

SACPCMP

The South African Council for the Project and Construction Management Professions

— CONSTRUCTING NEW PERSPECTIVES —

YOU ARE HEREBY INVITED TO BID (PROVIDE A PROPOSAL IN RESPECT OF SERVICES REQUIRED BY THE SOUTH AFRICAN COUNCIL FOR THE PROJECT AND CONSTRUCTION MANAGEMENT PROFESSIONS (SACPCMP)).

BID DESCRIPTION	REQUEST FOR PROPOSAL FOR INTERNAL AUDIT SERVICES		
BID NUMBER	002/ARC/2024		
NAME OF INSTITUTION	The South African Council for the Project and Construction Management Professions (SACPCMP)		
THE PLACE WHERE GOODS ARE TO BE DELIVERED/ WORKS OR SERVICES ARE REQUIRED	Block A, 2nd Floor, Rigel Office Park, 446 Rigel Avenue, S, Erasmusrand, Pretoria. 0181		
COMPULSORY REQUIREMENTS	<ul style="list-style-type: none"> - Only emailed submissions will be accepted. - Please note that failure to submit compulsory documents as per paragraph 3 may lead to disqualification. 		
RFQ DISTRIBUTION DATE	31 January 2024		09h00
QUERIES CLOSING DATE	9 February 2024		16h00
RFQ CLOSING DATE	27 February 2024		16h00
CONTACT DETAILS	Electronic bids	Electronic bids should be submitted to Nokuthula Madlala: tenders@sacpcmp.org.za	
	Fax	No facsimile bids will be considered	
	Email	tenders@sacpcmp.org.za	
	Queries (only)	Fortune Vukomba: finance@sacpcmp.org.za	
	Contact person	Tshidiso Lekgetho 010 443 0144 tshidisolek@sacpcmp.org.za	
CATEGORY	Request For Proposal for Internal Audit Services		
SECTOR	Regulatory Council		
REGION	Gauteng Province		
COMPULSORY BRIEFING SESSION/SITE VISIT	Date	N/A	
	Time	N/A	
	Venue	N/A	

1. SCOPE OF TERMS OF REFERENCE

This document provides the terms of reference for the request for proposal in respect of the provision of Internal Audit services for a period of up to three (3) financial years ending on 31 March 2025, 31 March 2026 and 31 March 2027 respectively.

Background

The South African Council for the Project and Construction Management Professions (SACPCMP) is a juristic person established by Section 2 of the Project and Construction Management Professions Act (Act No.48 of 2000) which provides for statutory professional certification, registration and regulation of Project and Construction Management Professions in order to protect public interest. In line with the construction industry development initiatives, the Council continues to advance and promote the science and management practice of project and construction management thereby contributing towards promotion of the construction and built environment industries.

It further regulates the Project and Construction Management Professions to protect the public by identifying the type and scope of work, registering professionals and maintaining a national register of professionals who adhere to a Code of Conduct.

It also accredits Project and Construction Management programmes at tertiary educational institutions to ensure that graduates are employable within the industry upon completion of their studies and recognises Voluntary Associations who assist in the promotion of the professions SACPCMP (South African Council for the Project and Construction Management Professions).

Operations

The SACPCMP operates in the Built Environment alongside the other six Councils being the South African Council for the Architectural profession (SACAP), the Engineering Council of South Africa (ECSA), The South African Council for the Landscape Architectural Profession (SACLAP), The Council for the Quantity Surveying Profession (SACQSP) and the South African Council for the Property Valuers Profession (SACPVP). The National Minister of Public Works is the Executive Authority of the Council and communicates with the Council through the CBE, which is the overarching body that co-ordinate the activities of all the six Built Environment Councils.

2. SCOPE OF WORK

The SACPCMP invites reputable consulting firms to tender for the provision of Internal Audit services for a three-year period.

