



TERMS OF REFERENCE

BID No: BID/IA/2026

PROVISION OF INTERNAL AUDIT SERVICES FOR A THREE (3) YEAR PERIOD

1. BACKGROUND

- 1.1 The Performing Arts Centre of the Free State (PACOFs) is a schedule 3A Public entity of the Department of Sport, Arts and Culture. It is a playhouse (theatre) based in Bloemfontein in the Free State province, established in terms of the Cultural Institutions Act, Act No 119 of 1998.
- 1.2 The Performing Arts Centre of the Free State (PACOFs) requires the services of a service provider to provide Internal Audit services for a period of three (3) years.
- 1.3 Suitable qualified service providers are hereby invited to submit proposals as part of the bid process.
- 1.4 The key objective of the service would be to review the adequacy and effectiveness of internal controls, risk management and governance processes, and recommend improvements.

2. PURPOSE

To appoint an internal audit service provider for a period of three (3) years to perform an internal audit function and ad hoc services as may be assigned by management from time to time.

3. PRE-QUALIFICATION CRITERIA

The service provider is required to have a local office in Bloemfontein. Proof of address such as lease agreement, municipal bill or utility bill not older than three (3) months should be submitted with the proposal.

A bid that fails to meet the above-mentioned pre-qualifying criteria is an unacceptable tender and will lead to disqualification.

4. SCOPE OF SERVICES

- a) Prepare a rolling three-year strategic internal audit plan based on the service provider's assessment of key risk areas within the organisation, taking into account the current operations and those proposed in the strategic, annual performance and operational plans, the risk profile and the control environment of the organisation. The rolling plan will be updated annually or on a need basis
- b) The rolling plan will include the review of the statement of financial performance transactions and statement of financial performance account balances.

- c) Prepare, obtain approval from the audit and risk committee (ARC) and implement annual internal audit plans;
- d) Review performance indicators and targets against the SMART principles before approval of the annual performance plan;
- e) Review of the annual financial statements (AFS) and annual performance report (APR) before approval and submission to the external auditors;
- f) Perform information technology audits and business continuity and disaster recovery reviews;
- g) Conduct quarterly performance audits, including review of income and expenditure occurrence, classification and cut off;
- h) Perform comprehensive annual control environment audit and provide detailed value-adding recommendations to strengthen the control environment;
- i) Review the organisation's risk management effort and make value-adding recommendations;
- j) Review the adequacy of individual institutional policies and standard operating procedures including IT policies, infrastructure and Artistic policies;
- k) Review of supply chain management policies and procedures including procurement of productions to the Artistic programme. The service provider will be required to review tender processes before award.
- l) Review the adequacy of planned actions of the annual audit improvement plans, track and report to the ARC, on quarterly basis, progress in the clearing of audit findings;
- m) Attend ARC meetings and table reports;
- n) Perform consulting or ad hoc services as per management requests.

5. JOINT VENTURES, CONSORTIUMS AND TRUSTS

Bidders must submit concrete proof of existence of joint venture and or consortium arrangements. The entity will accept signed agreements as acceptable proof of existence of joint venture and or consortium arrangement.

The joint venture and or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and or consortium party. The agreement must clearly identify the Lead Partner, who shall be given

the power of attorney to bind the other party in respect of matters pertaining to the joint venture and or consortium arrangement.

6. DURATION

The term of the contract will be three (3) years.

7. PROJECT RESOURCES PROFILE

The following outlines the minimum qualifications and experience of the positions required for the completion of the project;

Position	Qualification	Experience
Director/Partner	CA(SA)/ ACCA/ CIA	At least 10 years post qualification experience in <u>internal auditing.</u>
Senior Manager	CIA/ CA(SA)/ ACCA	At least 5 years post qualification experience in <u>internal auditing.</u>
Manager	CA(SA)/ CIA/ ACCA	At least 5 years post qualification experience in <u>internal auditing.</u>
Assistant Manager	CA(SA)/CIA/ACCA/AGA/RGA	At least 5 years post qualification experience in <u>internal auditing.</u>
IT Audit Specialist	IT Audit degree or equivalent in IT internal audit	At least 5 years post qualification experience in <u>IT internal audit</u>
Internal Auditor	Relevant degree in internal audit or Accounting	At least 5 years post qualification experience in <u>internal auditing.</u>
Junior Team Members	Relevant diploma in internal audit or Accounting	At least 2 years post qualification experience in <u>internal auditing.</u>

8. PRICING

- The total, all-inclusive bidding price over a 3 year period must be indicated (Year 1; Year 2; Year 3; Total bid price).
- Prices must be fixed and all escalations must be included.
- Prices must be inclusive of disbursements and value added tax (VAT).

