



higher education
& training
Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



westcol
Technical and Vocational Education and Training College

TERMS OF REFERENCE

AUDIT READINESS PREPARATIONS FOR THE 2023 EXTERNAL AUDIT

RFQ: WARP2023/0007

(Westcol Audit Readiness Preparation)

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1. Background

Western TVET College (Westcol) seeks to procure the services of external service providers for the 2023 External audit to be conducted by the Auditor General (AG) of South Africa.

To this end Western TVET College (Westcol) invites suitably qualified, appropriately accredited, and interested service providers who have, and can demonstrate, the necessary capacity, to submit proposals and or quotations for the delivery of services as outlined in these terms of reference.

The primary objective is to assist the College in preparation of financial Statements and related supporting schedules to achieve a clean audit for the 2023 financial year.

The project is anticipated to require the services of approximately (350 hours) including post financial statement preparation support. Pricing structure to provide hourly tariffs for all personnel in the event that the project is completed in a shorter timeframe.

THIS RFQ WILL CLOSE AT 11:00 ON FRIDAY 10 NOVEMBER 2023

2. Scope of Work

The RFQ for the appointment of a suitable service provider to supply services for the preparation of the College's financial statements and other supporting schedules/ documents for audit readiness through the procedures noted below in line with the requirements of Generally Recognised Accounting Principles ("GRAP").

The Scope of this project is to appoint a service provider/s to deliver the outlined services to Western TVET College (Westcol) that meet the minimum specifications as outlined below:

- Prepare the College for Audit Readiness and Financial Statements Preparation for the year 2023 External Audit in accordance and compliance to the GRAP accounting framework.
- Updating of the fixed asset register in respect of all movements and the calculation of depreciation charges for 2023 to ensure that the Asset Register is fully compliant with GRAP
- Adjustments of journals to ensure accuracy and correctness of the Trial Balance and General Ledger amounts where deemed necessary, specifically in relation to key reconciliation accounts.
- Assisting where necessary with the compilation of any audit files and supporting leads, schedules and other supportive evidence for the 2023 audit.

- Provide an independent quality assurance by the relevant firm including sign off of review for compliance, accuracy and correctness of the prepared financial statements.
- Ensuring that any material misstatements on the 2022 audit are fully resolved and processing adjustments where necessary / as agreed upon with the Auditor General to correct the previous year's financial statements
- Assisting in responding to any audit issues when required arising from the audit

The following systems are used by Westcol pertaining to the capturing and processing of financial transactions:

- 1) Pastel Evolution (General ledger, procurement, payments, fixed assets, creditors and deposits)
- 2) Coltech (Students administration and financial reporting)
- 3) Sage 300 – Payroll for College Council employees, contractors and sundry payroll disbursements (Only used for staff that have not migrated to Persal)
- 4) Integration link between Coltech to Pastel to manage student debtors

The College has been using the “DRAFTWORX” (Financial Preparation Software) for the past two years. Successful service provider will be required to prepare the AFS based on that software. Any deviation to alternative software will be subject to the College approval.

3. Delivery of Goods

It is expected that the appointed service provider be able to deliver these services within **(8) weeks** from the day of appointment.

Planned commencement date of project: **17 NOVEMBER 2023**

Team members where applicable should be technically proficient and up to date with GRAP accounting framework and have relevant technical experience to correct and address any material audit issues.

4. Profile of The Service Provider

The Service Provider must clearly demonstrate the technical competency to deliver the services for which they are bidding. Western TVET College (Westcol) reserves the right to ask for documentation to prove the financial capacity of the bidder.

5. Evaluation Criteria

WESTERN TVET COLLEGE (WESTCOL) APPLIES THE PROVISIONS OF THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, NO 5 OF 2000 and Preferential Procurement Regulations, 2011.

The following mandatory requirement to be met by all interested service providers:

The evaluation of this RFQ shall include functionality whereby the submissions will be evaluated in terms of the evaluation criteria embodied in the RFQ documents.

- The minimum qualifying score for functionality will be 70 points and submissions that fail to achieve the minimum qualifying score will be disqualified.
- Only submissions that achieve the minimum qualifying score for functionality will be evaluated further for pricing.

The evaluation criteria for functionality will be as below:

| No | Qualifying Criteria for Short Listing | Points |
|----|---|--------|
| 1 | Proof of similar projects and references to be provided. A minimum of three contactable references is required not older than 3 years in GRAP environments 1 Project / Reference = 8 points 2 Projects / references = 12 points 3 Projects / references = 16 Points More than 3 Projects / references = 20 points | 20 |
| 2 | The delivery of these services is time sensitive. As such the successful bidder will be required to have all services delivered within eight (8) weeks of the appointment. The service provider must be able to provide a team that: <ul style="list-style-type: none"> • previously been involved in the preparation of GRAP annual financial statements and have intimate knowledge of that accounting framework. • Must be fully conversant with GRAP and demonstrate a high-level technical understanding and approach. • Comprise of a least three members having appropriate accounting qualifications | 70 |
| 3 | Proof of capacity to perform the required service(s) <ul style="list-style-type: none"> • Professional accounting designation, (B. Com) Accounting, Honours or CA (SA). • The team must be comprised of individuals appropriately qualified in the following: B Com in Accounting/Auditing (minimum 2 years). | 10 |

Quoting service providers must provide sufficient proof/documents to justify awarding the above points, and such proof should include details of contactable references. Points will be awarded on a sliding scale, depending on the evidence provided.