- a) The successful bidder will be required to perform, inter alia, the following types of internal audits (only list the applicable items):
- Risk-based audits (this includes, but is not limited to, audits on the Financial, Human Resource and Supply Chain Management, Communication, Stakeholder Management, Marketing and Branding processes), Management of Operations encapsulating the Council's 13 legislative mandates.
 - Compliance Audits - Legislative Mandates.
 - Performance Information Audits.
 - Governance Audits.
 - Information Technology (IT) audits.
 - Risk Management Maturity Assessment.
 - Fraud Assessments.
 - Ad hoc projects and consulting services as requested by management and /or the Audit Committee such as forensic auditing, risk management, and others.
 - Attending Audit and Risk Committee meetings.
- b) The scope of Internal Audit work entails: adequacy and effectiveness of internal controls; effectiveness of risk management process and effectiveness of governance processes. The controls subject to evaluation should encompass but not limited to the following:

General

- Develop a rolling three-year Strategic and Annual Internal Audit Plan based on the results of the risk review and the execution of audits in accordance with these plans.
- Update the Internal Audit Charter that contains the purpose, authority, and responsibility of the internal audit activity. The Internal Audit Charter must be consistent with the Definition of Internal Auditing, the Code of Ethics, and the Standards.
- Submit Quarterly Reports to the Audit and Risk Committee for the duration of the contract.
- Report on the progress of the work against the approved Annual Internal Audit Plan to the Audit and Risk Committee at all Audit and Risk Committee meetings.

- Attend a strategic workshop to obtain knowledge of the procedures of the Council.
- Liaise with the External Auditors to prevent duplication of work and share information to obtain efficiencies.
- Perform a follow-up of all Internal Audit and External Audit findings and determine whether the action plan as recommended has been adequately addressed.
- Review the effectiveness and efficiency of the Risk Management process and governance.
- Review and update the current and existing SACPCMP Risk Management Strategy.
- Review of SACPCMP Policies and Procedures.

Compliance Audit

- Review the systems established by management to ensure compliance with policies, laws, regulations and controls that could have a significant impact on operations and determine whether the entity is in compliance with Public Finance Management Act No 1 of 1999 and other relevant legislation that governs the entity.
- Ensure that the entity adheres to the Corporate Governance requirements as prescribed by the most recent King IV Report.
- Review the adequacy and effectiveness of the Council and its Sub-Committee Charters and confirm that they are functioning in accordance with these Charters.
- Provide independent review on compliance work performed by employees.

Performance Information

- Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information. (Completeness, Accuracy and Validity).
- Review operations or programmes to ascertain whether the results are consistent with established objectives or goals and whether the operations or programs are being carried out as planned.

Ad Hoc Project and Consulting Services

- Perform ad hoc requirements, as directed by Council or the Audit and Risk Committee.

Project Management Review

- Reviewing the planning, implementation, communication and monitoring of the projects.
- Reviewing progress against objectives and review controls to manage projects.
- Reviewing the adequacy of resources utilised in the projects.
- Reviewing the controls surrounding contract management.
- Reviewing adherence to the Project management Framework.

FRAUD

- Fraud assessments and reporting.

c) Execution of audit assignments will be as follows:

- Assignments are to be performed in accordance with the International Standards for the Professional Practice of Internal Auditing (*Standards*). Compliance with the IIA Standards will be evaluated through conducting External Quality Assurance Review undertaken by the SACPCMP.
- The execution of each assignment shall be in accordance with the Annual Internal Audit Plan.
- In carrying out the work, the successful bidder must ensure its staff maintains their objectivity by remaining independent of the activities they audit.

2.1. Responsibility for preparation of Financial Statements

The responsibility for the preparation of the Annual Financial Statements lies with the SACPCMP management.

2.1.1. Management will prepare the Annual Financial Statements in accordance with IFRS.

2.1.2. Management is responsible for the implementation of accounting, administrative, and financial procedures documented in the SACPCMP SOPs (Standard Operating Procedures).

2.1.3. SACPCMP financial year-end runs from 1 April to 31 March annually.

2.1.4. Section 15(8) of the Project and Construction Profession Act No 48 of 2000 requires that the Council submit the Audited Financial Statement within 6 months of the close of the financial year to the Minister of Public Works.

