



# **CENTRAL JOHANNESBURG TVET COLLEGE**

## **REQUEST FOR PROPOSALS**

### **INTERNAL AUDIT SERVICES**

**CONTRACT DURATION: 3 YEARS**

**BID NUMBER: CJC/IA001/2020**

**DEADLINE FOR SUBMISSION 31 AUGUST 2020 MONDAY 17H00**

**\*All submissions must be made electronically via email to [tenders@cjc.edu.za](mailto:tenders@cjc.edu.za)**

## SBD 1

Description	APPOINTMENT OF A TEAM OF INTERNAL AUDITORS TO ASSIST IN GOVERNANCE OF THE CENTRAL JOHANNESBURG TVET COLLEGE	
Full Name of Bidder/Bidding Entity:		
Contact Person:		
Tel Number:		
Advert Date:	19 August 2020	
Briefing Session:	<b>No Briefing Session will be held for this bid.</b>	
Closing Date and Time:	31 August 2020 at 17H00	
Issued by:	Central Johannesburg TVET College	
Bid Validity Period	30 days from closing date	
Enquiries	<a href="mailto:pules@cjc.edu.za">pules@cjc.edu.za</a> (only emailed enquiries will be attended to)	
<b>CSD</b> Registration number		

Please indicate whether a document is the original or copy, tick the applicable block.

***(Required: 1 Original and 1 Copy)***

ORIGINAL		Copy		NUMBER	
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Bid documents must be:

**Delivered electronically to email addresses disclosed within the time frames stipulated.**

Bidders should ensure that bids are delivered timeously to the correct email address. If the bid is late, it will not be accepted for consideration. All bids must be submitted on the official forms (not to be re-typed).



**THE FOLLOWING PARTICULARS MUST BE FURNISHED, (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED):**

Name of bidder

---

---

Postal Address

---

---

Street Address

---

---

Telephone Number

---

Code:

Number:

Cell-phone Number

---

---

Facsimile Number

---

---

Email Address

---

---

VAT Registration Number

---

Is the Service Provider Registered on CSD? MAAA Number:

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Has the Bidder's Tax Status been verified on CSD (SBD 2)

Yes	No	
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Has a B-BBEE Status Level Verification Certificate been submitted? (SBD 6.1)

Yes	No	
-----	----	--

If yes, who was the certificate issued by? [Tick applicable box]

<input type="checkbox"/>	An accounting officer as contemplated in the Close Corporation Act (CCA)
<input type="checkbox"/>	A verification agency accredited by the South African Accreditation System (SANAS) or CIPC
<input type="checkbox"/>	A registered auditor
<input type="checkbox"/>	Sworn Affidavit or a B- BBEE status level verification certificate

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Are you an accredited representative in South Africa for the goods / services / work offered?

Yes	No	[If yes, please enclose proof]
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**Total Bid Price:**

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**Total number of items offered:**

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**Signature of bidder**

.....

**Capacity under which this bid is signed**

.....

**Date**

.....

<b>SBD1</b>					
<b>INVITATION TO BID</b>					
<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	CJC/IA001/2020	CLOSING DATE:	31/08/2020	CLOSING TIME:	17H00
DESCRIPTION	INTERNAL AUDIT SERVICES FOR CENTRAL JOHANNESBURG TVET COLLEGE				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>					
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
	TCS PIN:		<b>OR</b>	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	Yes	
	No			No	

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?		
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)
	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)
	<input type="checkbox"/>	A REGISTERED AUDITOR NAME:

**[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 BELOW ]
---	---	--	--

SIGNATURE OF BIDDER	.....	DATE	
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CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. Resolution of directors, etc.)			
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TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE (ALL INCLUSIVE)	
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**BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO: TECHNICAL INFORMATION MAY BE DIRECTED TO:**

DEPARTMENT/ PUBLIC ENTITY		CONTACT PERSON	
CONTACT PERSON		TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			



## PART B

### 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. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR 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 TAX COMPLIANCE STATUS (TCS) 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 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 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 BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  
 YES  NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?
- 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  
YES NO
- 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?  
 YES  NO
- 3.5. DOES THE BIDDER HAVE ANY TEAM MEMBERS UNDER THE  
 EMPLOY OF THE STATE? IF SO ATTACH AN AFFIDAVIT  
DECLARING THE NATURE OF EMPLOY AND WHETHER A  
DECLARATION WAS MADE WITH THE EMPLOYER.

