

PART F : Scope of Work

Terms of Reference for Provision of Internal Audit Services for a Period of Three (3) years from 2026 to 2028.

1. Introduction

Vuselela TVET College is a registered public TVET College, with Department of Higher Education in terms of CET Act, 2016 (Act No of 2016), Vuselela TVET College has a mandate to train and skill South African in the following categories, Accredited Skills Programmes, R191 Nated and National Vocational Certificates, for the benefits of the citizen of South Africa, operating within North West Province, with more focus in youth in general, for more information about the College can be found at <http://www.vuselelacollege.co.za>

Vuselela TVET College has Campuses Located as follows:

- Taung Mainroad to Pudimoe Viillage Taung 8581
- Jouberton 11900 5th Street Jouberton 2571
- Matlosana Plot 120 OR Tambo Street Klerksdorp 2571
- Klerksdorp Cnr OR Tambo & John Orr Street Klerksdorp 2571
- Corporate Centre 8 BramFischer Street Klerksdorp 2571
- Potchefstroom Cnr Auriet & Retief Street Potchefstroom
- Kitso – Bothale 74 Boom Street Klerksdorp 2571

It is a compulsory requirement of this bid that the service provider / audit firm must be able to provide services for all sites/ campuses. The location of the service provider's offices must be clearly indicated in the proposal with the details on how all sites/ campuses will be served.

2. SCOPE OF WORK

The internal audits must be conducted in accordance with the Standards for the Professional Practices of Internal Auditing and Code of Ethics set by the Institute of Internal Auditors. The internal audit service provider should assist Vuselela TVET College by evaluating and developing recommendations for the enhancement and improvement of processes for projects approved as per Audit Plan through which:

2.1 The adequacy and effectiveness of the system of internal controls are reviewed and appraised;

2.2 The relevance, reliability and integrity of management, financial and operating data and reports are appraised;

2.3 Systems established are assessed and reviewed to ensure compliance with policies, procedures, statutory requirements and regulations, which have a significant impact on operations;

2.4 The means of safeguarding and verifying the entity's assets are reviewed;

2.5 The efficiency and effectiveness with which resources are employed are appraised;

2.6 Accountability is ensured;

2.7 The accomplishment of objectives as set out in the Strategic and Operational plans of the organization are monitored; and

2.8 Objectives and values of the organization are established, communicated and preserved.

The audits that will need to be taken into account includes amongst others:

- Finance, Supply Chain Management, Human Resource Management, Governance, IT security and systems processes audit
- Conducting special additional assignments on behalf of the Audit and Risk committee, Deputy Principal Finance or Principal into any matter or activity affecting the probity, interest and operating efficiency of Vuselela TVET College. In certain instances, Vuselela TVET College may request the service provider to render technical audits or assist in such audits on a project basis, and such requirements shall be communicated at the time when the instruction to render such services is required.

(Fixed rates over 3-year period to be provided on pricing schedule)

Please note that as stated above Vuselela TVET College operates from different sites / campuses, and audit field work needs to take place in the relevant location that the audit references. The service provider should therefore be prepared to travel to the relevant site for the audit. A confirmation of the availability of resources to do audit field work at all Sites/ Campuses must be provided in writing with the proposal.

Fraud and Irregularities

The service provider must apply due professional care and professionalism during the performance of audits to identify serious defects in internal controls which might result in possible malpractice. Any such defects must be reported immediately to the Project / Contract Manager, Principal and Council, without disclosing these to any other staff. This also applies to instances where serious fraud and irregularities is uncovered.

3. EXPECTED OUTCOMES AND DELIVERABLES

Performing audit assignments

Each assignment will consist of the following:

3.1 Entrance meeting

3.2 Minutes of entrance meeting

3.2 System description(s)

3.3 Risk assessment document

3.4 Audit programme

3.5 Sampling methodology

- 3.6 Record of work performed
- 3.7 Follow up on previous audit findings
- 3.8 Audit findings and recommendations
- 3.10 Reporting (draft internal audit report and final internal audit report).
- 3.11 Attending Council, EXCO and Audit & Risk Committee meetings

The structure of the report is to be and not limited to as follows:

- Introduction
- Audit objective and scope
- Executive summary highlighting findings
- Status of audit findings
- Findings, root cause, impact, risk rating, recommendation and management responses (including implementation dates)
- Conclusion.

The bidder(s) must formally make available all working papers, data, documents, reports and evidence collected or prepared during the planning, execution and reporting audits.