2.2. Rotation of Auditors will be done within a minimum of 3 years at the discretion of the SACPCMP Management, Audit and Risk Committee and Council.

2.3. The performance will be evaluated on an annual basis by the Audit and Risk Committee, and SACPCMP reserves the right to terminate the engagement should it deem necessary, even before end of the contracted period.

3. MANDATORY REQUIREMENTS

3.1. Proposals will be disqualified or excluded under the following conditions:

3.1.1. Submission after the deadline.

3.1.2. Service Providers whose tax matters are not in order, when SACPCMP appoints.

3.1.3. Not attending the mandatory briefing session. It should be noted that the person attending the briefing session should sign the correct legal name of the bidder.

3.1.4. Not including a CIA Certification.

3.1.5. Not including CSD Registration and recent Compliance Report.

3.1.6. Not including BBEE Original Certificate/ Sworn Affidavit.

3.1.7. Not including Tax Clearance Certificate.

The bidder will be required to prepare presentation for the evaluation committee.

4. EVALUATION CRITERIA

SACPCMP will do the evaluation and adjudication after the proposal submission deadline. The selection criteria will include the following:

4.1. Eligibility - CIA

4.2. Experience of your firm in relation to the scope of audits for organ of the state.

4.3. A list of similar public organizations served by your firm.

4.4. Your staff assignments and availability to complete the audit on a timely basis.

4.4.1. Participation of Audit Partner and manager personnel assigned to the engagement.

4.4.2. Depth of Technical Resources (CV of the assigned Partner and Audit manager).

4.5. Audit firm personnel stability history - what assurances can you provide regarding the assignment of your permanent personnel to the engagement.

4.6. Proposed fee for the engagement including a schedule for additional services that may be necessary beyond the scope of the audit engagement. The proposal should indicate anticipated fees for the second and third years.

4.7. Detailed audit plan/methodology including your approach to risk and fraud detection.

4.8. Estimated number of hours to complete the audit by classification of your employees, i.e. partners, manager, assistant manager, trainees,

4.9. Detail of expenses expected to be incurred, i.e. mileage, per diem, telephone, etc.

4.10. Time Requirements

4.11. Bidders would be required to do a presentation focusing on the following areas:

4.11.1. Technical Approach as indicated in the Terms of Reference, focusing on the:-

- a) Audit Team: Qualifications of the proposed audit team
 - b) Technical Approach (Methodology)
 - c) Experience in undertaking internal audits.
 - d) Track Record
- 4.11.2.** Going Concern focusing on the Bidder's company Audited Financial Statements, including the Liquidity Ratio and Cashflow Assessment.

5. MINIMUM FUNCTIONAL REQUIREMENTS

The service provider should meet the following minimum requirements:

- 5.1.** Registration and good standing status of firm and team with:
- 5.1.1.** CIA – The Institute of Internal Auditors
- 5.2.** At least 5 years track record as a firm providing internal audit services in private sector.
- 5.3.** At least 5 years' experience as a firm in internal auditing of public sector entities.
- 5.4.** Experience in the membership regulatory environment will be advantageous.
- 5.5.** At least 5 years internal audit experience of the lead partner and/or manager preferably in public sector.
- 5.6.** Sufficient capacity of the firm to service the needs of SACPCMP as per these Terms of Reference. (Partner, Manager, Assistant Manager, IT Auditor and at least two Trainees).
- 5.7.** Adequate mix of skill with the team CIA, CA (SA), CISA, and any other relevant qualifications.
- 5.8.** The firm, partner, manager and team should be free of any conflicts of interest related to the provision of internal audit services.
- 5.9.** At least 3 recent (not longer than 3 years) written and contactable references of external audit clients.