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

**IMPORTANT NOTICE**

The information contained herein, is given without any liability whatsoever, to Central Johannesburg TVET College and no representation or warranty, express or implied, is made as to the accuracy, completeness or thoroughness of the content of this RFP.

**PRICING SCHEDULE**

*\*Ensure amounts agree to Pricing Schedule submitted on page 13*

LEVEL OF RESOURCE	QUALIFICATIONS	YEARS EXP	NUMBER OF CANDIDATES PROPOSED	HOURLY RATE
Engagement partner				
Senior Manager				
Manager				
Supervisor Level				
Trainee or Junior Auditor				

This bid document consists of information that is true in all material respects. The compiler of this bid has the authority needed to compile this document.

.....  
**\*No electronic signatures to be attached.**

Name:  
Position in the organization:  
Date:

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## 1. Legislative Framework and Best Practice Regulations

Key principles contained in the following legislation were applied to develop this document:

1. CET Colleges Act No.16 of 2006 (as amended) (the “Act”);
2. National Treasury Regulations of March 2005;
3. Draft Treasury Regulations ( White Paper) published 30 November 2012; and
4. King III Code of Governance Principles of 2009.

## 2. Purpose

*In terms of section 25(1) of the Further Education and Training Colleges Act, 2006, the council of a public college must, in the manner determined by the Minister implement internal audit and risk management systems which are not inferior to the standards contained in the Public Finance Management Act, 1999 (Act No. 1 of 1999).*

*In terms of section 3.2.5 of the Treasury Regulations of March 2005 for purposes of best practice within the college, the purpose, authority and responsibility of the internal audit function must, in consultation with the audit committee, be formally defined in an audit charter and be consistent with the Institute of Internal Auditors (“IIA”) definition of internal auditing.*

The purpose of this document is to address the purpose, authority, responsibility and scope of *the Internal Audit Activity (IAA)*.

## 3. Definitions, Acronyms and Abbreviations

For the purpose of this Document, unless the context indicates otherwise, the following definitions, acronyms and abbreviations are set out for the terms indicated:

Acronyms & Abbreviations	Definitions
BBBEE	Broad Based Black Economic Empowerment
CJC	Central Johannesburg TVET College
DHET	Department of Higher Education and Training
IAA	Internal Audit Activities
PFMA	Public Financial Management Act
IRBA	The Independent Regulatory Board For Auditors
SAICA	South African Institute of Chartered Accountants
AGSA	Auditor General Of South Africa
PAA	Public Audit Amendment Act
CET	Continuing Education And Training Act

## 4. INTRODUCTION TO THE TVETC SECTOR

The Technical and Vocational Education and Training Colleges (TVETC), which fall under the Department of Higher Education and Training (DHET), are part of Government’s efforts to provide vocational training and education to students that are employable citizens and can create employment. In November 2012, the Minister of Higher Education and Training announced a turnaround strategy for the sector aimed at inter alia, improved institutional management and governance. An effective Internal Audit function is an integral part of ensuring the improvement of the institutional governance.

There are currently 50 CET Colleges with a total of 233 campuses nationally. In 2013 the DHET embarked on a project with the South African Institute of Chartered Accountants (SAICA). This project was aimed at stabilizing the financial management and governance within the CET Colleges, standardization of processes and policies and creating a sustainable solution therein. As part of the project, SAICA identified the gaps in governance including a lack of or inadequate internal audit function in most of the Colleges. An internal audit function is required as part of an effective risk management function.

The Central Johannesburg College is registered in terms of the CET Colleges Act of 2006 as amended in 2012. The College operates through eight campuses located within a radius of 15 kilometers in and around the

Johannesburg CBD. It is the only public CET College in the city of Johannesburg, serving an estimated population of 3 million people. The Central Office, from where all cross-campus management and support services are provided, is situated next to the Parktown Campus, 5 Ubla Avenue, Off Princess of Wales Terrace, in Parktown.

