



**OFFICE OF THE PUBLIC SERVICE COMMISSION
REPUBLIC OF SOUTH AFRICA**

Head Office: Private Bag X121, Pretoria, 0001, Tel: (012) 352 1000, Fax: (012) 325 8382
Commission House, Cnr Hamilton & Ziervogel Streets, Arcadia, Pretoria, 0083

Enquiries Ms. R Sibanda Reginas@opsc.gov.za (012) 352 1104 Bid OPSC 003/14

APPOINTMENT OF AN INDEPENDENT INTERNAL AUDIT SERVICE PROVIDER THAT CAN PROVIDE AND MAINTAIN AN APPROPRIATE INTERNAL AUDIT SERVICE TO THE PUBLIC SERVICE COMMISSION (PSC) AND THE AUDIT COMMITTEE FOR A THREE (3) YEAR PERIOD

REQUIRED BY: OFFICE OF THE PUBLIC SERVICE COMMISSION

1. Kindly furnish us with a bid for the services shown on the attached forms.
2. The General Contract Conditions (GCC), Special Requirements and Conditions of Contract (SCC) as well as the SBD1, SBD2, SBD 3.3, SBD4, SBD6.1, SBD8, and SBD9 are attached for completion.
3. These forms must be returned with your bid. Each bid document must be submitted in an envelope together with the required documents stipulating the following information: Name and Address of the Bidder, Bid Number and closing Date of Bid.
4. A briefing session will be held on 18 June 2014 at 10h30 to discuss the specifications/ Terms of Reference.
5. The bid should be mailed to The Director-General, Office of the Public Service Commission, Private Bag X121, PRETORIA, 0001 attention: Director Supply Chain Management and Security Services, to reach the destination no later than the closing date and time or must be deposited in the bid box at Commission House, corner Hamilton & Ziervogel Street, Arcadia, 0083, no later than the closing date and time (i.e. 30 June 2014 at 11h00).

**SUPPLY CHAIN MANAGEMENT
DATE: 06 JUNE 2014**



PROVINCIAL OFFICES:

Free State T: (051) 448 8696 F: (051) 448 4135 Eastern Cape T: (043) 643 4704 F: (043) 642 1371 KwaZulu-Natal T: (033) 345 9998 F: (033) 345 8505
Gauteng T: (011) 833 5721 F: (011) 834 1200 Northern Cape T: (053) 832 6222 F: (053) 832 6225 Mpumalanga T: (013) 755 4070 F: (013) 752 5814
North West T: (018) 384 1000 F: (018) 384 1012 Western Cape T: (021) 421 3980 F: (021) 421 4060 Limpopo T: (015) 291 4783 F: (015) 291 4683
PARLIAMENTARY OFFICE T: (021) 418 4940 F: (021) 418 1362

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/PUBLIC ENTITY)

BID NUMBER: **OPSC 003/14**

CLOSING DATE: **30 JUNE 2014**

CLOSING TIME: **11:00**

DESCRIPTION: APPOINTMENT OF AN INDEPENDENT INTERNAL AUDIT SERVICE PROVIDER THAT CAN PROVIDE AND MAINTAIN AN APPROPRAITE INTERNAL AUDIT SERVICE TO THE PUBLIC SERVICE COMMISSION (PSC) AND THE AUDIT COMMITTEE FOR A THREE (3) YEAR PERIOD

The successful bidder will be required to fill in and sign a written Contract Form (SBD 7).

BID DOCUMENTS MAY BE POSTED TO: The Director General, Office of the Public Service Commission, Private Bag X 121, Pretoria, 0001

OR

**DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)
Reception, Commission House Building, Cnr Hamilton and Zivvogel Street, Arcadia**

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

**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.....
CELLPHONE NUMBER	.....
FACSIMILE NUMBER	CODE NUMBER.....
E-MAIL ADDRESS	.....
VAT REGISTRATION NUMBER	.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2)

YES or NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1)

YES or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)..... ☐

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); OR..... ☐

A REGISTERED AUDITOR ☐

[TICK APPLICABLE BOX]

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE 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?
NO

YES or

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

TOTAL BID PRICE..... TOTAL NUMBER OF ITEMS OFFERED

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Department: Office of the Public Service Commission

Contact Person: Mr Sbonga Chonco

Tel: 012 352 1109

E-mail address: Sbongac@opsc.gov.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person: Mr. Zola Tshatshelo

Tel: 012 352 1106

E-mail address: ZolaT@opsc.gov.za

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.



