**NAME OF THE COMPANY : unisa enterprise (pty) ltd**

**reg number : 2016/468452/07**

**REQUEST FOR QOUTATION FOR THE PROVISION OF EXTERNAL AUDIT SERVICES**

**BID NO: UE/2022/EXTERNAL AUDIT**

**CLOSING DATE: 25 NOVEMBER 2022 @ 11h00**

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# INTRODUCTION

UNISA Enterprise is a wholly owned subsidiary of UNISA. UNISA Enterprise operates as the commercial arm of UNISA and is responsible for generating third stream income. The company has formulated a turnaround strategy to migrate the organisation from a start-up to a corporate entity status within a period of 12 months. This exercise includes the interrogation of the current strategy and supporting documents to identify pertinent strategy matters that require swift change to influence the success of the organisation. It is therefore a great focus for UE to base business on achieving financial sustainability and thus become competitive within the market.

# PURPOSE

UNISA Enterprise intends to contract an experienced Accounting & Auditing firm with a proven track record to provide External Audit Services. The duration of the contract is three (3) years, renewable annually, at the AGM.

# OBJECTIVE

The objective of the audit is to provide an independent audit opinion of the accounts, financial statements and annual financial reports of UE for each financial year covered by the term of the audit appointment. The external auditor must adhere and meet all statutory requirements of the Public Audit Act, the International Auditing Standards (ISA), and requirements applicable to public sector entities.

# 4. SCOPE OF SERVICES

The full scope of audit comprise the following:

4.1 Performance audit functions of UNISA Enterprise (Pty) Ltd;

4.2 Audit of performance information and legal matters;

4.3 Audited financial statements to be available for Board approval or any other date will be communicated to external auditor;

4.4 Provide audit opinion;

4.5 Report on strategic performance against predetermined objectives, non-compliance with laws and regulations and internal controls

4.6 Carry out such work as is necessary to form an opinion as to whether the company financial statements presented fairly the financial position, performance and cash flow for UE in accordance with IFRS;

4.7 Determine their scope, methodology and approach as per legislative requirements of the international Audit Standards (ISA) and Public Audit Act;

4.8 Communicate audit findings and recommendations to management;

4.9 Provide a final report with management responses on corrective actions and the presentation thereof to Audit and Risk Committee; and

4.10 Review financials in the annual report before publishing.

# 5. PRE-QUALIFICATION COMPETENCIES AND EXPERTISE REQUIREMENTS

A solid audit background coupled with experience and understanding of the following:

5.1 The bidder must be registered with the Independent Review Board of Auditors (IRBA). Candidates are required to provide documentary proof of their registration;

5.2 The bidder must certify that they are independent of UNISA Enterprise;

5.3 The bidder must provide a company profile showing capacity and experience to provide audit work;

5.4 The bidder must conform to critical timelines depending on the date of appointment; and

5.5 The bidder on appointment must confirm audit planning, documentations and issuing reports,

Any bidder responses that do not meet pre-qualification competencies and expertise requirements shall be disqualified and will not be considered for further evaluation.

# 6. OUTPUTS AND DELIVERABLES

The following are deliverables at the end of each audit:

6.1 Audit Planning Memorandum with detailed budget;

6.2 Audited Annual Financial Statements;

6.3 Final report with management response on corrective actions;

6.4 Presentation of the external audit report to Audit and Risk Committee; and

6.5 Attend Audit Committee and Board meetings, and any other relevant meetings as required.

# 7. EVALUATION PROCESS

The bids will be evaluated and adjudicated as follows:

**7.1 Pre - Qualification – evaluation of compliance with Qualifying Criteria**

Only those Bidders which satisfy all the Qualifying Criteria will be eligible to participate

in the RFQ process further. Bids which do not satisfy all the Qualifying Criteria will not

be evaluated further. Each bidder must confirm to these conditions to be eligible for

further evaluation. A bidder that fails to meet these conditions shall be automatically disqualified.

**7.2 First stage – functional evaluation**

Bidders are evaluated based on the functional criteria set out in this RFP. Only those

bidders that score **75 points or higher** **(out of a possible 100)** during the functional

evaluation will be evaluated during the second stage of the Bid. The functional evaluation

during the second stage of the Bid. The functional evaluation may include a presentation

by the bidders. UNISA Enterprise will advise bidders in advance should a presentation be

required.

**7.3 Second stage – price and preferential points**

Those Bidders which have passed the initial and first stage of the RFQ process will be

scored on the basis of price and preference point allocated in accordance with the applicable

legislation.