The College curriculum is organized into four main fields of study:

- Campus for Engineering Technology (ET);
- Campus for Enterprise & Business Development (EBD);
- Campus for Human & Health Services (HHS);
- Campus for Information & Communications Technology (ICT);

## **5. PROPOSAL INSTRUCTIONS**

Proposals are hereby invited for suitable and experienced service providers to provide the following services:

### **SERVICE DESCRIPTION: PROVISION OF INTERNAL AUDIT SERVICES**

#### **COMPULSORY MINIMUM INFORMATION FOR COMPLIANCE**

The proposal should address all the items listed in the proposal specification section below.

- The original Tax clearance certificate or Tax PIN, which is valid for twelve (12) months, must be submitted. (No certified or scanned copies will be accepted).
- If the tax certificate expires during the tender process, the service provider will be requested to provide a new valid certificate.
- If a proposal is submitted as a consortium or Joint Venture, original and valid tax clearance must be submitted for each member.
- A valid CSD Certificate needs to be submitted.
- Broad-Based Black Economic Empowerment (B-BBEE) status of the service provider or legal identity of the B-BBEE partner as well as the physical and postal address of the B-BBEE partner and the capital structure. B-BBEE certificate which is issued either by an agency approved by SANAS, CIPC or auditors registered with the Independent Regulatory Board of Auditors;

#### **FUNCTIONAL INFORMATION**

Each proposal should also include the following:

- a) The legal identity of the service provider (company registration documents);
- b) The company credentials (company profile);
- c) Provide the name of the professional association of which the bidding team is a member, and the bidder's length of membership (e.g. SAICA, IRBA, IIA, etc.) Proof of such membership should be provided;
- d) Accreditation for IT systems audit and Certified Fraud Examiners accreditation;
- e) Provide proof that the bidder or its directors are not under the terms of a public or private reprimand/warning of a professional Association;
- f) Proposed budget including costs (VAT inclusive) per deliverable, per College size;
- g) The expiry date of the proposal if any;
- h) Contact details of the person dealing with the proposal at your organization;
- i) Audited Financial Statements for the last 2 years.

**SHOULD ANY BIDDER FAIL TO SUBMIT ANY OF THE ABOVE DOCUMENTS, THEY WILL AUTOMATICALLY BE DISQUALIFIED FROM FURTHER PARTICIPATION IN THE TENDER.**

## 6. REQUEST FOR PROPOSAL

The Central Johannesburg TVET College is requesting for the services of a firm with duly qualified professionals for the role of the internal audit service provider. Potential service providers are invited to submit proposals as per the required scope.

The College anticipates completing the preliminary evaluation process within three (3) weeks after the closing date stipulated. Potential service providers may approach the College, provided this is done in writing, to discuss its requirements in respect of the requested services outlined in this Request for Proposal (RFP). Please note that such request for additional information will be provided to the rest of the bidders.

The College will apply its own Supply Chain Management policy and where the policy is silent; the National Treasury guidelines will apply. The College does not bind itself to accept any or the lowest tender. The College decision is final and no deliberations will be entered into.

The top three shortlisted bidders will be invited to make a brief presentation of their proposal. The closing date for the submission of the proposal is 31 AUGUST 2020 at 17H00.

**RFP documents are to not to be submitted in hard copy due to the risk of spread of COVID-19 via documents.** Bidders are requested to email their bids to [tenders@cjc.edu.za](mailto:tenders@cjc.edu.za) and cc [singoo@cjc.edu.za](mailto:singoo@cjc.edu.za).

Late tenders, as well as emailed tenders will not be accepted.

## 7. PROPOSAL SPECIFICATIONS

### a. Role and objectives of Internal Auditing

The Internal Audit Function will be an objective assurance and consulting activity, which will assist the College to accomplish its objectives, by bringing a systematic approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The Internal Auditing Provider is responsible for providing an objective and independent appraisal of all the College activities, financial and otherwise. It should provide a service to the whole organization, including Council and all levels of management. It is not an extension of, nor a substitute for, good management, although it can have a role in advising management. The internal audit provider is responsible for evaluating and reporting to the College Council and executive management, thereby providing them with assurance on the arrangements for risk management, control and governance, and value for money.

The bidder(s) must demonstrate the capability to perform the internal audits in accordance with the Institute of Internal Auditors professional 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 big firms are further encouraged to form joint ventures with small and medium firms so as to boost the levels of expertise and transfer skills within the Internal Auditing Professions.

Treasury Regulations states that: "The internal audit function must report functionally to the Audit Committee and administratively to the Accounting Officer and must report at all Audit Committee meetings. The function must be independent of activities that are audited, with no limitation on its access to information."