TAX CLEARANCE

TCC 001

Application for a Tax Clearance Certificate**Purpose**

Select the applicable option

Tenders ☐Good standing ☐

If "Good standing", please state the purpose of this application

Particulars of applicantName/Legal name
(Initials & Surname
or registered name)Trading name
(if applicable)

ID/Passport no

Company/Close Corp.
registered no

Income Tax ref no

PAYE ref no 7

VAT registration no 4

SDL ref no L

Customs code

UIF ref no U

Telephone no

Fax
no

E-mail address

Physical address

Postal address

Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no

Income Tax ref no

Telephone no

Fax
no

E-mail address

Physical address

Particulars of tender (if applicable)

Tender number

Estimated Tender amount R ,

Expected duration of the tender year(s)

Particulars of the 3 largest contracts previously awarded

Date started	Date finalised	Principal	Contact person	Telephone number	Amount

Are you currently aware of any Audit investigation against you/the company?

If "YES" provide details

I the undersigned confirm that I require a Tax Clearance Certificate in respect of or .

I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

- -

Date

Name of representative/agent

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

Date

**Name of applicant/
Public Officer**

1. It is a serious offence to make a false declaration.
2. Section 75 of the Income Tax Act, 1962, states: Any person who
 - (a) fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - (b) without just cause shown by him, refuses or neglects to-
 - (i) furnish, produce or make available any information, documents or things;
 - (ii) reply to or answer truly and fully, any questions put to him ...As and when required in terms of this Act ... shall be guilty of an offence ...
3. **SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
4. Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.: **OPSC 003/14**

CLOSING TIME 11:00

CLOSING DATE **30 JUNE 2014**

OFFER TO BE VALID FOR**90**...DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)	
1.	The accompanying information must be used for the formulation of proposals.		
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.	R.....	
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)		
4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
	.....	R.....	..... days
	.....	R.....	..... days
	.....	R.....	..... days
	.....	R.....	..... days
5.1	Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.		
	DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY AMOUNT
	.....	.....	R.....
	.....	.....	R.....
	.....	.....	R.....
	.....	.....	R.....
		TOTAL: R.....	

** "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.

Name of Bidder:

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid
 7. Estimated man-days for completion of project
 8. Are the rates quoted firm for the full period of contract? *YES/NO
 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the --

Department: Office of the Public Service Commission

Contact Person: Mr Sbonga Chonco

Tel: 012 352 1109

E-mail address: SbongaC@opsc.gov.za

DECLARATION OF INTEREST

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

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

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:

2.3 Position occupied in the Company (director, trustee, shareholder²):

2.4 Company Registration Number:

2.5 Tax Reference Number:

2.6 VAT Registration Number:

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

¹"State" means –

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

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

2.7 Are you or any person connected with the bidder presently employed by the state? YES / NO

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

Name of state institution at which you or the person connected to the bidder is employed :

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? YES / NO

2.7.2.1 If yes, did you attached proof of such authority to the bid document? YES / NO

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

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

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? YES / NO

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

[illegible]

YES/NO

[illegible]

YES/NO

.....

.....

.....

.....

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

[illegible]

4 DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF
PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION
PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

May 2011

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed/not exceed R1 000 000 (all applicable taxes included) and therefore the.....system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contribution.

1.3.1 The maximum points for this bid are allocated as follows:

	POINTS
1.3.1.1 PRICE	.....
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	.....
Total points for Price and B-BBEE must not exceed	100
1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.	
1.5 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.	

2. DEFINITIONS

- 2.1 **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 **"B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 **"consortium or joint venture"** 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;
- 2.8 **"contract"** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 **"EME"** means any enterprise with an annual total revenue of R5 million or less .
- 2.10 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 **"functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 **"non-firm prices"** means all prices other than "firm" prices;
- 2.13 **"person"** includes a juristic person;
- 2.14 **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;

- 2.17 “trust” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 “trustee” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 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

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

- 5.1 In terms of Regulation 5 (2) and 6 (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	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 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? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm :

9.2 VAT registration number :

9.3 Company registration number :

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

9.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider

- ☐ Other service providers, e.g. transporter, etc.
[TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business?

9.8 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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.

.....
SIGNATURE(S) OF BIDDER(S)

2.

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 as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? To access this Register enter the National Treasury's website, www.treasury.gov.za , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court 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

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

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

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

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js914w 2

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

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

obligations of the supplier covered under the contract.

- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

- | | |
|---|---|
| 16. Payment | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.</p> <p>16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.</p> |
| 18. Contract amendments | <p>18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.</p> |
| 19. Assignment | <p>19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.</p> |
| 20. Subcontracts | <p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.</p> |
| 21. Delays in the supplier's performance | <p>21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the</p> |

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without 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.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (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.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which

may be due to him

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

	(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	<p>31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice</p> <p>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>
32. Taxes and duties	<p>32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.</p> <p>32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.</p> <p>32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.</p>
33. National Industrial Participation (NIP) Programme	33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34 Prohibition of Restrictive practices	<p>34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by 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).</p> <p>34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.</p>

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)

REQUEST FOR PROPOSAL FOR PROVIDING INTERNAL AUDIT SERVICES

OBJECTIVE

The objective of this bid is to invite and appoint a suitable independent Internal Audit Service Provider that can provide and maintain an appropriate Internal Audit service to the Public Service Commission (PSC) and the Audit Committee.

VISION of the PSC

A champion of public administration excellence in democratic governance in South Africa.

MISSION

The mission for the PSC is to promote the constitutionally enshrined democratic principles and values of the Public Service by investigation, research, monitoring, evaluating, communicating, advising, directing and reporting on public administration.

CONSTITUTIONAL MANDATE

The PSC is the only institution established in terms of Chapter 10 of the Constitution. It derives its mandate from sections 195 and 196 of the Constitution, 1996¹, which sets out the values and principles governing public administration which should be promoted by the PSC, as well as the powers and functions of the PSC. It is vested with custodial oversight responsibilities for the Public Service and monitors, evaluates and investigates public administration practices. It also has the power to issue directives regarding compliance with personnel procedures relating to recruitment, transfers, promotions and dismissals. The PSC is accountable to the National Assembly but must report on an annual basis to provincial legislatures on its activities in provinces.

ROLE OF INTERNAL AUDIT

Internal Audit is an independent, objective assurance and consulting activity, designed to add value and improve the operational functioning of the OPSC.

OBJECTIVES OF INTERNAL AUDIT

Its objectives are to:

- (i) ensure a systematic and disciplined approach to evaluate and improve the effectiveness of risk management and governance processes within the OPSC;
- (ii) comply with the Public Finance Management Act and Treasury Regulations; and
- (iii) assess, evaluate and improve control measures effectively and efficiently within the OPSC.

¹ The Constitution of the Republic of South Africa, 1996 (promulgated by Proclamation No. 108 of 1996).

3. ORGANISATIONAL STATUS OF INTERNAL AUDIT

The Internal Audit function falls directly under the supervision to the Director-General and the Audit Committee of the OPSC and will help to promote and ensure:

- 3.1 the independence of the internal audits;
- 3.2 broad oversight in respect of audits;
- 3.3 consideration of audit reports; and
- 3.4 monitoring the implementation of audit recommendations.

4. SCOPE OF INTERNAL AUDIT WORK

The scope of internal audit work entails evaluating the adequacy and efficiency of the organization's systems of internal control. This includes:

- 4.1 Reviewing and updating of the Internal Audit and Audit Committee Charters.
- 4.2 Developing an annual audit plan and three-year rolling audit plan based on the risk assessment results for approval by the Audit and Risk Committee. The plan should include costing of all activities therein.
- 4.3 Performing risk based audit assignments as per the standards and guidelines set out by the SA Institute of Internal Auditors.
- 4.4 Carrying out the annual audit plan as it pertains to the contract period.
- 4.5 Reporting the results of audits to management.
- 4.6 Evaluating the effectiveness of risk management and corporate governance systems against international standards and provide counsel and guidance at executive management level.
- 4.7 Performing any ad hoc investigations including forensic audits as requested by management and the Audit Committee.
- 4.8 Liaising with the Auditor General and ensuring alignment with the external audit functioning, processes and best practice. t.
- 4.9 Fulfilling all requirements pertaining to internal audit as reflected in the PFMA and Treasury Regulations.
- 4.10 Performing such other assignments as directed by the Audit Committee in consultation with management..

5. SPECIFICATION OF SKILLS REQUIRED

- 5.1 The service provider's team members must display extensive knowledge and understanding of Government practices/prescripts/regulations and further have the following in-depth knowledge and operational experience
 - Systematic analysis of a diverse working environments;
 - corporate governance,
 - risk management,
 - performance auditing,
 - information systems audits,
 - forensic auditing
 - secretarial services to the Audit Committee.
 - the standards and guidelines set out by the SA Institute of Internal Auditors.

- 5.2 It is a specific requirement that the person (Director / Partner) leading the Internal Audit project must have implemented an outsourced/co-sourced internal audit service from scratch or have been the head of an in-house internal audit function him/herself. The partner/director must be in possession of a CA qualification and be a registered member of the South African Institute of Chartered Accountants.