No reimbursements will be made for travel claims, accommodation, subsistence e.t.c

Bidders must indicate the average audit fees per hour. The rates per hour of the following levels of staff should be indicated as follows:

Position	Rate per hour	Total hours (Year 1)	Total amount
Director / Partner			
Senior Manager			
Manager			
Assistant Manager			
IT Audit Specialist			
Internal Auditor			
Junior Team Members			
Total			(A)

Position	Rate per hour	Total hours (Year 2)	Total amount
Director / Partner			
Senior Manager			
Manager			
Assistant Manager			
IT Audit Specialist			
Internal Auditor			
Junior Team Members			
Total			(B)

Position	Rate per hour	Total hours (Year 3)	Total amount
Director / Partner			
Senior Manager			
Manager			
Assistant Manager			
IT Audit Specialist			
Internal Auditor			
Junior Team Members			
Total			(C)

Summary of pricing

Year 1 bid price (A)	R
Year 2 bid price (B)	R
Year 3 bid price (C)	R
Total bid price (A+B+C)	R

9. EVALUATION CRITERIA

- 9.1 The bid will be evaluated on 80/20 preference points system according to the following phases.

Item no.	Evaluation criteria	Weight
A	Administrative requirements/compliance - Phase 1	N/A
A1	<p>The following will be ascertained:</p> <ol style="list-style-type: none"> 1. Central Supplier Database (CSD) report with MAAA number should be supplied. 2. All standard bidding documents have been completed in full and signed off; <ul style="list-style-type: none"> SBD1 invitation to bid SBD3.1 Pricing schedule SBD4 Bidders Declaration 	

Item no.	Evaluation criteria	Weight
	<p>SBD6.1 Preference points claim form</p> <p>3. Valid B-BBEE certificate that is SANAS accredited or Sworn Affidavit for B-BBEE Exempted Micro Enterprises.</p> <p>Failure to submit will result in zero points awarded on specific goals calculation Proof of Address of the service provider.</p> <p>4. Detailed company profile.</p> <p>5. Joint venture agreement, if applicable.</p> <p>6. Letter of Good Standing from the Department of Employment and Labour.</p>	
<p>Note: Failure to submit the above-mentioned documents will render the bid non-responsive and will result in disqualification.</p> <p>GCC Government Procurement General Conditions of contract applies.</p>		
B	Functionality – Phase 2	100
Relevant Skills and Experience		
B1	<p>Demonstrated experience in rendering internal audit services in the public sector.</p> <p>Provide reference letters from previous clients in the provision of internal audit services in the public sector.</p> <p>The reference letter(s) should be on the letterhead of the serviced client and should reflect at least name of the client, full description of the service rendered, contact person, and contact details. The letters must be authorized.</p> <p>* 5 points for each valid reference letter.</p>	30

Item no.	Evaluation criteria	Weight																											
B2	<p>Qualifications of the members who will form part of the team, if appointed. Please provide certified copies of qualifications.</p> <p>Copies of qualifications not certified will not be accepted. The company profile should clearly indicate the names of the different resources as required in number 6.</p> <table border="1" data-bbox="392 607 1217 1323"> <thead> <tr> <th data-bbox="392 607 655 656">Position</th> <th data-bbox="655 607 1046 656">Qualification</th> <th data-bbox="1046 607 1217 656">SCORING</th> </tr> </thead> <tbody> <tr> <td data-bbox="392 656 655 705">Director/Partner</td> <td data-bbox="655 656 1046 705">CA(SA)/ ACCA/ CIA</td> <td data-bbox="1046 656 1217 705">5</td> </tr> <tr> <td data-bbox="392 705 655 754">Senior Manager</td> <td data-bbox="655 705 1046 754">CIA/ CA(SA)/ ACCA</td> <td data-bbox="1046 705 1217 754">5</td> </tr> <tr> <td data-bbox="392 754 655 804">Manager</td> <td data-bbox="655 754 1046 804">CA(SA)/ CIA/ ACCA</td> <td data-bbox="1046 754 1217 804">4</td> </tr> <tr> <td data-bbox="392 804 655 913">Assistant Manager</td> <td data-bbox="655 804 1046 913">CA(SA)/CIA/ACCA/AGA</td> <td data-bbox="1046 804 1217 913">4</td> </tr> <tr> <td data-bbox="392 913 655 1066">IT Audit Specialist</td> <td data-bbox="655 913 1046 1066">IT Audit degree or equivalent in IT internal audit</td> <td data-bbox="1046 913 1217 1066">3</td> </tr> <tr> <td data-bbox="392 1066 655 1176">Internal Auditor</td> <td data-bbox="655 1066 1046 1176">Relevant degree in internal audit or Accounting</td> <td data-bbox="1046 1066 1217 1176">2</td> </tr> <tr> <td data-bbox="392 1176 655 1272">Junior Team Members</td> <td data-bbox="655 1176 1046 1272">Relevant diploma in internal audit or Accounting</td> <td data-bbox="1046 1176 1217 1272">2</td> </tr> <tr> <td data-bbox="392 1272 655 1323">Total</td> <td data-bbox="655 1272 1046 1323"></td> <td data-bbox="1046 1272 1217 1323">25</td> </tr> </tbody> </table>	Position	Qualification	SCORING	Director/Partner	CA(SA)/ ACCA/ CIA	5	Senior Manager	CIA/ CA(SA)/ ACCA	5	Manager	CA(SA)/ CIA/ ACCA	4	Assistant Manager	CA(SA)/CIA/ACCA/AGA	4	IT Audit Specialist	IT Audit degree or equivalent in IT internal audit	3	Internal Auditor	Relevant degree in internal audit or Accounting	2	Junior Team Members	Relevant diploma in internal audit or Accounting	2	Total		25	25
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B3	<p>Team experience in providing internal audit services as identified in number 6, above. Please supply the abridged CV's, certified copies of all professional accreditations and certified copies of qualifications of the members who will form part of the team, if appointed.</p> <p>Copies of professional accreditations not certified will not be accepted. Number of years of experience will be determined from the date of completion of the relevant qualification. The company profile should clearly indicate the names of the different resources as required in number 6.</p>	25																											