6. SPECIAL CONDITIONS

- 6.1.** All enquiries must be made in writing to tenders@sacpcmp.org.za
- 6.2.** SACPCMP reserves the right not to consider any proposal, if not fully completed.
- 6.3.** By accepting to take part in the proposal process, you agree to keep confidential, all information imparted to you in relation with the proposal process, not to disclose it to third parties and not to use it for other purpose than the proposal.
- 6.4.** The Respondent is responsible for all costs incurred in the preparation and submission of the proposal.
- 6.5.** A copy/s of any affiliations, memberships and/or accreditations that support your submission must be included in the proposal.
- 6.6.** Kindly note that SACPCMP is entitled to:

- 6.6.1. Amend any RFP conditions, validity period, specifications, or extend the closing date and/or time of RFP's before the closing date. All Respondents, to whom the RFP documents have been issued, will be advised in writing of such amendments in good time.
- 6.6.2. Verify any information contained in a proposal.
- 6.6.3. Not appoint any bidder.
- 6.6.4. Vary, alter, and/or amend the terms of this RFP, at any time prior to the finalisation of its adjudication hereof.
- 6.6.5. Disqualify proposals that contain an omission of disclosure of material information, that is factually inaccurate, and/or contains a misrepresentation.
- 6.6.6. Not accept the lowest proposal or any proposal in part or in whole. SACPCMP normally awards the contract to the Bidder who proves to be fully capable of handling the contract and whose proposal is technically acceptable and/or financially advantageous to SACPCMP. Appointment as a successful contractor shall be subject to the parties agreeing to mutually acceptable contractual terms and conditions. In the event of the parties failing to reach such an agreement within 30 (thirty) days from the appointment date, SACPCMP shall be entitled to appoint the contractor who was rated 2nd (second), and so on.
- 6.6.7. Cancel or withdraw from this RFP as a whole or in part without furnishing reasons and without attracting any liability.
- 6.6.8. This proposal and its acceptance shall be subject to the Terms and Conditions contained in this RFP document.

7. PROPOSAL

- 7.1. Bids shall include all relevant information about the bidder as indicated in the advertisement, which will enable SACPCMP to assess the service provider's competence.
- 7.2. Responding firms will be evaluated on the quality of the written proposals as well as oral presentations to the Audit and Risk Committee.
- 7.3. Proposals must be emailed to tenders@sacpcmp.org.za

8. PROPOSALS SHOULD ADDRESS:

8.1. Understanding of the Request for Proposal

- Detailed proposal to include the firm's understanding of the requirements in respect of the request for proposal as set out in Section 2,
- The proposal must set out the firm's approach and end to end methodology in respect of the scope (including its Quality assurance and resolution processes) and any other value-added services to be provided to SACPCMP.

8.2. Functional minimum requirements

- The firm must provide full detail in its proposal, in respect of the functional minimum requirements set out in Section 3.
- Describe briefly the firm's audit methodology/approach and the technology used.
- CVs of the lead partner, manager, and core team members must be included in the proposal.
- Describe the firm's quality control system and demonstrate briefly that the firm has established adequate quality control policies and procedures that comply with ISA 220 and international standards on quality control.

9. BID EVALUATION:

9.1. First Evaluation Process

The following functionality evaluation criteria will be used.

Area of Review	Score	Maximum Points																					
1. Audit Team: Qualifications of the proposed Audit Team																							
Confirmation that the staff to be assigned will meet the expected technical requirements.																							
<table border="1"> <thead> <tr> <th>Position/Level</th> <th>Proposed Minimum Qualification</th> <th>Weighting</th> </tr> </thead> <tbody> <tr> <td>Partner</td> <td>CIA /CA(SA)</td> <td>30%</td> </tr> <tr> <td>Manager</td> <td>CIA/ CA(SA)</td> <td>20%</td> </tr> <tr> <td>Assistant Manager / Supervisor</td> <td>CIA or BCompt Honours/Internal Audit Professional Designation</td> <td>15%</td> </tr> <tr> <td>Trainee 2nd year</td> <td>BCompt Honours</td> <td>10%</td> </tr> <tr> <td>Trainee 1 year</td> <td>BCompt</td> <td>10%</td> </tr> <tr> <td>IT Auditor</td> <td>CISA or any equivalent and related qualification.</td> <td>15%</td> </tr> </tbody> </table>	Position/Level	Proposed Minimum Qualification	Weighting	Partner	CIA /CA(SA)	30%	Manager	CIA/ CA(SA)	20%	Assistant Manager / Supervisor	CIA or BCompt Honours/Internal Audit Professional Designation	15%	Trainee 2 nd year	BCompt Honours	10%	Trainee 1 year	BCompt	10%	IT Auditor	CISA or any equivalent and related qualification.	15%	0.20	5
Position/Level	Proposed Minimum Qualification	Weighting																					
Partner	CIA /CA(SA)	30%																					
Manager	CIA/ CA(SA)	20%																					
Assistant Manager / Supervisor	CIA or BCompt Honours/Internal Audit Professional Designation	15%																					
Trainee 2 nd year	BCompt Honours	10%																					
Trainee 1 year	BCompt	10%																					
IT Auditor	CISA or any equivalent and related qualification.	15%																					
<i>None submission of the CV will result in no points being awarded</i>																							
2. Technical Approach (Methodology)																							
2.1. Understanding the brief (refer to points 2,3, 4 and 5)																							
- Provide a detailed proposal	0.10	5																					