5.3 Intellectual Property/Working documents

All procedures and working papers must be made available to the OPSC and the Audit Committee within a week of being requested; even after the expiry of the contract. Whilst the safeguarding of the internal audit working papers would be in the custody of the Internal Auditor, the OPSC shall have unlimited access to the working papers beyond the period of engagement.

6. BLACK EMPOWERMENT FIRMS

The PSC will give reference to service providers from historically disadvantaged communities, be it either by ownership of such firms, or alternatively consisting of membership in such firms.

The PSC will further specifically look to appoint a service provider who has a demonstrable track record of transferring skills to members of those historically disadvantaged communities.

Despite the above, the PSC expects to be provided with a service of excellence from the appointed service provider. Proposals should highlight and elaborate on these important factors.

7. FEES AND PAYMENT

Pricing will be a major factor in selecting the successful service provider.

Bidders must please take note of the prescribed rates as set out by Auditor-General and must use such rates as a guideline. Please note that exceeding the rates as prescribed by the Auditor General, will lead to your bid being disqualified.

Copies of timesheets must be attached to all invoice and will be payable after the relevant project report has been received by the OPSC management. All payments will be made strictly within 30 days.

8. CONTENT OF TENDER PROPOSAL

8.1 The proposal should include:

- 8.1.1 a budget of a minimum of 2,000 hours per year, over a 3 year period (This is purely for tender adjudication purposes and on award may be subject to change, based on the operational needs of the OPSC).
- 8.1.2 Proof of subscription to Professional Practices Framework of the IIA,
- 8.1.3 Documented proof of the capacity of the service provider,
- 8.1.4 competitive advantage of the bidder over other bidders

- 8.1.5 provision of information which will assist the OPSC to assess the bidders competencies,
- 8.1.6 all relevant perceived strengths and weaknesses of the bidder, e.g. similar previous experience, in-house skills, demonstrated ability to carry out specialized audits etc.
- 8.2 the summary of the Bidder's profile, mission and vision statement, values and long term strategies and objectives ;
- 8.3 a proposed plan of action to achieve the objectives of the Internal Audit function in the OPSC. Such plan should cover short and medium term steps to manage the Internal Audit function;
- 8.4 the advantages that could accrue to the OPSC as a result of outsourcing the internal audit function as compared to establishing an in-house component;
- 8.5 the advantages that would accrue to the OPSC as a result of outsourcing the internal audit function to the bidder as opposed to its competitors;
- 8.6 the advantages that would accrue to historically disadvantaged communities in as far as skills transfers is concerned.
- 8.7 copies of appointment letters from at least 3 references including current and or previous clients;
- 8.8 an organogram or list of partners, managers, specialists and assistants, together with their respective *curriculum vitae and qualifications* of the staff who will be available for the duration of the Service Level Agreement. It is a specific requirement that any changes to staff allocated to the OPSC must be done in consultation with the OPSC.
- 8.9 Details of staff training and development policies and procedures, with specific mention of affirmative action policies of the bidder;
- 8.10 a comprehensive budget projection, indicating -
 - the service activities proposed with charge-out rates and budgeted hours per activity,
 - detailing all assumptions made in arriving at a proposed budget,
 - all auxiliary costs factors such as travelling, administration; etc.

Preference will be given to bidders who show ingenuity in conducting the work;
- 8.11 How the Bidder proposes to provide governance assistance to the OPSC;
- 8.12 How the Bidder proposes to provide secretarial services to the Audit Committee; and
- 8.13 Give a proper explication of the methodology to be applied in rendering of the service.

9 VALIDITY OF PROPOSALS

The Bidder is required to confirm that it will hold its proposal valid for 90 days from the closing date of the submission of proposals, during which time it will maintain and not change the personnel proposed for the service (save for 8.8 above) together with their proposed rates, subject to the amendments to the Auditor-General's rates.

10. APPOINTMENT, COMMENCEMENT AND DURATION

The successful bidder will be appointed for a period of 3 years (36 months) with effect from 01 August 2014.

11. AVAILABILITY

The OPSC will conclude an Service Level Agreement (SLA) with the successful bidder.

Although the bidder might not be provided with office space at the OPSC, it remains a requirement that the service provider be readily accessible during normal working hours at all times. It should be noted that the operational requirements of the OPSC might necessitate that the service provider be contacted after hours. Given the above, the service provider must appoint a senior member of its staff who will be able to facilitate the provisioning of any information to the management of the OPSC.

The successful bidder will have unlimited access to all the necessary information of the OPSC within its normal working hours.

12. DESCRIPTION AND EXTENT OF WORK

12.1 Time Frame

The service provider must present the Annual Internal Audit Coverage Plan together with an appropriate time frame to the Audit Committee. The Audit Committee in consultation with the Management of the OPSC will approve the scope and extent of the proposed audit plan. Once approval of such audit plan has been granted, the Audit Committee will advise the service provider that it may start with the conducting of the audit.