In order to achieve independence, the IA shall:

1. Act independently and be able to exercise judgement;
2. Express opinion and present recommendations with impartiality;
3. Avoid conflict of interest;
4. Be free from undue influence which either restricts or modifies the scope of work;
5. Have no direct or indirect interest over any activities of the College;
6. Not initiate or approve accounting transactions external to the internal audit division; and
7. Confirm annually to the Audit Committee on their status of independence.

The objective of this bid is to identify and appoint a suitable service provider that can establish a shared independent and objective internal Audit Function in terms with Section 27 of the Treasury Regulations prescribed in terms of sections 25(c) of the CETA.

The appointed service provider is expected to carry out the mandate of the Internal Audit Function in terms of the agreed terms of reference. The internal audit function must assist the College Council in achieving the objectives of the College by evaluating and developing recommendations for the enhancement or improvement of the processes through which:

- a. objectives and values are established and communicated;
  - b. the accomplishment of objectives is monitored;
  - c. accountability is ensured; and
  - d. corporate values are preserved.
2. Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation and/or expansion.
  3. On a quarterly basis, provide information on the status and results of the annual internal audit plan and the adequacy of the College resources.
  4. Perform periodic tracking and follow-up to ensure satisfactory corrective actions are completed.
  5. Implement the annual internal audit plan, as approved, including as appropriate any special tasks or projects requested by management and/or the Audit Committee.

The Chief Audit Executive as director of Internal Audit, in the discharge of his/her responsibilities, shall be accountable to the Accounting Officer and the Audit Committee to:

- a. Provide annually an assessment on the adequacy and effectiveness of the College's processes for controlling its activities (internal control systems) and managing its risks set in the areas defined in the annual internal audit plan;
- b. Report significant non-compliance, risk management and other concerns related to the processes for controlling the activities of the College, including potential improvements to those processes, and provide information concerning such issues for further action by management;
- c. Provide information, on a quarterly basis, on the status and results of the Annual Internal Audit Plan, ad hoc requests by the Audit Committee and the Accounting Officer, and the sufficiency of resources; and
- d. Coordinate with and provide oversight of other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, external audit).

#### **b. Scope of Internal Auditing services**

The scope of internal audit work covers all operational and management controls and is not to be restricted to the audit of systems and controls necessary to form an opinion on the financial statements.

This implies that all systems will be subject to review and all will be included in the audit risk assessment and considered for review following the assessment of risk. The internal audit is to give an opinion on the whole system that will include academic operations, and the role of internal audit in this area is to confirm that there are adequate systems for the management of teaching and learning and research. For example, internal audit could confirm that the examination system is operating effectively and meeting its objectives, but this does not mean that internal audit should form academic judgements. Similarly, internal audit might review a research grant to ensure that the requirements of the grant have been met, but it should not form a view on the merit of the research undertaken.

The scope of the IAA is to determine whether the College's network of risk management, control and governance processes, as designed and represented by management are adequate and functioning in a manner to ensure, amongst other matters, that:

1. Risks are appropriately identified and managed;
2. Significant financial, managerial and operating information is accurate, reliable and timely;
3. Resources are acquired economically, used efficiently and adequately protected;
4. Programmes, plans and objectives are achieved;
5. Quality and continuous improvements are fostered in the College's control process; and



6. Significant legislative or regulatory issues impacting the College are recognized and addressed appropriately.

Opportunities for improving management control, service delivery and the College's image may be identified during audits and communicated to the appropriate level of management.

The successful service provider will be required to provide the following services:

1. College Management Information System audits;
2. Compliance audits (including the audit of the prevention of fraud and corruption plan);
3. Performance Management audits as far as legislation requires;
4. Operational audits on all divisions of the institution;
5. Predetermined objectives (performance information) audits;
6. Risk management review;
7. Corporate Governance Review;
8. Ad hoc/Special Audit projects,
9. Review of disaster recovery plan & continuity plan;
10. Review of Management Reporting, Quarterly and Annual financial Statements;
11. Review of IT governance, IT general & applicable controls;
12. Process Review of Operational policies, procedures and implementation of internal controls and
13. Review of college policies.