- Understand audit approach	0.10	
- Provides end-to-end methodology	0.10	
2.2. Quality Control		
▪ Detail description of the firm’s quality control systems	0.05	5
▪ Copy of the firm’s quality control policies and procedures that comply with international standards on ISA 220 and or Quality Control (ISQC1) ✓ <i>None-submission of the above will result in no points being awarded</i> ✓ <i>Certified copies to be submitted</i>	0.05	
3. Experience in undertaking Internal Audits		
3.1. Assessment of the Firm		
Firm’s Internal Audit experience in the public sector – indicating the total number of years. Firms must provide a schedule of the public sector audit performed, and proof of audit completed in the form of an audit opinion issued. 5 = More than 10 years public sector experience, 4 = 10 years public sector experience, 3 = 8 to 9 years public sector experience, 2= 5 to 7 years public sector experience, 1 = 2 to 4 years public sector experience and 0 = less than 2 years public sector experience.	0.05	5
Firm’s Internal Audit experience in the private sector – indicating the total number of years. Firms must provide a schedule of the private -sector audit performed, and proof of audit completed in the form of an audit opinion issued. 5 = More than 10 years private sector experience, 4 = 10 years private sector experience, 3 = 8 to 9 years private sector experience, 2= 5 to 7 years private sector experience, 1 = 2 to 4 years private sector experience; and	0.05	5

0 = less than 2 years private sector experience.		
Submission of engagement partner's CIA/SAICA Certificate	0.05	5
3.2. Assessment of the Engagement Partner		
Engagement partner – confirmation of experience in the public sector, this should be verified in terms of a CV supplied. 5 = more than 15 years public sector experience, 4 = more than 10 years but less than 15 years, 3 = more than 5 years but less than 10 years; 2 = more than 1 year and less than 5 years; 1 = less than 1 year experience and 0 = no CV included	0.05	5
Engagement partner – confirmation of experience in the private, this should be verified in terms of a CV supplied. 5 = more than 15 years private sector experience, 4 = more than 10 years but less than 15 years, 3 = more than 5 years but less than 10 years, 2 = more than 1 year and less than 5 years, 1 = less than 1 year experience and 0 = no CV included	0.05	5
4. Track Record		
List of contactable applicable references for similar work undertaken. a) 5- Written reference received 5 b) 4- Written reference received 4 c) 3- Written reference received 3 d) 2- Written reference received 2 e) 1- Written reference received 1 f) No applicable reference received - 0	0.05	5

<ul style="list-style-type: none"> ▪ Must not be older than 3 years. ▪ At least 1 must be from the Audit and Risk committee. ▪ Must be contactable and verifiable. 		
5. Firms Going Concern Assessment		
Liquidity and Solvency Ratios calculated and are within generally acceptable norms	0.10	5
Total/Maximum Points	100%	
Total Points required to move to next level		70%

9.2 Scoring Rules

Unless otherwise specified above, scoring will be done as per below table.