12.2 Quality assurance reviews of the work

- a. The service provider shall ensure that all work conforms to the Standards for the Professional Practice of Internal Auditing. Such work shall further be subject to an external quality assurance as may be considered necessary and appropriate by the Audit Committee.
- b. The Director/Partner of the appointed service provider must perform a quality assurance check and sign off on the final audit review as per the Service

Level Agreement (SLA), prior to submitting its documented findings and recommendations to the OPSC.

12.3 Independence and objectivity of the service provider

In carrying out its work, the service provider must consistently show that its staff maintain their objectivity and independency throughout the duration of their audit function.

12.4 Monitoring progress of assignments

The service provider must present a progress report on the internal audit functions it completed against the agreed time frames as set out in the Annual Internal Audit Coverage Plan.

12.5 Report of audit results

The audit results report(s) compiled by the service provider reflecting the findings and recommendations should be forwarded to the Deputy Director-General of the relevant Branch, for consideration and comments if applicable.

Within 10 (ten) working days of sending the audit results report(s) to the relevant DDG, the service provider shall meet with the auditee to discuss the findings and obtain written responses to the recommendations together with implementation dates thereof.

These shall then be incorporated into the final report which must be issued to the Accounting Officer. Upon approval by the Accounting Officer, these reports must be circulated to and tabled at the Audit Committee meeting for discussion.

12.6 Identification of malpractice, fraud and irregularities

In planning and conducting its work, the service provider should seek to identify serious weaknesses in the internal control mechanisms of the OPSC, which might result in possible malpractice, fraud and or irregularities.

Any such weaknesses must be reported immediately to the Accounting Officer of the OPSC and the Audit Committee without disclosing these to any other members of the staff.

12.7 Amendment(s) to the Service Level Agreement

No amendments may be made to the Annual Internal Audit Coverage Plan without the written consent of the Accounting Officer of the OPSC.

12.8 Secretariat Services

The service provider will be responsible for providing secretariat services to the Audit Committee by:

12.8.1 arranging Audit Committee meetings;

- 12.8.2 preparing the agenda for Audit Committee meetings in consultation with the Accounting Officer, Chief Financial Officer of the OPSC and Chairperson of the Audit Committee;
- 12.8.3 collating and compiling documents for discussion at the Audit Committee meetings;
- 12.8.4 taking minutes at the Audit Committee meetings; and
- 12.8.5 compiling and issuing minutes of the discussions at the Audit Committee meetings
- 12.8.6 the Secretariat, whilst not full-time, must nevertheless be available throughout normal business hours to field questions, etc. and deal with pertinent matters that may arise.

13. EVALUATION CRITERIA

The preference point system applicable to this bid is the 90/10 principle. The criteria to be used in comparing the various offers with each other are indicated hereunder. Bids will be evaluated in two phases.

PHASE 1

The two-envelope system will be used to receive bids. Only the technical/functional criteria will be evaluated without opening the financial/preferential envelopes of the bids.

The technical / functional proposals will be evaluated individually on score sheets by a representative evaluation panel, according to the evaluation criteria indicated below.

Bidders must have scored at least 70% out of 100% to be considered for the second phase. Bidders that achieve a score lower than 70% will be eliminated and will not be considered for phase 2.

PHASE 2

The second phase of the evaluation will be based on pricing and B-BBEE status level of contribution.

The bid will be awarded to the bidder that scored in total the highest points. Should the bidder with the highest number of points, have a bad track record or any fact exists which reflects negatively on the bidder, the panel will consider the awarding of the contract to the bidder with the second highest number of points.

The shortlisted service providers will be requested to do a presentation, to a panel which will include representation from management and the Audit Committee, at their own cost.

An in-loco inspection will also be conducted of the premises of the short listed bidders.

NOTE: The OPSC reserves the right not to award the contract.

