted with the bid:

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of:

_____ that:
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

- 6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
- 7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

- 10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

AUTHORITY TO SIGN A BID

1. COMPANIES AND CLOSE CORPORATIONS

- a. **If a Bidder is a COMPANY, a certified copy of the resolution by the board of directors**, duly signed, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company **must be submitted with this bid**, that is, before the closing time and date of the bid

- b. In the case of a **CLOSE CORPORATION (CC)** submitting a bid, **a resolution by its members**, authorizing a member or other official of the corporation to sign the documents on their behalf, **shall be included with the bid**.

PARTICULARS OF RESOLUTION BY BOARD OF DIRECTORS OF THE COMPANY / MEMBERS OF THE CC

Date Resolution was taken					
Resolution signed by (name and surname)					
Capacity					
Name and surname of delegated Authorized Signatory					
Capacity					
Specimen Signature					
Full name and surname of ALL Director(s) / Member (s)					
Is a CERTIFIED COPY of the resolution attached?		YES		NO	
SIGNED ON BEHALF OF COMPANY / CC:			DATE:		
PRINT NAME:					
WITNESS 1:			WITNESS 2:		

2. SOLE PROPRIETOR (SINGLE OWNER BUSINESS)

I, _____, the undersigned, hereby confirm

that I am the sole owner of the business trading as _____

3. PARTNERSHIP

We, the undersigned partners in the business trading as _____

hereby authorize Mr/Ms _____ to sign this bid as well as any contract resulting from the bid and any other documents and correspondence in connection with this bid and /or contract for and on behalf of the abovementioned partnership.

The following particulars in respect of every partner must be furnished and signed by every partner:

Full name of partner	Signature

SIGNED ON BEHALF OF PARTNERSHIP:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	

CERTIFICATE OF AUTHORITY FOR JOINT VENTURES

This returnable schedule is to be completed by JOINT VENTURES

We, the undersigned, are submitting this tender offer in joint venture and hereby authorize Mr/Ms

_____ authorized signatory of the Company/Close Corporation/Partnership (name) _____, acting in the capacity of lead partner, to sign all documents in connection with the tender offer and any contract resulting from it on our behalf.

1. Name of firm (Lead partner)			
Address			Tel. No.
Signature		Designation	

2. Name of firm			
Address			Tel. No.
Signature		Designation	

3. Name of firm			
Address:			Tel. No.
Signature		Designation	

4. Name of firm			
Address			Tel. No.
Signature		Designation	

NOTE: A copy of the Joint Venture Agreement showing clearly the percentage contribution of each partner to the Joint Venture, shall be appended to this Schedule.

SUPPLY CHAIN POLICY USING 80/20 PREFERENCE POINT SYSTEM

		MAXIMUM POINTS TO BE ALLOCATED	POINTS CLAIMED BY BIDDER	ALLOCATED POINTS
PRICE AND COMPETENCE GOALS (80 POINTS)	PRICE	80		
	SUB TOTAL	80		
EQUITY PROMOTION GOALS (20 POINTS)				
	B-BBEE STATUS LEVEL OF CONTRIBUTION	20		
	SUB TOTAL	20		
	TOTAL	100		