The scope of internal audit work entails testing and evaluating the adequacy and effectiveness of the College's Management system of internal control. This includes:

1. Reviewing the risk register of the College on an annual basis;
2. Establishing a three-year rolling strategy and a risk-based annual Internal Audit Operational Plan;
3. Reviewing the reliability and integrity of financial and operating information, and the means to identify, measure, classify and report such information;
4. Reviewing the College Management systems established by management to ensure compliance with policies, plans, procedures laws and regulations that could have significant impact on operations and determine whether the College is in compliance;
5. Reviewing the means for safeguarding assets and verifying the existence of assets;
6. Reviewing the adequacy and effectiveness of internal control;
7. Appraising the economy and efficiency with which resources are employed and identifying opportunities to improve operating performance;
8. Reviewing the operations to ascertain whether the results are consistent with established objectives or goals and whether operations are being carried out as planned;
9. Performing any ad hoc projects as may be required by Management and/ or the Audit Committee;

**The key performance areas of the internal audit are tabled below:**

<b>Key Responsibilities (What)</b>	<b>Activities (How)</b>	<b>Results indicators (Why)</b>
Internal audits plan	Internal audits on all the entity's activities as determined by the Annual Internal Audit Plan according to the following auditing process: <ul style="list-style-type: none"> <li>• Planning the audit</li> <li>• Examining and evaluating information</li> <li>• Communicating results</li> <li>• Follow up actions by management on findings and recommendations</li> </ul>	To advise management on compliance with laws, policies and best practices as well as the status of internal controls within the College.
Fraud prevention, detection and action	Assist with investigations in terms of the entity's fraud strategy	To minimise fraud in the entity
Ad hoc/special audits	Audit issues as requested by Management and/ or the Audit Committee	To report finding to Management in order to determine whether further actions are required.
Performance audits	Conduct Quality Management system audits in terms of the audit plan	To determine whether resources at the College are applied

Key Responsibilities (What)	Activities (How)	Results indicators (Why)
		effectively and economically.
Predetermined objectives (performance information) audits	Executing audits in terms of the audit plan	To determine whether plans are correctly implemented and targets being achieved.
Reporting	Reporting on all the activities of the Internal Audit Function to the Management and the Audit Committee Meetings on a regular basis Evaluation of outputs	In order for the Management and the Audit Committee to evaluate the efficiency of the Internal Audit Function. To ensure that management are furnished with correct and up to date information.
Advisory services	Verbal and written advice	Enhance the quality of internal audit and governance

#### a. Extent of work

Performance of audit assignments will be as follows:-

1. Assignments are to be performed in accordance with the Institute of Internal Auditor's professional code of conduct. Such work shall further be subject to an external quality assurance review as may be required by the College;
2. All audit reports and working papers will become the property of the College;
3. The performance of each assignment shall be in accordance with the approved annual internal audit plan;
4. In carrying out the work, the successful bidder must ensure that their staff maintains their objectivity by remaining independent of the activities they audit;
5. On a mutually agreed basis, the responsible partner/ director shall meet with the Accounting Authority or its delegate to report on progress of the work;
6. For planning and conducting its work the internal auditor should seek to identify serious defects in the internal controls, which might result in possible malpractices. Any material defects must be reported immediately to the Audit Committee without disclosing these to any other members of the staff. This also applies to instances where serious fraud and irregularity is uncovered;
7. The successful bidder may be required to attend strategic workshops as may be required from time to time. The cost of attendance will be for the account of the College.

#### b. Mandatory Functional Competencies and Experience

The bidder needs to clearly demonstrate the following:

1. Previous experience in performing an internal audit in the Post School Education Sector (i.e. size of funds allocated and managed by the applicant, scope of coverage and level of deliverables achieved.);  
The Evaluation scoring will award points per five (5) years of experience in this post school education sector;
2. A detailed explanation of audit methodology, nature, timing and extent of audit procedures to be performed, administration of such a project;
3. Demonstrate experience and expertise of auditing public and private sector entities in specific fields. - Scope of internal audit work and compliance with the CET Act and extensive expertise in the management of a complex, large scale project with adequate financial management systems and procedures and IT systems audit and forensics audit;
4. Ability to implement the project in a cost effective way;
5. The applicant must demonstrate commitment of meeting the requirement of Broad Based Black Economic Empowerment (BBBEE) and Employment Equity (EE). This is an opportunity to develop medium sized firms with an excellent reputation in the industry. The applicant is supposed to have an internal audit technician learnerships program for at least the duration of the Internal Audit contract.