As a value-added service, the service provider must provide Internal Audit Awareness at least annually through presentations, brochures, etc.

4. QUALITY ASSURANCE REVIEWS OF THE WORK

The service provider shall ensure that all work performed conforms to the Standards for the Professional Practice of the Institute of Internal Auditors (IIA). Such work may further be subject to an external quality assurance as may be considered necessary.

5. INDEPENDENCE AND OBJECTIVITY OF STAFF

In carrying out the work, the auditor must ensure that their staff maintain their objectivity by remaining independent of the activities they audit.

The resources presented in the proposal must be utilised for this project. In case a resource needs to be replaced, Vuselela TVET College must be presented with a similarly qualified and experienced resource. Vuselela TVET College reserves the right to accept such replacement. Failure to submit proof of qualifications and the CV/profiles will result in your bid scoring poor on the criteria.

The consultant shall:

- Have no executive or managerial powers, functions or duties except those relating to Internal Audit.
- Not be involved in the day to day operation of Vuselela TVET College.

- Not be responsible for the detailed development or implementation of new systems and procedures.
- Provide declaration of independence for each team member.

6. MONITORING PROGRESS OF ASSIGNMENTS

On completion of each assignment, the auditor shall distribute the reports to the Internal Audit Manager.

On quarterly basis submit a report/meet the Project / Contract Manager on progress against the plan, significant findings and administrative matters will be presented. The hours allocated will be utilised as and when required in terms of the Audit Plan.

7. SECURITY VETTING AND CLEARANCE

The service provider and staff allocated to the project must agree to be subjected to a Security vetting process, if required. Oaths of non-disclosure may also be required where client-based work that is to be audited requires such.

8. EXPERTISE

Except for members providing specialised services below, all team members should be registered with either or both of the Institute of Internal Auditors (IIA) or South African Institute of Chartered Accountants (SAICA) and attach proof.

All members providing specialised services, must be registered with the relevant bodies they belong to and attach proof.

- It is essential that the service provider have knowledge, experience and provide evidence of working with public Colleges.
- Knowledge and practical understanding and implementation of the PFMA, PPPFA, Treasury Regulations, GRAP & King IV

Service providers should submit at least Five contactable (5) client references confirming current and past internal audit experience. It is essential that service providers indicate their previous involvement and knowledge of public colleges.

Vuselela TVET College reserves the right to contact client references as part of the due diligence process for tenders.

9. CONFIDENTIALITY NOTE

All content/material supplied or developed on behalf of Vuselela TVET College remains the property of Vuselela TVET College and should be treated as confidential.

10. MEETINGS

The frequency of administrative and technical meetings will be stipulated in the contract with the successful service provider and will be determined by the specific requirements of the solution being provided.

11. ACCOUNTABILITY

The service provider will be accountable to and will work under the direction of the Contract Manager / Project Manager who will be responsible in the performance of duties.

12 INSTITUTIONAL ARRANGEMENTS

12.1 Timeframe

The date of appointment is expected to be for period of (3) years after the award.

Audits will be conducted on a quarterly basis.

13 VIRTUAL/REMOTE WORKING

The service provider is expected to conduct audit engagements, attend meetings virtually and remotely when required.

However all field work must be undertaken on the respective site to which the audit refers,

For enquiries please contact molefi@vuselelacollege.co.za. Closing date for the bid **21 November 2025** at 11:00am

NB: The College will have meeting with a successful service provider every second month to monitor progress achieved, and areas for improvement.

Evaluation Process

The Bid will be evaluated in terms of functionality and then a preference point system which comprises the following:

Evaluation Stage 1: Pre-qualification/ initial Screening process

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

- a) Business name, contacts details, email and address of the Bidder
- b) Business registration, including details of directorship and membership
- c) Bank Account holder information
- d) In the service of the state Declaration
- e) Tax Compliance Status- SARS Pin or Valid Tax Clearance Certificate

- f) Identity Number of Shareholders
- g) Tender Default and restriction status
- h) Valid BBBEE Certificate or Certified Commission of Oath B-BBEE
- i) SBD Document Fully Completed
- j) Any additional and supplementary verification information for this bid as may be required by Vuselela TVET College.