EVALUATION CRITERIA

VALUES: 1=POOR; 2=AVERAGE; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT

1.	FUNCTIONALITY – EXPERTISE, APPROPRIATENESS AND EXPERIENCE. (professional standing, knowledge, relevant experience and resources)	SCORE
1.1	Expertise in the field of Internal Auditing	65
1.1.1	The relevant perceived strengths and weaknesses of the bidder (adherence to the bid specification)	5
1.1.2	Subscription/conforming to Professional Practices Framework of IIA (attach proof)	5
1.1.3	Internal audit approach and relevant strategy	30
1.1.4	Ability to provide specialists – Risk assessment, IT, Performance Value for Money (VFM), Forensic	15
1.1.5	Staff recognized in IA profession (qualification and competence with <i>curriculum vitae</i> of the staff who will be available for the duration of the work). Attach CV's	10
1.2	Ability to service the OPSC	35
1.2.1	Representation (offices) at the OPSC's area of operation	10
1.2.2	Ability to conduct visits to all the OPSC's locations	10
1.2.3	Knowledge and experience in industry and public sector (a list of references should be provided)	15
		100

THE TOTAL COST WILL BE USED TO CALCULATE POINTS FOR PRICE

1. Rate per Auditor-General's approved rates
 2. Time required for Audits, i.e. planning and reporting, core audit services and other audit services
 3. Additional costs – i.e. disbursements, etc.
- TOTAL COST FOR A PERIOD OF THREE (3) YEARS INCLUSIVE OF VAT**

FAILURE TO COMPLY TO THE COSTING STRUCTURE WILL LEAD TO THE DISQUALIFICATION OF THE BID

Calculation of points for price

The lowest acceptable bid will score 90 points for Price. Bidders that quoted higher prices will score lower points for price on a prorate basis.

Thus, bidders who provide the lowest management fee will get full 90 points for price.

Calculating of points for B-BBEE status level of contribution

10 points will 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)
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

Bidders must submit original and valid B-BBEE Status Level Verification Certificate or certified copies thereof, issued by accredited Verification Agencies by SANAS or Registered Auditor approved by Independent Regulatory Board of Auditor (IRBA), together with their bids, to substantiate their B-BBEE claims. The Exempted Micro Enterprise must submit a letter from the Accounting Officer who is appointed in terms of Close Corporation Act.

Bidders who do not submit B-BBEE Status Level Verification Certificate or are non-compliant contributors to be B-BBEE will not qualify for preference points for B-BBEE.



Custodian of Good Governance

SPECIAL REQUIREMENTS AND CONDITIONS OF CONTRACT

APPOINTMENT OF AN INDEPENDENT INTERNAL AUDIT SERVICE PROVIDER THAT CAN PROVIDE AND MAINTAIN AN APPROPRIATE INTERNAL AUDIT SERVICE TO THE PUBLIC SERVICE COMMISSION (PSC) AND THE AUDIT COMMITTEE FOR A THREE (3) YEAR PERIOD

BID VALIDITY PERIOD: 90 DAYS

BRIEFING SESSION:

DATE: 18 June 2014

TIME: 10H30

**VENUE: COMMISSION HOUSE, CORNER HAMILTON & ZIERVOGEL STREETS,
ARCADIA**

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1. SCOPE

To secure an independent Internal Audit service provider that can provide and maintain an appropriate Internal Audit service to the Public Service Commission (PSC) and the Audit Committee for a three (3) year period.

2. LEGAL FRAMEWORK

This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Chapter 16A of the Treasury Regulations published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

3. LATE BIDS/PROPOSALS

- 3.1 Bids/Proposal received after the closing date and time, at the address indicated in the bid documents, will not be considered.
- 3.2 Late bids/proposals will not be admitted for consideration and will, where practicable, be returned unopened to the bidder.

4. VALIDITY OF BIDS/PROPOSALS

The bid/proposal must include a statement as to the period for which the proposal remains valid. The bid/proposal must be valid for at least ninety (90) days from the closing date and time of bids.

5. PACKAGING OF BIDS/PROPOSALS

Bids must be submitted on the official bid document forms (included in this document) after having been fully completed and signed by the bidder before being submitted. The bidder shall place both the sealed Technical Proposal and Price/Financial Proposal envelopes into an outer sealed envelope or package and must be clearly marked as follows:

FUNCTIONAL/TECHNICAL PROPOSAL

Bid No:

Description:

Bid Closing date and time:

Name and address of bidder:

In this envelope, the bidder shall only address the technical aspects of the bid.

PRICE/FINANCIAL PROPOSAL

Bid No:

Description:

Bid Closing date and time:

Name and address of bidder:

In this envelope the bidder shall provide price/financial proposal and the B-BBEE certificate to claim points in terms of the Preferential Procurement Regulations, 2011 only in accordance with pricing schedule (SBD 3.3).

The Technical Proposal envelope and the Price/Financial Proposal envelope shall contain **one original hard copy document clearly marked "Original" and four (4) hard copies, clearly marked "Copy" (i.e. five (5) documents to be included in each envelope).**

6. NUMBER OF PROPOSALS

Each bidder must submit five (5) hard copies of their entire proposal fully indexed with proper dividers. All submitted proposals will become the property of the OPSC, and will not be returned. No late submissions will be considered under any circumstances.