6. Relevant registrations with the professional bodies will be assessed according to this scale:

PROFESSIONAL BODY	SCORE FOR EVALUATION
IIA	10 points
CERTIFIED FRAUD EXAMINERS	10 points
SAICA	5 points
CISA	5 points
OTHER	5 points

The applicant organization must meet other requirements such as:

1. Compliance with all laws applicable to the organization;
2. No outstanding judgments or litigation against them. A firm with a stellar reputation will be prioritized. Points will be deducted for firms with questionable reputations;
3. Provide details of similar assignments undertaken, nature of the assignment, duration, value, number of beneficiaries serviced. The names and contact details of two referees who can provide an objective assessment of the quality of relevant and recent work undertaken by the potential Contractor and who will not be seen to be in a potential conflict of interest situation. Points will be awarded per Reference Letter – see also point 6 below;
4. The bidder will provide a proposal plan of action to achieve the objectives of the Internal Audit Function. The plan will specify budgeted hours, time lines and sequence for audit procedures, and levels of staff to be assigned. **Pricing Schedule must be disclosed in this tender document.**
5. Provide information that will assist the College to assess the service provider's capabilities, capacity, competitive advantages such as in-house skills, previous experience, etc.;
6. **Provide proof that the service provider has experience in performing internal audit services.** List current and past audit clients (in the public and private sector) along with the names and telephone numbers of contact persons, the value of and the number of years audit services were provided. Reference Letters required must be at minimum three for work done over the last five years;
7. An overview of the key personnel to be used on the contract. Describe the proposed audit team, in terms of the job position in the firm. List names, qualifications and hourly rates of staff member(s) who will direct and review audit work for the overall audit throughout the duration of the engagement as well as those staff members who will be responsible for planning, directing and conducting substantial portions of the fieldwork or reporting on this audit engagement. The educational background detailed resumes of all staff member's names and professional membership held must be included;
8. Provide details of staff training and development policies and procedures with specific mention of continuing professional accounting and auditing experience qualifications received by the proposed audit team during the last two years;
9. Ability to maintain the core team for the duration of the contract.
10. Demonstrate any other value-added services that would set them apart as the ideal service provider.

## 8. PRICING AND COST DETAILS

The bidder must submit a comprehensive and detailed line-item budget showing total cost of the services, as well as the hourly rates (including VAT) of personnel to be involved.

The budget should show service activities proposed and budgeted hours per activity and per team member.

All assumptions made in drawing the budget, including all cost factors such as overheads must be detailed. The bidder will be expected to provide a view of the cost of the audit based on the hours and staff levels and experience allocated to the College.

**The pricing schedule should remain VAT exclusive. The pricing evaluation will compare prices per line item.**

The College reserves the right to negotiate the selection/prioritisation of deliverables in line with the contract price.

Level of resource	QUALIFICATIONS	YEARS EXP	NAMES CANDIDATES PROPOSED	OF	HOURLY RATE
Engagement partner					
Senior Manager					
Manager					
Supervisor r					
Auditor					
Specialist or other (e.g. Risk, Forensic, IT. etc.)					
Disbursement and Other Costs					

## 9. TENDER TIMETABLE

This is an indicative timetable and is subject to change:

Activity	Estimated Completion date
Advertising of RFP	19 August 2020
Closing date and time	31 August 2020 17H00
Intended completion of evaluation of tenders	02 September 2020
Presentation by short-listed suppliers	5 September 2020
Award of tender	10 days after presentation

## 10. EVALUATION CRITERIA

The evaluation criteria will be as follows:

Sub- Criteria	Item Description	Maximum Points
<b>Company Profile</b>	Relevant experience, accreditations & experience (Competency)  Company profile including demonstrated experience in providing internal audit services in the public sector or higher education sector or colleges with a minimum of three positive references letters from previous clients going back 5 years;  Team experience in providing services of the required nature	5 per reference letter older than 2 years  10 per cumulative team experience older than 10 years
<b>Project plan and Methodology</b>	A detailed proposed project plan in executing these projects, methodology and presentation.	15
<b>Staff compliment (Capacity)</b>	Qualifications of the team members and the core management team proposed for this assignment should at least have the CIA, IT systems audit accreditation, Certified fraud examiners or forensic investigations  <b>Copies of qualifications to be provided.</b>	5 per relevant accreditation in Internal Audit, in IT audit, in Forensics, in Fraud investigations
<b>Minimum points required for qualifying</b>		<b>70</b>