Evaluation Stage 2: Technical Evaluation: Functionality, Price & BBBEE

- a) Bidders are required to obtain a minimum threshold of 80 Points to be evaluated further on Price and BBBEE
- b) The Highest point scorer will be awarded the Contract
- c) 80/20 Preference point system will apply where
 - Price equals 80 points
 - BEE equals 20 Points
- d) Proposals will be evaluated on a scale of 1–5 in accordance with the criteria below. The rating will be as follows:
 - 1 = Very Poor
 - 2 = Average
 - 3 = Good
 - 4 = Very Good
 - 5 = Excellent

Functionality Criteria

ELEMENT	Rating	Weighting	Total
Demonstrable experience of the prospective service provider in the undertaking of similar, related projects and services. Service Provider must attach a proof of a firm registration with Institute of Internal Auditors(IIA), and /or South African Institute of Chartered Accountants (SAICA) <ul style="list-style-type: none"> • Proof of registration = 10 • No Proof of Registration = immediate disqualification 	<div style="display: flex; justify-content: space-between;"> <div style="width: 100px; height: 100px; border: 1px solid black;"></div> <div style="width: 100px; height: 100px; border: 1px solid black;"></div> <div style="width: 100px; height: 100px; border: 1px solid black;"></div> <div style="width: 100px; height: 100px; border: 1px solid black;"></div> <div style="width: 100px; height: 100px; border: 1px solid black;"></div> <div style="width: 100px; height: 100px; border: 1px solid black;"></div> </div>	10	

ELEMENT	Rating						Weighting	Total
<p><i>Qualifications of team members : Expertise and Capability</i> CVs of the proposed team members highlighting relevant experience in line with the project and relevant Qualifications</p> <p>1-Lead Auditor must be qualified CA</p> <p>1-Audit Manager must be qualified CA</p> <p>3-Audit Members must have post matric/Grade 12 3years Qualification</p> <ul style="list-style-type: none"> • less than 1 year experience = 0 point, • 1-3 years' experience= 1 points, • >3 years but <5 years' experience with a Three year post Matric/Grade 12 qualification =2 points, • >5 years' experience and is a registered CA= 3 points 							15	
<p><i>Company experience in TVET / Public Sector audits:</i></p> <ul style="list-style-type: none"> • None = 0 points • Departments/ Public Entities/ Municipalities = 10 points • Public TVET Colleges = 15 points 							15	
<p><i>Proven track record to deliver similar projects:</i></p> <p>a) References: Names and contact details of organizations for which Internal Audit work has been conducted in the last Five(5) years Project or work must be for at least not less than a year, with team not less than 4 members.</p>							20	

ELEMENT	Rating	Weighting	Total
<ul style="list-style-type: none"> • 1= 1 References • 2= 2 references • 3= 3 references • 4 = 4 references • 5 = 5 references 			
<p><i>Submission of a proposal and project plan</i></p> <p>a) A detailed proposal and project plan with intermediate and final outputs and identified timeframes/milestones, with proposed methodology, and management of the Project Planning and ability to carry out specialized audits.</p> <ul style="list-style-type: none"> • Addressed poorly = 1 point • Addressed but with limitations= 2 points • Addressed adequately = 3 points • Adequately addressed with advanced understanding in some areas = 4 points • Extensively addressed = 5 points <p>Each point rate at 8 points</p>		40	
Functionality		100	

General conditions

The general conditions of the contract as per Part G of the bid document will be applicable to this proposals.

Special conditions

- a) Vuselela TVET College reserves that right to award work to one or more service providers.
- b) Vuselela TVET College reserves the right not to award the contract should it deem fit not to award.
- c) The successful service provider must further acquaint themselves with the relevant programmes, policies and legislation at their own cost.

- d) Vuselela TVET College reserves the right to contact any applicants to seek clarity on any matter included in the proposal documents.
- e) It will be expected of the successful service provider to sign a contract with Vuselela TVET College prior to the commencement of any work.
- f) The contract shall initially be valid from the date of signing of the service level agreement by both parties.
- g) The successful organisation will be paid upon the completion of phases or milestones set out in the project plan or as mutually agreed by Vuselela TVET College.
- h) Payment of invoices will be effected within 30 days after receipt of an invoice and a satisfactory delivery (to be approved by Vuselela TVET College) from the service provider.

Successful service provider

- i) All resources, equipment's and technical skills will be the responsibility of the service provider; these may be sourced by the service provider at no cost to Vuselela TVET College and if not available outsourced to ensure successful execution of the project at a cost to the service provider

Disqualification criteria

Proposals will be disqualified if they fail to comply with all conditions as set out in this terms of reference.

