



Umkhandlu wakwa - **NONGOMA** - Local Municipality

Tel: (035) 831 7500 | Fax: (035) 831 3152 | P.O. Box 84 | Nongoma 3950

REF: 9/1/1

**ADDENDUM**

**REQUEST FOR PROPOSAL FOR INTERNAL AUDIT SERVICES**

**SCM RFP 06/2017/18**

The objective of this tender is to appoint suitable independent internal audit service provider that can assist Nongoma Local Municipality's Internal Audit Function on a co-source basis to execute Internal Audit Plan for 2017/18 financial year.

The duration of the contract is anticipated to run for a period of three months commencing on the date of signing of the appointment letter. The Service provider will be expected to sign a Service Level Agreement (SLA).

**1. Scope of work**

The exact nature of the internal audit service provider's involvement with the execution of the Internal Audit Plan shall be determined by the Internal Audit function of Nongoma Local Municipality as the need arises. Moreover, an internal audit service provider should be mindful of the following:

- (a) The relationship we seek will require internal audit resources and specialized skills to meet the needs of Nongoma Local Municipality Internal Audit Function.
- (b) The appointed service provider must conduct the audits in line with Nongoma Local Municipality Internal Audit Methodology which is in accordance with the Institute of Internal Auditors Standards.
- (c) All working papers should be the property of the municipality and that include work pertaining to planning, execution and reporting of the internal audit engagements.
- (d) The appointed service provider will report to the Internal Audit Manager on the regular basis.
- (e) Nongoma Local Municipality Internal Audit Function will be responsible for the Quality Assurance Review of the work performed by the Internal Audit Staff from the Service Provider.
- (f) The appointed service provider/s must maintain full support services which include guarantee of quality in the services rendered and contractual control for resources applied.

**2. Technical requirements**

The proposal should include, at a minimum, the following information:

- (a) Identification of tools and technologies developed and utilized by the firm to increase the efficiency and effectiveness of the Internal Audit Function.

- (b) The firm's internal audit resources or people who will be assigned and dedicated to Nongoma Local Municipality's audit engagements. The resources should be broken down in terms of auditors who will be responsible for execution of the audits. Short Curriculum Vitae describing qualifications and experience of key team members assigned to Nongoma Local Municipality Internal Audit Function should be included.
- (c) The internal audit personnel should demonstrate competencies in local government audits and knowledge of key legislations applicable to the local government.
- (d) A description of your firm's approach to this co-source arrangement which highlight the identification of the key resources who will be responsible for each engagement, the expected percentage of their time committed to Nongoma Local Municipality Internal Audit Function, and your plans to maintain human resources continuity.
- (e) Description of the firm's plans to routinely communicate with Nongoma Local Municipality Internal Audit Management and the strategy that will be applied to ensure that the audit engagements are completed within the defined timelines.
- (f) A summary of relevant experience for which similar internal audit co-sourcing services are currently being provided.

**3. COMPULSORY SUBMISSIONS.**

- Proof of payment of all municipal services where the business is based not older than 90 days or proof of residence with an affidavit from Police Station confirming location of business if business is conducted from a rural area .
- Company registration Certificate.
- Proof of CSD registration summary
- Original Valid Tax Clearance Certificate / Tax compliance status and pin.
- Certified copies of B-BBEE Level certificate /Affidavit.
- MBD's
- Company profile

**4. Pricing requirements**

It is understood that internal audits are based on hourly rates and that budgets are compiled once the appointed auditor has assessed the likely extent of the work. Financial proposals will be compared on the basis of hourly rates. Firms are required to submit a table of hourly rates as required in the table below. Tolls should be inclusive of VAT. **80/20 Preferential points system will be applied**

Item (where applicable)	Hourly Rate(Including VAT)
Senior IT Auditor	R
Senior Internal Auditor	R
Disbursement	R
<b>Total costs</b>	<b>R</b>
Please note, you may be required to bring your rates in line with Nongoma Local Municipality internal audit rates in the event of a material variance.	

FOR TECHNICAL ENQUIRIES CONTACT MR A MTHETHWA@ 035 831 7582

[/andilem@nongoma.gov.za](mailto:/andilem@nongoma.gov.za)

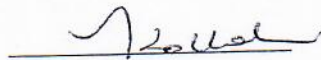
SCM ENQUIRES CONTACT MISS L.C MAEMA @ 035 831 7500/61

[/leratomaema1@gmail.com](mailto:/leratomaema1@gmail.com)

DURING OFFICE HOURS

Closing Date: 28 March 2018 (Wednesday) @12H00

Each proposal must be submitted in sealed envelope marked " **PROPOSAL FOR INTERNAL AUDIT SERVICES SCM RFP 06/2017/18**" and be deposited in the bid box at Nongoma Local Municipality offices Lot 103 Main Street Nongoma. Late, incomplete, electronic, telegraphic, telexed, faxed proposals will not be considered.



MRS V.T SOKHELA  
MUNICIPAL MANAGER  
NONGOMA LOCAL MUNICIPALITY