Sub- Criteria	Item Description	Maximum Points
<b>B-BBEE</b>	B-BBEE Credentials	20
<b>Price</b>	Detailed costing proposal with hourly rates, and budgeted hours per sections. Demonstration of "investment" in the project as a sign of commitment to uplifting the internal auditing profession.  Clear mention of "out of scope" costs and their estimated value	80

**1. POINTS AWARDED FOR PRICE**

**1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

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

**80/20 or 90/10**

$$P_s = \frac{80 \times (P_t - P_{min})}{P_t - P_{min}} \quad \text{or} \quad P_s = \frac{90 \times (P_t - P_{min})}{P_t - P_{min}}$$

Where

- P<sub>s</sub> = Points scored for price of bid under consideration
- P<sub>t</sub> = Price of bid under consideration
- P<sub>min</sub> = Price of lowest acceptable bid

**2. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR**

2.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

**3. BID DECLARATION**

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

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

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

**5. SUB-CONTRACTING**

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

*(Tick applicable box)*

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

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted..... %
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE  
*(Tick applicable box)*

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

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

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

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

6.1 Name of company/firm: \_\_\_\_\_

6.2 VAT registration number: \_\_\_\_\_

6.3 Company registration number: \_\_\_\_\_

**6.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**6.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**6.6 COMPANY CLASSIFICATION**

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

[TICK APPLICABLE BOX]

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

\_\_\_\_\_

6.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES	
1.	.....
2.	.....

.....
SIGNATURE(S) OF BIDDERS(S)
DATE: .....
ADDRESS .....



## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? <b>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</b> The Database of Restricted Suppliers now resides on the National Treasury's website ( <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> ) and can be accessed by clicking on its link at the bottom of the home page.	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 Bid Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Bid Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	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 outside of 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:		

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

**CERTIFICATION**

I, THE UNDERSIGNED (FULL NAME)

---

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT. I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

---

**Signature**

---

**Date**

---

**Position**

---

**Name of Bidder**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid: \_\_\_\_\_

(Bid Number and Description): \_\_\_\_\_

in response to the invitation for the bid made by (Name of Institution) \_\_\_\_\_

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

I certify, on behalf of (Name of Bidder): \_\_\_\_\_

that:

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 consortium<sup>3</sup> 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.

***<sup>3</sup> 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 Central Johannesburg TVET College 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**

\_\_\_\_\_  
**Name of Bidder**

\_\_\_\_\_  
**Date**

**GOVERNMENT PROCUREMENT  
GENERAL CONDITIONS OF CONTRACT**

<p><b>Notes</b></p>	<p>The purpose of this document is to draw special attention to certain general conditions applicable to government bids, contracts and orders; and to ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government. In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter. The General Conditions of Contract will form part of all bid documents and may not be amended. Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.</p>
<p><b>General Conditions of Contract Definitions</b></p>	<p>The following terms shall be interpreted as indicated:</p> <p>1.1“Closing time” means the date and hour specified in the bidding documents for the receipt of bids.</p> <p>1.2“Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.</p> <p>1.3“Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.</p> <p>1.4“Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.</p> <p>1.5“Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.</p> <p>1.6“Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.</p> <p>1.7 “Day” means calendar day.</p> <p>1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.</p> <p>1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.</p> <p>1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the</p>

conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

- 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.

	<p>1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.</p> <p>1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.</p>
<b>Application</b>	<p>These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents. Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works. Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>
<b>General</b>	<p>Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged. With certain exceptions, invitations to bid are only published in the Government Bid Bulletin. The Government Bid Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>.</p>
<b>Standards</b>	<p>The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>
<b>Use of contract documents and information; inspection</b>	<p>The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance. The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause except for purposes of performing the contract. Any document, other than the contract itself mentioned in GCC clause shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser. The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p>



<b>Patent rights</b>	The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
<b>Performance Security</b>	Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC. The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract. The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be either a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or a cashier's or certified cheque. The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.
<b>Inspections, tests and analyses</b>	All pre-bidding testing will be for the account of the bidder. If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department. If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned. If the inspections, tests and analyses show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser. Where the supplies or services comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier. Supplies and services which do not comply with the contract requirements may be rejected. Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the