Evaluations Stage 3: Price/ Financial Offer Stage and B-BBEE

Preference Point system applicable to this bid is 80/20 (PPS)

Price weighting applicable to this bid:

A maximum of 80 points is allocated for price on the following basis: 80/20

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

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

Pmin = Price of lowest acceptable bid

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

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

- Points scored by the bidder in respect of points indicated above will be added to the points scored for price
- Failure to capture the required status level and to submit the required B-BBEE status level certificate or Certified SWORN Affidavit will lead to zero (0) status level for non-compliant service providers.
- Altered certificate or sworn affidavit altered with a pen or Ink eraser will automatically be disqualified.
- Only a bidder who has completed and signed the declaration part of the preference claim form will be considered for B-BBEE
- Vuselela TVET College may, before a bid is adjudicated or at any time, require a bidder to substantiate claims made with regard to their B-BBEE Status
- A Contract may, on reasonable and justifiable grounds be awarded to a bid that did not score the highest number of points.

PRICING DATA

Pricing Instructions

- The Tenderer must price ALL items contained in the Pricing Schedule (inclusive of VAT) refer to SBD 3.3 and detailed price Breakdown on their company letter head.
- The bidder may, at their discretion, provide alternative pricing proposals. In doing so, the bidder must elaborate in detail and should limit alternative proposals to no more than 2.
- Rates are to include all costs with **no unspecified cost to arise.**
- Please complete SBD 3.3 for pricin

Name of a Bidder.....	Bid Number Vus/08/22/IP015
Closing Date 21 November 2025	Closing Time: 11:00am

OFFER TO BE VALID FOR 91 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
---------	-------------	--

NO	Description / Item		Price inclusive of VAT
1.	Lead Auditor Rate	1	
2.	Audit Manager Rate	1	
3.	Audit Team Member Rate	1	
	Total Rates excluding disbursements		
6.	Disbursement's		
6.1	Accommodation Cost per person per day	1	
6.2	Travelling Rate per kilo-meter	1	
		1	

6.3	Other expenses related to Assignment		
-----	--------------------------------------	--	--

NB: TERMS AND CONDITIONS WILL APPLY TO PRICING: VAT WILL BE PAID TO VAT VENDORS, AND CONTRACT WILL BE AWARDED TO COMPLIANT BIDDER.

Bidders must include their VAT Certificate and Tax Clearance Certificate or Valid Tax PIN

Also Attach your pricing schedule together with the project breakdown or list of activities.

Price must be fixed for the entire period at a Rand Value



GENERAL CONDITIONS OF CONTRACT (GCC)

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties

1. Definitions

1. The following terms shall be interpreted as indicated:

- 1.1 “**Acceptable bid**” means any bid, which, in all respects, complies with the specifications and conditions of the bid as set out in the bid document.
- 1.2 “**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 goods, works or services.
- 1.3 “**Black enterprise**” means an enterprise that is 50,1% owned by black persons and where there is substantial management control. Ownership refers to economic interest while management refers to the membership of any board or similar governing body of the enterprise.
- 1.4 “**Black empowered enterprise**” means an enterprise that is at least 25,1% owned by black persons and where there is substantial management control. Ownership refers to economic interests. Management refers to executive directors. This is whether the black enterprise has control or not.
- 1.5 “**Black people**” includes all African, Coloured or Indian persons who are South African citizens by birth or by descent or who were naturalised prior to the commencement of the constitution in 1993. In addition, the term also includes black people who became South African citizens after the constitution’s commencement but who would have been able to be naturalised prior to this, were it not for the Apartheid laws which prohibited naturalisation of certain persons. This means that an African, Coloured or Indian person who was not a South African citizen before the commencement of the constitution in 1993 but who would have been entitled to apply to be naturalised prior to 1993, will also be considered a black person and therefore a beneficiary of BEE.
- 1.6 “**Black woman-owned enterprise**” means an enterprise with at least 25,1% representation of black women within the black equity and management portion.
- 1.7 “**Closing time**” means the date and hour specified in the bidding documents for the receipt of bids.
- 1.8 “**Comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration.
- 1.9 “**Community or broad-based enterprise**” means an enterprise that has an empowerment shareholder who represents a broad base of members such as a local community or where the benefits support a target group, for example black women, people living with disabilities, the youth and workers. Shares are held via direct equity, non-profit organisations and trusts.

Benefits from the shareholding should in a measurable sense be directed towards the uplifting of the community through job creation, welfare, skills development, entrepreneurship and human rights. At the same time, directors and management of groups should significantly comprise black persons.