SCORE	DESCRIPTION
5	Excellent - significantly exceed the acceptable level
4	Very good - exceeds acceptable standards
3	Satisfactory - acceptable standards
2	Poor - less than acceptable standards
1	Unsatisfactory - much less than acceptable standards
0	Unacceptable of no evidence

For a bidder to be considered for the 2nd stage of evaluation they must attain a minimum threshold of not less than 70 points on functionality

9.3 Second Phase Evaluation - Presentation

9.3.1. Bidders were required to do a presentation focussing on the following areas:
 Technical Approach as indicated in the Terms of Reference, focusing on the:

- a) Audit Team: Qualifications of the proposed audit team
- b) Technical Approach (Methodology)
- c) Experience in undertaking Internal Audits.
- d) Track Record

9.3.2. Going Concern focusing on the bidder's company Audited Financial Statements, including the liquidity ratio and Cashflow assessment.

Presentations are part of Phase 1 evaluation.

Second Phase Evaluation

The Second and Final Phase will be evaluated as follows:

Evaluation criteria	Points
Price	80%
BBB-EE	20%
Maximum Points	100%

9.3.1 Fees/Pricing (Inclusive of VAT)

9.3.1.1 Bidders must submit:

- a) a competitive fee quote to complete the internal audit for each of the 3 years separately.
- b) This should detail the breakdown per level of staff and hourly rates per level excluding and including VAT and any disbursements.
- c) Schedule and timing of billings.
- d) Details of any other costs that may be charged not covered for above.

9.3.1.2 Below is a table of the Financial Proposal for the duration of the contract.

The price must consider the following:

1. Risk-based audit covering at least 5 areas per year on the following:
 - Risk-based audits (this includes, but are not limited to, audits on the Financial, Human Resource and Supply Chain Management, Communication, stakeholder management, marketing and branding processes, Management of operations covering Council's 13, Governance audit, ICT audits).
2. Annual Independent Review of compliance work conducted by Internal Personnel
3. FRAUD - Fraud Assessments and Reporting
4. Performance Information Review
5. Risk Management Maturity Assessment (Every second year)
6. Ad hoc Assessments Rates

a) 2024/25

Position/Level	Number of Hours	Rate Charged	Total
Partner			
Manager			
Assistant Manager / Supervisor			
Trainee 2 nd year			
Trainee 1 year			
IT Auditor			
Other related Costs (Specify)			
TOTAL			

b) 2025/26

Position/Level	Number of Hours	Rate Charged	Total
Partner			
Manager			
Assistant Manager / Supervisor			
Trainee 2 nd year			
Trainee 1 year			
IT Auditor			
Other related Costs (Specify)			
TOTAL			

c) 2026/27

Position/Level	Number of Hours	Rate Charged	Total
Partner			
Manager			
Assistant Manager / Supervisor			
Trainee 2 nd year			
Trainee 1 year			
IT Auditor			
Other related Costs (Specify)			
TOTAL			

d) Summary

Financial Year	Total Cost
2024/25	
2025/26	
2026/27	
Other related Cost (Specify)	
TOTAL	

9.3.2 Points Awarded for Status Level of Contribution

9.3.2.1 BBEE verification in respect of this tender will be conducted in accordance with the generic scorecard under the amended Codes of Good Practice

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

9.3.2.2 A bidder who qualifies as an EME or QSE in terms of the B-BBEE Act must submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership.

9.3.2.3 Points claimed must be in accordance with the table reflected in paragraph above and must be substantiated by means of the B-BBEE certificate issued in accordance to the new sector codes in line with SAICA’s requirements

9.3.2.4 The proposal must include a certified copy of the B-BBEE certificate. (Not a copy of certified copy and it must not be older than three months)

10 ALTERATIONS

10.1 Alterations, if any, should be signed for by the authorised person/s.

10.2 All price alterations must be signed for by the bidder confirming that such changes were made by the bidder.

11 SIGNING OF PROPOSAL

11.1 All Proposal must be signed

11.2 All related tender document must be signed.

Approval Authority	Audit and Risk Committee
Administrator	Department – Finance
Original Approval Date	