Envelopes must not contain documents relating to any Request for Proposal (RFP) other than the one referred to in this RFP.

The responses to the RFP will be opened as soon as is practical after the expiry of the time advertised for receiving them.

After the evaluation process is completed, the Sub-Bid Committee (SBC) will, prior to making a final selection, draw up a shortlist of three (3) participants and require them to

	2	Bid closing at 11 on 30 June 2014
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make a detailed presentation to the SBC. A minimum of 2 days' notice will be given to relevant participants in advance of the presentation date.

7. EVALUATION PROCESS

The evaluation process comprises the following phases:

Phase 1: Compliance with minimum requirement of bid

During this phase bid documents including all SBD forms that are to be filled in, signed and returned with the proposals will be reviewed to determine compliance with among others, tax matters and whether original and valid tax clearance certificates have been submitted with the bid documents at closing date and time of bid. Failure on the part of the bidder to sign the fid forms and thus to acknowledge and accept the conditions in writing or to complete the bid forms, questionnaire and specifications in all respects, as well as to submitting the bid after the closing date and time, will invalidate the bid.

Phase 2: Awarding of points on technical/functionality to remaining bidders

During this phase bidders' responses will be evaluated based on the mandatory requirements indicated in the scope of work. This phase is not scored and bidders who fail to comply with all the mandatory criteria will be disqualified.

During this phase bidders' responses will be evaluated for functionality based on achieving a minimum threshold of 70%.

Bidders must, as part of their bid documents, submit supportive documentation for all functional requirements as indicated in the scope of work. The panel responsible for scoring the respective bids will evaluate and score all bids based on their submissions and the information provided.

Bidders need to ensure that all information is supplied as required. The panel will evaluate and score all responsive bids and will verify all documents submitted by the bidders.

The Panel members will individually evaluate the responses received against the following criteria as set out in the functionality scorecard:

	3	Bid closing at 11 on 30 June 2014
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EVALUATION CRITERIA

VALUES: 1=POOR; 2=AVERAGE; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT

1.	FUNCTIONALITY – EXPERTISE, APPROPRIATENESS AND EXPERIENCE. (professional standing, knowledge, relevant experience and resources)	SCORE
1.1	Expertise in the field of Internal Auditing	65
1.1.1	The relevant perceived strengths and weaknesses of the bidder (adherence to the bid specification)	5
1.1.2	Subscription/conforming to Professional Practices Framework of IIA (attach proof)	5
1.1.3	Internal audit approach and relevant strategy	30
1.1.4	Ability to provide specialists – Risk assessment, IT, Performance Value for Money (VFM), Forensic	15
1.1.5	Staff recognized in IA profession (qualification and competence with <i>curriculum vitae</i> of the staff who will be available for the duration of the work). Attach CV's	10
1.2	Ability to service the OPSC	35
1.2.1	Representation (offices) at the OPSC's area of operation	10
1.2.2	Ability to conduct visits to all the OPSC's locations	10
1.2.3	Knowledge and experience in industry and public sector (a list of references should be provided)	15
	TOTAL	100

The score for functionality will be calculated as follows:

Each panel member will rate each individual criterion on the score sheet using the following value scale:

Performance	Description	Score
Excellent	Answer far <u>exceeds</u> the functionality requirement	5
Very Good	Answer <u>meets and exceeds</u> the functionality requirements	4
Good	Answer <u>meets</u> all functionality requirements	3
Average	Answer <u>partially meets</u> the functionality requirements	2
Poor	Answer <u>fails to meet the functionality requirements other than the conditional requirements</u>	1
	Answer fails to meet the <u>key functional</u> requirements in respect of travel, accommodation, venue and services hire	Disqualified

The value scored for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These marks will be added and expressed as a fraction of the best possible score for all criteria.

This score will be converted to a percentage and **only** bidders that have met or exceeded the minimum threshold of 70% for functionality will be evaluated further and scored in terms of pricing and B-BBEE.

Bidders scoring a threshold of less than 70% for functionality will not be considered for further evaluation on price and goals.

8. EVALUATION CRITERIA (PHASE 3)

- a. In terms of regulation 4 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the State on the 90/10 preference point system in terms of which points are awarded to bidders on the basis of:
- The bid price (maximum 90 points)
 - Broad Based Black Economic Empowerment (B-BBEE) compliance (maximum 10 points)

	5	Bid closing at 11 on 30 June 2014
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- b. The following formula will be used to calculate the points for price:

$$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for price of bid under consideration

P_t = Rand value of bid under consideration

P_{\min} = Rand value of lowest acceptable bid

COSTING STRUCTURE AND FEES CHARGED	
Rate per Auditor-General's approved rates Time required for Audits, i.e. planning and reporting, core audit services and other audit services Additional costs – i.e. disbursements, etc.	
TOTAL COST OF THE CONTRACT FOR A PERIOD OF THREE (3) YEARS INCLUSIVE OF VAT AND DISBURSEMENTS. POINTS FOR PRICE WILL BE BASED ON THE TOTAL COST.	