The successful Bidder will typical be the bidder that scores the highest number of points in

the second stage of the Bid evaluation, unless UNISA Enterprise exercise its full right to

cancel the RFQ or finds that there are valid businesses or transformative reasons that

justify the award to a company that did not obtain the highest score.

**7.4 Pre – Qualification: Qualifying Criteria**

The following Pre-Qualifying Criteria will be applied in the initial stage of the valuation.

**Bidders who do not meet all the Pre-Qualifying Criteria will not be considered for the next**

**stage of evaluation**.

|  |  |  |
| --- | --- | --- |
| **Requirement** | **Compliant** | |
|  | **Yes** | **No** |
| Proof of registration with the IRBA (Independent Regulatory Board for  Auditors) |  |  |
| Confirmation (in the firm’s letterhead) that the firm does not have an existing unsatisfactory outcome issued by the professional body (IRBA/SAICA) on the quality review |  |  |
| Valid BEE Certificate (if preference points are being claimed) |  |  |
| Tax Compliance Status pin documents included |  |  |
| CIPC Company Registration Documents |  |  |
| Proof that the entity is geographically based in Gauteng |  |  |
| Company bank stamped letter (not older than three (3) months) document included |  |  |
| **Non-compliance to the above-mentioned documents will disqualify the bid.** |  | |

**8. EVALUATION CRITERIA**

8.1 The Functional Criteria that will be used to test the capability of Bidders are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Procurement Criteria** | **Scoring** | **Sectional**  **Scoring/Wei ghting** | **Total %** |
| **1.** | **Technical Knowledge** |  |  | **100** |
| 1.1 | Understanding of the assignment   * Approach * Methodology | Provide a detailed example of an Audit plan for UNISA Enterprise and submit a comprehensive document detailing the approach to audit. | **30** | **30** |
| 1.2 | Company competency and track record   * Audit portfolio/credentials * Reputation with clients/general ability to deliver * Strength and depth of the firm * Company experience in similar assignments | * The bidder must demonstrate relevant experience in rendering external audit services to public entities and/or private sector and performing other Auditor-General South Africa (AGSA) audits.     No. of years’ experience performing external audit in the **public sector/or private sector .**   * Provide a minimum of 3 reference letters confirming performance of similar statutory audit and period which audit services were rendered. Reference letter must be addressed to the bidding company and should provide details of the audit areas covered. | **25**                        **15** | **40** |
| 1.3 | Suitability of key personnel   * Professional qualification * Experience of the team * Commitment to continuity of   audit team | **Partner of the audit (provide detailed CV)**   * Minimum of 5 years’ experience as a partner in the public/or private sector audit. * Qualified (CA) SA and IRBA registered.     **Senior Manager (provide detailed CV)**   * Qualified CA(SA) | **10**            **10** | **30** |
|  | **Procurement Criteria** | **Scoring** | **Sectional**  **Scoring/Wei ghting** | **Total %** |
|  |  | * Minimum of 5 years’ experience in public/or private sector audit. * Competence and experience   relevant to the tasks and objectives of the audit    **Team**   * The structure and composition of the proposed team. * Qualifications, areas of competence and experience relevant to the tasks and objectives of the audit. | **10** |  |
|  | **Minimum points** |  | **75** |  |
|  | **Total Points** |  | **100** |  |

1. A minimum of **75 points out of a 100** for the functional/ evaluation will qualify the Bid to move on to the second stage of evaluation, which is price and preferential point’s evaluation.

1. Each panel member will rate each individual criterion as per the above point allocation scales:

|  |  |
| --- | --- |
| **Value** | **Description** |
| 5 – Excellent | Meets and exceeds the functionality requirements |
| 4 – Very Good | Above average compliance to the requirements |
| 3 – Good | Satisfactory and should be adequate for stated element |
| 2 – Average | Compliance to the requirements |
| 1 – Poor | Unacceptable, does not meet set criteria |

1. Each panel member will rate each individual criterion as per the above point allocation scales:
2. This score will be converted to a percentage and only bidders that have met or exceeded the minimum threshold of 80% for functionality will be evaluated and scored in terms of pricing and socio-economic goals as indicated hereunder.
3. Any proposal not meeting a minimum score of 80 percent technical proposal will be regarded as non-responsive and it will not be evaluated further.

**8.2 STAGE 2: PRICE/FINANCIAL EVALUATION**

Price, inclusive of VAT, will be evaluated as indicated below.

In terms of regulation 5 of the Preferential Procurement Regulations, responsive bids will be evaluated by Unisa Enterprise on the 80/20 – preference point for Broad-Based Black Economic Empowerment in terms of which points are awarded to bidders in respect of bidders with a Rand value below R50,000,000.00.