These arrangements are appropriate in situations where the activities or operations of an enterprise or industry directly impact on a community or are located in a community, or may benefit a community. Notable examples are large industrial projects, mining and tourism. Other instances, which do assist in broadening the shareholder base, are employee share ownership schemes; these are a viable empowerment shareholder option. In this and other circumstances, these arrangements should not detract from the ability of the shareholder to exercise significant influence or control over the operations of the business.

1.10 “**Consortium or joint venture**” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.

1.11 “**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.

1.12 “**Contract price**” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.13 “**Control**” means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.

1.14 “**Co-operative or collective enterprise**” is an autonomous association of persons who voluntarily join together to meet their economic, social and cultural needs and aspirations through the formation of a jointly-owned enterprise and democratically controlled enterprise.

1.15 “**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.

1.16 “**Countervailing duties**” are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.17 “**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.

1.18 “**Day**” means calendar day.

- 1.19 **“Delivery”** means delivery in compliance with the conditions of the contract or order.
- 1.20 **“Delivery ex stock”** means immediate delivery directly from stock actually on hand.
- 1.21 **“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.
- 1.22 **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- 1.23 **“Dumping”** occurs when a private enterprise abroad markets 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.
- 1.24 **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.
- 1.25 **“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.
- 1.26 **“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.
- 1.27 **“GCC”** means the General Conditions of Contract.
- 1.28 **“Goods”** means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.29 **“Historically Disadvantaged Individual (HDI)”** means a South African citizen -
- 1.29.1 who, due to the Apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act 200 of 1993) (“the interim Constitution”); and/or
 - 1.29.2 who is a female; and/or
 - 1.29.3 who has a disability:

provided that a person who obtained South African citizenship on or after the coming into effect of the Interim Constitution, is deemed not to be a HDI.

- 1.30 **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.
- 1.31 **Local content**” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.32 **Management**” means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.
- 1.33 **Manufacture**” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.34 **Order**” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.35 **Owned**” means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- 1.36 **Parliament**” means Parliament of the Republic of South Africa as set out in Chapter Four of the Constitution.
- 1.37 **Person**” includes reference to a juristic person.
- 1.38 **Project site**” where applicable, means the place indicated in bidding documents.
- 1.39 **Purchaser**” means the organization purchasing the goods.
- 1.40 **Rand value**” means the total estimated value of a contract in Rand denomination that is calculated at the time of the bid invitations, and includes all applicable taxes and excise duties.
- 1.41 **Republic**” or **RSA**” means the Republic of South Africa.
- 1.42 **RFP**” means Request for Proposal.
- 1.43 **RFT**” means Request for Tender.
- 1.44 **RFQ**” means Request for Quotation.
- 1.45 **SCC**” means the Special Conditions of Contract.
- 1.46 **Secretary**” means the Secretary to Parliament.
- 1.47 **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.

1.48 “**Specific contract participation goals**” means the goals as stipulated in the Preferential Procurement Regulations, 2001. In addition to above-mentioned goals, the Regulations [12. (1)] also make provision for organs of State to give particular consideration to procuring locally manufactured products.

1.49 “**Small, Medium and Micro Enterprises (SMMEs)**” bears the same meaning assigned to this expression in the National Small Business Act, 1996 (Act 102 of 1996).

1.50 “**Sub-contracting**” means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such a primary contractor in the execution of part of a project in terms of the contract.

1.51 “**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.

1.52 “**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.

1.53 “**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.

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 as 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 Parliament or an organisation acting on behalf of Parliament.

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

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

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.

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.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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.

18. Contract amendments

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.

19. Assignment

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.

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

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.

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.

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.

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 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.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such 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

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

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.

32. Taxes and duties

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.

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.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid, Parliament 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 (SARS).

33. Ownership and Copyright

33.1.1 Ownership of all products produced in terms of this agreement, of whatever nature, vest in Parliament.

33.1.2 The copyright of products, of whatever nature, commissioned and produced in terms of this agreement, and that have been paid for by the Secretary are owned exclusively by Parliament.

GCC DECLARATION

I, THE UNDERSIGNED _____ HEREBY CERTIFY THAT I UNDERSTAND THE INFORMATION IN THE GCC AND ACCEPT THE TERMS AND CONDITIONS STATED THERE IN.

I ACCEPT THAT THE Vuselela TVET College 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 _____