Item no.	Evaluation criteria				Weight
	Position	Qualification	Experience	SCORING	
	Director/Partner	CA(SA)/ ACCA/ CIA	At least 10 years post qualification experience	5	
	Senior Manager	CIA/ CA(SA)/ ACCA	At least 5 years post qualification experience	5	
	Manager	CA(SA)/ CIA/ ACCA	At least 5 years post qualification experience	4	
	Assistant Manager	CA(SA)/CIA/ ACCA/RGA/ AGA	At least 5 years post qualification experience	4	
	IT Audit Specialist	IT Audit degree or equivalent in IT internal audit	At least 5 years post qualification experience	3	
	Internal Auditor	Relevant degree in internal audit or Accounting	At least 5 years post qualification experience	2	
	Junior Team Members	Relevant diploma in internal audit	At least 2 years post qualification experience	2	

Item no.	Evaluation criteria				Weight
		or Accounting			
	Total			25	
B4	<p>A detailed proposed project plan in executing the project and a comprehensive skills transfer programme.</p> <p>* Maximum points for the project plan – 10</p> <p>Excellent - 10</p> <p>Average - 5</p> <p>Poor - 0</p> <p>* Maximum points for the skills transfer programme – 10</p> <p>Excellent - 10</p> <p>Average - 5</p> <p>Poor - 0</p>				20
<p>Note: Bidders scoring less than 70 out of 100 on functionality will be disqualified</p>					

PHASE 3: PRICE AND SPECIFIC GOALS

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS(AS PER SBD6.1)	20
TOTAL POINTS FOR PRICE AND SPECIFIC GOALS	100

10. TAX COMPLIANCE

Where the recommended bidder is non-tax compliant, the bidder will be given seven (7) days to rectify their Tax Status of which failure will result to a disqualification of the bid.

In terms of National Treasury Instruction No. 4A of 2016/2017 regarding the National Central Supplier Database (CSD), all bidders must register on the CSD to provide the

following information to be verified through the CSD:

- Business registration, including details of directorship and membership.
- Bank Account holder information.
- In the service of the State Status.
- Tax compliance status.
- Identity number.
- Tender default and restriction status.

11. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS

No bidder shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appear on the register of Tender Defaulters kept by the National Treasury or who have been placed on National Treasury's list of Restricted Suppliers. The entity reserves the right to withdraw an award, or cancel a contract concluded with a bidder should it be established, at any time, that the bidder has been blacklisted with National Treasury or another government institution.

12. OUT CLAUSE

PACOFs reserves the right not to appoint any service provider.

13. VALIDITY PERIOD

Bids must be valid for a 90day period. PACOFS reserves the right to extend the validity period should need arise.

14. SUBMISSION AND CLOSING DATE

14.1 Proposals should be submitted in a sealed envelope marked: **BID/IA/2026: PROVISION OF INTERNAL AUDIT SERVICES.**

Proposals must be deposited in the bid box located at the main entrance of PACOFS, 12 First Avenue, Westdene, Bloemfontein 9301.

Service providers are required to sign and date the bid register available with security on submission of the proposal. No emailed proposals will be accepted.

14.2 The closing date is. 28/07/2026

Please note: No late submissions will be considered.

15. ENQUIRIES

For more information, please contact Mrs Nomza Topo at nomza@pacofs.co.za. 051 447 7771 ext. 2360

CLOSING DATE FOR BIDS:

MONDAY, 28 JULY 2026

11H00

Please note: No late submissions will be considered