

Scope of Work

Terms of Reference for Provision of Internal Audit Services for a Period of 5 years.

1. Introduction

Nkangala TVET College is a registered public TVET College, with Department of Higher Education in terms of CET Act, 2016 (Act No of 2016), Nkangala 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 Mpumalanga Province, with more focus in youth in general, for more information about the College can be found at www.nkangalatvet.co.za

Nkangala TVET College has Campuses Located as follows:

No	Campus Name	Address
1	Central Office	06 Cnr Haig & Northey Streets Witbank 1035
2	New Central office	Cnr Frans & Sussana Streets Witbank 1035
3	Middelburg Campus	1 Brug Street Middelburg 1050
4	Mpondozankomo Campus	No. 1 Schonland Drive Ackerville 1039
5	Witbank Campus	Cnr Arras & Smuts Streets Witbank 1035
6	Waterval Boven Campus	1 President Street Waterval Boven 1195
7	CN Mahlangu Campus	Training Road Industrial Site Siyabuswa 0472
8	Top of the World Training Centre	3 Van Der Biji Street Witbank 1035
9	Villa Roma Boutique Hotel	5 Bethal Street Witbank 1039

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 Nkangala 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 include 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 Nkangala TVET College. In certain instances, Nkangala 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 a 5-year period to be provided on pricing schedule)

Please note that as stated above Nkangala 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 are 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 utilized for this project. In case a resource needs to be replaced, Nkangala TVET College must be presented with a similarly qualified and experienced resource. Nkangala 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 poorly on the criteria.

The consultant shall:

- Have no executive or managerial powers, functions or duties except those relating to Internal Audit.

Not involved in the day-to-day operation of Nkangala 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 specialized 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 specialized 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.

Nkangala 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 Nkangala TVET College remains the property of Nkangala 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 jackson.phetla@purcosa.co.za. Closing date for the bid 23 June 2026 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

<i>Description</i>	<i>Requirement</i>	<i>Circle yes if submitted</i>	
		Yes	No
RFP Document	Each page of the RFP document to be initialled by a delegated representative	Yes	No
Completed technical specification and Pricing	Submit completed technical specifications and pricing	Yes	No
Proof of Bank Account	Submit Bank Confirmation letter (Not older than 3 months).	Yes	No
Joint Venture Agreement (If Applicable)	Submit a Comprehensive Joint Venture Certificate if applicable; both Parties must have experience in Auditing services.	Yes	No
Company registration documents	Company registration documents	Yes	No
Tax Compliance Certificate	Valid Tax Compliance Certificate	Yes	No
Letter of good standing (from Department of Labour)	Valid COIDA Certificate	Yes	No
BBBEE certification	A valid BBBEE certificate from a SANAS accredited agency/ Sworn Affidavit	Yes	No
ID Copies	Certified Copies of all directors (not older than 6 months)	Yes	No
Declaration of Interest	Please sign point 9 of this tender document and complete the following SBD forms: SBD 1 SBD 4 SBD 6.1 SBD 7	Yes	No
Registration National Treasury (CSD)	Provide a copy of the full report of registration on National Treasury Central Supplier Database (Not older than 3 months).	Yes	No
Authority of signatory (Board resolution)	Submit original authority of signatory, if copy, it must be certified	Yes	No

Registration with the Independent Bodies	Submit latest proof of the company's registration with Institute of Internal Auditors (IIA) and South African Institute of Chartered Accountants (SAICA).	Yes	No
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Evaluation Stage 2: Technical Evaluation: Functionality, Price

Functionality Criteria

No	Criteria	Description	Maximum Weights
1	Qualifications and experiences of the professionals proposed to provide services	<p>Bidders to provide CVs of the proposed team members highlighting relevant experience in line with the project and relevant Qualifications. Please attach certified copies of qualifications not older than (6) months and detailed CV's with three (3) contactable references</p> <p>1. Lead Engagement Partner must be a qualified CA(SA) / CIA</p> <ul style="list-style-type: none"> • Less than 1-year Internal audit experience = 0 points • 1-3 years Internal audit experience = 1 point • 4 years Internal audit experience = 3 points • 5 years Internal audit experience = 5 points • 6 years Internal audit experience = 7 points • 7-8 years Internal audit experience = 8 points • 9-10 years Internal audit experience = 10 points <p>2. Lead Audit Manager must be a qualified CA(SA) / CIA</p> <ul style="list-style-type: none"> • Less than 1-year Internal audit experience = 0 points • 1-3 years Internal audit experience = 1 point • 4 years Internal audit experience = 3 points • 5 years Internal audit experience = 5 points <p>3. Senior Internal Auditor must be a member of IIA</p> <ul style="list-style-type: none"> • Less than 1-year Internal audit experience = 0 points • 1-3 years Internal audit experience = 1 point • 4 years Internal audit experience = 3 points • 5 years Internal audit experience (With Bachelor's Degree in Internal Audit/ Accounting) = 5 points 	30