**8.3 B-BBEE POINTS**

|  |  |
| --- | --- |
| **B-BBBEE Status Level of Contributor** | **Number of Points (80/20 System)** |
| 1 | 20 |
| 2 | 18 |
| 3 | 16 |
| 4 | 10 |
| 5 | 8 |
| 6 | 6 |
| 7 | 4 |
| 8 | 2 |
| Non-compliant Contributor | 0 |

Failure to capture the required status level and to submit the certified or original B-BBEE status level certificates

no points will be allocated to the service providers.

**Failure to submit all of the above-mentioned documents will result to the disqualification of the bid.**

# 9. FRONTING

* 1. UNISA Enterprise in compliance with regulations, supports the spirit of Broad Based Black

economic Empowerment and recognized that real empowerment can only be achieved

through individuals and business conducting themselves in accordance with the constitution

and in an honest, fair, equitable, transparent and legally compliant manner.

* 1. The awarded bidder cannot sub-contract more than 25% of the total project value to the

company that is no-compliance with BBBEE companies.

# 10. PRESENTATION

UNISA Enterprise will require presentations from shortlisted bidders as part of the process

**11.** **TIMEFRAMES AND FORMAL CONTRACT**

Successful bidder(s) will be required to enter into formal contract with Unisa Enterprise, the contact is renewable annually for a maximum of three (3) years based on performance.

# 12. PACKAGING OF BID

The bidder shall place both the sealed technical proposal and price/financial proposal envelope into outer sealed envelope or package, and must be clearly marked as follows:

Bid No: UE/2022/EXTERNAL AUDIT

Description: Provision of External Audit Services

Bid Closing date and Time:  **25 November 2022 at 11h00**

Name and Address of Bidder:.................................................

# 13. CONFIDENTIALITY

* 1. This RFQ request by UNISA Enterprise contains proprietary and confidential information that is provided to you (interested Service Provider), for your exclusive use in evaluating and preparing your response.
  2. If at any time your company decides not to respond to the RFQ, please destroy any copies of the document and confirm your non-participation either in writing or by email.
  3. This document should not be disclosed or distributed to any third party.

# 14. STANDARD CONDITIONS:

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* 1. RFQ submissions received after the closing date and time will not be accepted or considered.
  2. No faxed or e-mailed RFQ submissions will be accepted or considered.
  3. Service Providers are required to submit two (2) Original documents in a hardcopy and one (1) soft copy in a memory stick format.
  4. The Service Provider shall pay Unisa Enterprise (Pty) Ltd promptly for all loss, destruction, or damage to the property of Unisa Enterprise (Pty) Ltd caused by the Service Provider’s personnel or by any of its subcontractors or anyone else directly or indirectly employed by the Service Provider or any of its subcontractors in the performance of the said project.
  5. An RFQ will be disqualified should any attempt be made by the Service Provider either directly or indirectly to canvass the Unisa Enterprise, or any of its officers or employees in respect of the RFQ between the date of submission and the date of the awarding.
  6. Any false declaration of information will result in the exclusion of the RFQ from any further consideration.
  7. Service Providers are required to, together with their Proposals, submit original and valid BBBEE Status Level Verification Certificates or certified copies thereof to substantiate their BBBEE rating claims. Service Providers who do not submit their BBBEE Status Level Verification Certificates or certified copies, will not be disqualified from the bidding process, however, they will score zero (0) out of a maximum of 20 points for BBBEE.
  8. UNISA Enterprise reserves the right to reject and appoint any Service Provider who meets/does not meet the requirements.

15. **SPECIAL CONDITIONS**

* 1. The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract and SLA entered.
  2. This bid and all contracts emanating there from will be subject to the General Conditions of Contract (GCC). The Special Conditions are supplementary to that of the General Conditions of Contract. Where, however the Special Conditions of Contract conflict with General Conditions of Contract, the Special Conditions of the Contract prevail.
  3. The methodology criteria of the functionality assessment must outline the approach and plan of the proposer and is critical to convince the BID evaluation team on the appreciation of the work required. It will also form as part of the basis for service level agreement content and/or related negotiations.
  4. No service will be rendered without an official order.
  5. Payment will be based on services delivered satisfactorily.

**16. SUBMISSION**

Quotations should marked as: **RFQ Number: UE/2022/External audit.** Bids can either be delivered physically at our offices (2 originally signed copies and an electronic version on a flash disc) or they can be emailed to [Lwando.luke@unisaenterprise.ac.za](mailto:Lwando.luke@unisaenterprise.ac.za). The closing date for submissions is **25 November 2022.**

**Physical Address:**

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**Enquires**

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