	<p>suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier. The provisions shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of clauses of GCC.</p>
<b>Packing</b>	<p>The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit. The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.</p>
<b>Delivery and Documents</b>	<p>Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC. Documents to be submitted by the suppliers are specified in SCC.</p>
<b>Insurance</b>	<p>The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.</p>
<b>Transportation</b>	<p>Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.</p>
<b>Incidental services</b>	<p>The supplier may be required to provide any or all of the services, including additional services, if any, specified in SCC, including a) performance or supervision of on-site assembly and/or commissioning of the supplied goods; (b) furnishing of tools required for assembly and/or maintenance of the supplied goods; (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods; (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods. Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall</p>

	<p>be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.</p>
<b>Spare parts</b>	<p>As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier: (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and (b) in the event of termination of production of the spare parts: (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested</p>
<b>Warranty</b>	<p>The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination. This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC. The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser. If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.</p>
<b>Payment</b>	<p>The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC. The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract. Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier. Payment will be made in Rand unless otherwise stipulated in SCC.</p>

<b>Prices</b>	Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
<b>Contract Amendments</b>	No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
<b>Assignment</b>	The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
<b>Subcontracts</b>	The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
<b>Delays in the supplier's performance</b>	Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract. If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract. No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority. The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available. Except as provided, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, unless an extension of time is agreed upon pursuant to GCC without the application of penalties. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier
<b>Penalties</b>	If the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its

	<p>other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract.</p>
<p><b>Termination for default</b></p>	<p>The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part: (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser (b) if the Supplier fails to perform any other obligation(s) under the contract; or (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated. Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years. If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier. Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first- mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated. If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information: (i) the name and address of the supplier and / or person restricted by the purchaser; (ii) the date of commencement of the restriction (iii) the period of restriction; and (iv) the reasons for the restriction. These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector. If a court of law convicts a person of an offence as contemplated in sections</p>

	<p>12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Bid Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.</p>
<p><b>Anti-dumping and countervailing duties and rights</b></p>	<p>When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favorable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.</p>
<p><b>Force Majeure</b></p>	<p>Notwithstanding the provisions of GCC Clauses, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure. If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.</p>
<p><b>Termination for insolvency</b></p>	<p>The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.</p>
<p><b>Settlement of Disputes</b></p>	<p>If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation. If,</p>

	<p>after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law. Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC. Notwithstanding any reference to mediation and/or court proceedings herein, (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and (b) the purchaser shall pay the supplier any monies due the supplier.</p>
<b>Limitation of liability</b>	<p>Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6; (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.</p>
<b>Governing Language</b>	<p>The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.</p>
<b>Applicable law</b>	<p>The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.</p>
<b>Notices</b>	<p>Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.</p>
<b>Taxes and duties</b>	<p>A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country. A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser. No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.</p>

<p><b>National Industrial Participation Programme</b></p>	<p>The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.</p>
<p><b>Prohibition of Restrictive practices</b></p>	<p>In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging). If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Central Johannesburg TVET College for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998. If a bidder(s) or contractor(s), has / have been found guilty by the Central Johannesburg TVET College of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.</p>

## 11. REPORTING FRAMEWORK AND SCHEDULING

The successful bidder will report to the Accounting Officer administratively and the Audit Committee as per the agreed timeframes in terms of the delivery schedule for the project.

## 12. COMPULSORY BRIEFING

All potential bidders note that there shall be no compulsory briefing.



### 13. PROPOSAL SUBMISSION

Delivery of bids will be electronically submitted to [tenders@cjce.edu.za](mailto:tenders@cjce.edu.za) and a carbon copy be sent to [singoo@cjce.edu.za](mailto:singoo@cjce.edu.za).

### 14. ENQUIRIES

Queries regarding any aspect of this RFP may be directed to:

Contact name: Mr. S Pule  
Email: [pules@cjce.edu.za](mailto:pules@cjce.edu.za)

No telephonic or any other form of communication with Central Johannesburg TVET College staff/members may be entered into regarding this bid except the procurement staff whose details are listed above.

All queries are to be in writing. Failure to observe these requirements will lead to automatic disqualification.