		<p>4. Junior Internal Auditor must be a member of IIA</p> <ul style="list-style-type: none"> • Less than 1-year Internal audit experience = 0 points • 1-2 years Internal audit experience = 3 points • 3 years Internal audit experience (With National Diploma / Bachelor's degree in Internal Audit/ Accounting) = 5 points <p>5. IT Specialist must be a qualified Certified Information System Auditors (CISA)</p> <ul style="list-style-type: none"> • Less than 1-year Internal audit experience = 0 points • 1-3 years Internal audit experience = 1 point • 4 years Internal audit experience = 3 points • 5 years Internal audit experience (With National Diploma / Bachelor's Degree in Information Technology / Computer Science) = 5 points 	
2	Proven track record to deliver similar projects:	<p>The bidder should have internal audit experience in the post-School Education and Training (PSET)- Higher education OR in Public Sector Audits. Bidders submit reference letters within the public sectors or TVET, supported by appointment letters or Service Level Agreements.</p> <p>The reference letters must be on the company letterhead, name of company, similar size, nature, contract value, date, duration and contact details of organizations for which Internal Audit work has been conducted in the last five (5) years. Additionally, signed and stamped the reference letters.</p> <ul style="list-style-type: none"> • 1 Reference Letter = 10 points • 2 Reference Letters = 20 points • 3 Reference Letters = 30 points • 4 Reference letters = 35 points • 5 Reference letters = 40 points 	40
3	Submission of a proposal and project plan	<p>Bidders to submit 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. Bidders are to demonstrate their Audit Planning and Professionalism, propose an annual audit plan, including risk methodology.</p> <ul style="list-style-type: none"> • Addressed poorly = 2 points • Addressed but with limitations= 4 points 	10

		<ul style="list-style-type: none"> • Addressed adequately = 6 points • Adequately addressed with advanced understanding in some areas = 8 points • Extensively addressed = 10 points 	
4	Two (2) years Audited Annual Financial Statements	<p>Bidder to submit two (2) years Audited Annual Financial Statements for 2024 and 2025 financial years, signed by Auditor and Director of the company.</p> <ul style="list-style-type: none"> • Not provided = 0 Points • 1 year = 5 Points • 2 years = 10 Points 	10
5	Locality	<p>Submit proof of residence e.g. lease agreement/ bill statement from municipality.</p> <ul style="list-style-type: none"> • Within the Mpumalanga Province = 10 points • Outside Mpumalanga, but within RSA = 5 points 	10
Total Points			100 Points

General conditions

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

Special conditions

- a) Nkangala TVET College reserves that right to award work to one or more service providers.
- b) Nkangala 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) Nkangala 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 Nkangala 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 Nkangala 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 Nkangala 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 Nkangala 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 Specific goal

Preference Point system applicable to this bid is 80/20

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

P_{min} = Price of lowest acceptable bid

The specific goals allocated points in terms of this tender.	Number of points allocated (90/10 system)	Number of points allocated (80/20 system)
B-BBEE Status level of Contributor	5	10
1	5	10
2	4	9
3	3	8
4	2	7
5	1	6
6	1	4
7	1	2
8	1	1
Non-Compliant Contributor	0	0
SPECIFIC GOALS	5	10
Youth	5	10
People living with Disabilities	5	10
Women	4	7
Historically Disadvantaged persons	3	6

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
- Nkangala 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) 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**.

Name of a Bidder	Bid Number
PU8012/031	
Closing Date 23 June 2026	Closing Time: 11:00am

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)
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Price List:

Position/ Level	Quantity	Rate Per Hour	Total Cost
Lead Engagement Partner	1	R	R
Lead Audit Manager	1	R	R
IT Specialist	1	R	R
Senior Internal Auditor	1	R	R
Junior Auditor	1	R	R
Subtotal			R
VAT@15%			R
Total Cost for one year (Including VAT, excluding disbursements)			R

NB: Bidders rate per hour excludes disbursements (meaning subsistence and travelling cost are not included). Disbursements will be granted and allowed per assignment/ invoice up to a maximum of 30% (all supporting documents for disbursements must be attached for every disbursement claim).

NB: Price for second and third financial year will be adjusted, applied CPI plus 1%

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