NOTE: Along with each submission, a list of projects involving the compilation of GRAP compliant AFS completed within the past 3 years must be provided. Furthermore, for each of these projects, the audit opinion needs to be clearly stated. Westcol will use this information along with the evaluation criteria listed above to secure a service

provider that has the capacity to assist with an improved audit finding from that of previous years. Exposure in the Education sector will be advantageous.

The 80/20 preference point system shall be applicable as followings:

- Price 80
- B-BBEE status level of contributor 20

In order to facilitate a transparent selection process that allows equal opportunity to all service providers, Western TVET College (Westcol) will adhere to its policy on the appointment of service providers.

6. Bid Conditions

The Western TVET College (Westcol) Supply Chain Management Policy will apply.

1. Western TVET College (Westcol) does not bind itself to accept the highest scoring bid or lowest bid and reserves the right to accept the whole or part of the bid.
2. Quotations which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted.
3. Bidders may be required to submit proof of registration on the Centralised Supplier Database (CSD) of Treasury if necessary
4. All service providers who bid as a joint venture or independently must submit a consolidated B-BBEE Verification certificate prepared for this bid only, from SANAS Accredited Verification Agency or Registered Auditor approved by Independent Regulatory Board of Auditors (IRBA) in order to be eligible for empowerment points.
5. Failure of a bidder to submit fully completed and signed Standard Bidding Document (SBD 6.1) may result in the bidder not qualifying for claiming preferential points.
6. Quotations submitted are to hold good for a period of 30 days.
7. **No subcontracting** will be allowed for this bid.
8. Deregistered and blacklisted companies including directors/owners/individuals linked to the company will not be considered. Due diligence will be conducted with successful bidders to validate submitted information.
9. Counter offers by service providers shall not be considered and shall therefore nullify the offer to the company.
10. Western TVET College (Westcol) reserves the right to amend the terms of reference before the closing date of the bid or to award whole or part of the bid to one or more

service providers or to cancel the bid in whole, as well as to adjust the quantities before the final award is made.

7. Mandatory Documents

The following documents are mandatory and failure to submit them as specified will lead to a disqualification of the bidder's proposal.

- Budget / Pricing schedule / quotation
- A description / profile of the organization
- Declaration of bidder's past SCM Practices – SBD 8
- Declaration of Interest – SBD 4
- Preferential Points Claim Form – SBD 6.1
- Pricing schedule SBD 3.3
- Accreditation Certificates (SAICA, CIMA, etc)
- Tax Compliance Status certificate
- CSD registration or CIPC company registration documents

PLEASE NOTE: Proper certification of documents means:

- A copy of the original document must be certified with an original certification stamp.
- No copies of certified documents will be accepted.
- No certified copies of copies will be accepted.
- Certification must be dated, and the date must not be older than three months.

8. Submission of Quotations

Bidders must submit proposals along with quotation in **ONE SEALED** envelope clearly marked as below.

- Proposal as per the Specifications and Financial Proposal

RFQ NUMBER: RFQ

Bidders name (company name) to appear on the back of the envelope.

Unsigned Price Schedule of the financial proposal in the submission will result in the disqualification of the bid.

Bidders are required to clearly mark the sealed envelope with their company name.

8.1 HANDLING OF QUOTATIONS

All submissions must be done in hard copy as follows:

Submissions should be hand delivered to:

Western TVET College (Westcol) – Head Office

42 Johnstone Street

Hectorton

Randfontein

1760

9. Information briefing

Date:

07 November at 10:00

Address:

Western TVET College (Westcol)

Corporate Office Park

42 Johnstone Street

Hectorton

Randfontein

1760

10. Closing Date and Time

The bid will close on 10 November 2023 at 11:00

No late submissions will be accepted!

NOTE: It is the responsibility of the bidder to ensure that all bid documents, as described above, reach the Western TVET College (Westcol), at the above address, on or before the closing time.

11. Submission of quotations

NO telephonic or any other form of communication relating to this RFQ will be permitted with any other Western TVET College (Westcol) member of staff either by Bidders (as collective bidding team or individual of the bidding team), representative of Bidders, associates of Bidders, shareholders of Bidders, other than with the named individual stated below.

- ANY MEANS OF ATTEMPTING TO INFLUENCE ADJUDICATION PROCESS OR OUTCOMES OF ADJUDICATION PROCESS WILL RESULT IN IMMEDIATE DISQUALIFICATION OF THE ENTIRE BID.

- All enquiries regarding this bid must be in writing only and be directed to:

Procurement Office: Email: scm@westcol.co.za

Responses to questions received up to 10 November 2023. All responses received will be published on the Westcol website by 13 November 2023.

Please Note: Blacklisted companies appearing on the National Treasury database and prohibited from conducting business with public entities, will be disqualified.