- c. A maximum of 10 points may be awarded to a bidder attaining the B-BBEE status level of contributor in accordance with the table below.

B-BBEE Status Level of Contributor	Number of points (90/10 system)
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1

Non-compliant contributor	0
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- d. The points scored by a bidder in respect of the goals indicated above will be added to the points scored for price.
- e. A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- f. Bidders are requested to complete the various preference claim forms in order to claim preference points.
- g. Only a bidder who has completed and signed the declaration part of the preference claim form will be considered for preference points.
- h. Supply Chain Management may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference points claimed.
- i. Points scored will be rounded off to the nearest 2 decimals.
- j. In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the specified goals. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- k. The OPSC does not commit itself to accepting the lowest or any bid, or to award the bid after its closing date if it considers awarding such bid not to be in its best interest. A decision by the OPSC regarding the acceptance of a bid shall be final.
- l. The OPSC reserves the right to request the three (3) highest scorers to do a presentation if deemed necessary at their own cost. *In-loco* (site inspections) will be conducted with the three (3) highest scorers.

9. CONTRACT PERIOD

The contract period shall be for a period of three (3) years.

10. PRE-AWARD SUPPLIER DUE DILIGENCE

The OPSC reserves the right to conduct supplier due diligence prior to final award. Additional information may be required in writing from suppliers. Replies to such requests must be submitted within 7 working days or else bids may be disregarded.

	7	Bid closing at 11 on 30 June 2014
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11. RESPONSE FIELDS

It is imperative that bidders submit responsive bids by completing all the mandatory response fields and item questionnaires for the individual items. Non-compliance with this condition may invalidate the bid for the item/s concerned.

12. TAX CLEARANCE CERTIFICATE

An original and valid Tax Clearance Certificate issued by the South African Revenue Services certifying that the taxes of the bidder are in order must be submitted at the closing date and time. Failure to comply with this condition will invalidate the bid.

13. VALUE ADDED TAX

All bid prices must be inclusive of 14% Value-Added Tax.

14. CONTRACT ADMINISTRATION

a. A successful bidder must advise the OPSC immediately when unforeseeable circumstances will adversely affect the execution of the contract. Full particulars of such circumstances as well as the period of delay must be furnished.

b. All correspondence in this regard must be directed to the following address:

Office of the Public Service Commission for the attention of Mr Sbonga Chonco, Supply Chain Management & Security Services, Private Bag X121, Pretoria, 0001

c. The Office of the Public Service Commission hereby chooses the following street address as its domicilium citandi et executandi for the purpose of serving notices and legal documentation:

Commission House, Corner Hamilton and Ziervogel Streets, Arcadia, PRETORIA, 0083.

15. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that **amendments to any of the Special Conditions** will result in invalidation of such bids.

16. PROHIBITION OF RESTRICTIVE PRACTICES

a. In terms of section 4 (1) 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:

- directly or indirectly fixing a purchase or selling price or any other trading condition;
 - dividing markets by allocating customers, suppliers, territories or specific types of goods or services; or
 - collusive bidding.
- b. If a bidder(s) or contractor(s), in the judgment of the purchaser, has / have engaged in any of the restrictive practices referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- c. If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of any of the restrictive practices 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.

17. FRONTING

- a. The OPSC supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the OPSC condemns any form of fronting.
- b. The OPSC, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the Office of the Public Service Commission may have against the bidder / contractor concerned.

18. CONFIDENTIALITY

- 18.1 This bid and all information in connection therewith shall be held in strict confidence by bidders and usage of such information shall be limited to the preparation of the bid. Bidders shall undertake to limit the number of copies of this document.
- 18.2 All bidders are bound by the confidentiality agreement preventing unauthorised disclosure of any information regarding the OPSC or of its activities to any other organisation or individual. Bidders may not disclose any information, documentation or products to other clients without written approval from the Head of the Department or his/her delegated Officer.

19. SERVICE LEVEL AGREEMENT

The successful bidder shall enter into a service level agreement for the services to be rendered in terms of the contract.

20. ENQUIRIES

For enquiries bidders are requested to contact:

Bid enquiries: Mr Sbonga Chonco

Tel: (012) 352 1109