



Tender Request for Provision of External Audit Services

The American International School of Johannesburg (AISJ) invites you to submit a tender for the provision of External Audit Services for both its Johannesburg and Pretoria Campuses.

Contents

- A. Background1**
- B. Instructions to Bidders1**
- C. Tender Eligibility.....3**
- D. Project Scope.....5**
- E. Process and Criteria8**
- F. Disclaimer.....10**
- SCHEDULES.....11**
- Schedule A: Form A.....11**
- Schedule B: Notice of Intention to Bid12**
- Schedule C: Declaration of Interest Form13**

A. Background

The American International School of Johannesburg (AISJ) is a leading pre-kindergarten through grade 12 co-educational school founded in 1982. AISJ is situated on two that serve Johannesburg and Pretoria.

AISJ is truly an international community that values and embraces the diversity of its students, faculty and staff with staff and students representing various nations from across the globe. AISJ offers a nurturing and engaging learning environment, small class sizes, international opportunities and a range of teaching strategies aimed at providing optimal learning and growth for all students.

The American International School of Johannesburg invites you to submit a proposal for the provision of external audit services for both the Johannesburg and Pretoria campuses.

B. Instructions to Bidders

The bid response document must be signed and completed by a person who has been given authority to act on behalf of the bidder. The bottom of each page of the bid documents must be signed or stamped with the bidder's stamp as proof that the bidder has read the tender documents. Bid documents must be submitted on or before **04h00 PM on 18 January 2021** by emailing AISJ-Procurement@aisj-jhb.com or physical delivery to:

The American International School of Johannesburg

Attention: Mr. Siphesihle Nzimande

Procurement office

Plot 160 Scorpion Trail

Knoppieslagte

Diepsloot

1. Tender Number

SCM/BO/R21-22/03

2. Issue Date

11 January 2021

3. Tender Validity

This tender is valid from **11 January 2021** to **11 April 2021**

4. Tender Closing Date

18 January 2021

5. Late Bids

Bids which are submitted after the closing date and time will not be accepted.

6. Clarification

The tenderer will notify AISJ of any clarifications required, not less than four (4) working days before the closing date for tender submission. The AISJ will respond to all queries within 24-hours of the notification received. All tender related queries are to be sent by email to Mr. Siphesihle Nzimande in the Procurement office at snzimande@aisj-jhb.com referencing the relevant Tender Number.

7. Opening of tenders

Tenders will be opened at the same date and time and will be reviewed by the tender evaluation team within four weeks of the closing date. Unsuccessful tenderers will be informed of the outcome, seven days after the announcement of the successful bidder. The unsuccessful bidders will have 30-days to submit in writing any queries they might have.

C. Tender Eligibility

Eligible Tenders

Tenderers are deemed ineligible to submit a tender if:

1. The tender is signed by non-authorized persons
2. The tenderer fails to meet any mandatory criteria
3. Tenderers have the nationality outside the Republic of South Africa
4. Tenderers sub-contract 100% Scope of Work
5. Tenderers who are labour-brokers and/ or temporary employment services (TES)
6. A Tenderer has a conflict of interest.

A tenderer might be found to have a conflict of interest if they have any form of relationship with any employees of the school or its directors/board members

Basic Compliance

Basic compliance terms for this tender are:

1. Submission of returnables
2. Submission of one (1) hardcopy of response or email attachment of the same

Returnable Documents

AISJ will disqualify from the tender process any bidder that has failed to submit mandatory returnable documents and information on the closing date and time. Bidders should therefore ensure that all the mandatory returnable documents and information have been submitted. In order to assist bidders, AISJ has also included a column next to the required mandatory document and information to enable bidders to keep track of whether they have submitted or not. The mandatory documents and information are as follows:

Mandatory Requirements:

1. Company Profile
2. CVs including qualifications
3. References
4. Proposed approach and methodology
5. B-BBEE Certificate
6. Tax Clearance Certificate
7. Certificate of Incorporation

Intention to bid form

You must inform AISJ within four (4) business days of distribution of this RFP whether you wish to bid on this project. Please ensure that the RFP Administrator receives the duly completed Notice of Intention to Bid Form, **Schedule B**, by email no later than 13/01/2021.

Should you not wish to respond to this RFP, you must destroy the RFP and any duplication thereof.

Declaration of Interest

As evident from its Core values on honesty, integrity and accountability, AISJ is corruption-free zone and takes all the necessary steps to prevent corrupt behavior with suppliers and employees alike.

All tenderers are required to complete the attached declaration of Interest form **Schedule A: Form A**. This form primarily allows tenderers to declare whether any relationship exists between the supplier and any person employed by the School, including those who are involved in the tendering process.

The duty is on the bidder to declare whether a conflict of interest exists to the process of evaluating /adjudicating of the tenders. This declaration must be done under oath. Failure to complete the Declaration of Interest Form will invalidate your Bid.

D. Project Scope

The American International School of Johannesburg seeks the services of a reputable audit firm to provide External Audit Services. The services will include but are not limited to:

SCOPE OF WORK

It is a mandatory requirement that respondents are Registered Auditors in terms of the Public Accountants and Auditors' Act (IRBA – Independent Review Board of Auditors).

The scope of work includes but is not limited to:

- Perform audit functions in terms of the Public Audit Act No. 25 of 2004 which includes;
- The evaluation of public finance management.
- Conducting audits in accordance with auditing standards as published by the professional standards and best practice guidelines for public sector auditors.
- Evaluating compliance with applicable legislation relating to financial matters, financial management and other related matters against pre-determined objectives.
- Other legislative functions.
- Communication audit findings and make recommendations to management.
- Provide a final report with management responses on corrective actions and the presentation thereof to the Audit and Risk Committee, where necessary.

The external auditors will be required to perform the necessary audit work to enable them to express an audit opinion for each year ending 30 June 2020 on the Financial Statements and performance of the American International School of Johannesburg.

PROPOSAL

a) Technical approach

Tenderers must, at least:

- (i) Describe in detail the firm's Audit methodology/ approach and the technology used
- (ii) Discuss the firm's approach to relying on the work of internal auditors or other auditors in a joint Audit engagement.

b) Capacity and Experience

- Total number of audit staff and staff that provide audit related services in the following categories: partners, managers and other
- Provide up to date CV's of all partners and managers that will form part of the audit team. The CV's should indicate at a minimum the level (supervisor, manager, etc.) and experience.
- Plan and perform information system-based audits required as part of the external audit scope. Details should be provided of the key partners and managers in these fields who can be regarded as specialists.
- Provide details of names of the firm's audit engagements during the preceding 5 years in the Teaching and Learning environment, specifically International Schools.

- Plan and perform information system-based audits required as part of the
- external audit scope;
- Undertake the audit of performance
- Ensure that management is kept fully briefed on the audit findings, recommendations and their implications on financial reporting;
- Review the work of subsidiaries' external auditors.
- Conduct audit of the consolidated working papers.
- Provide an audit opinion on AISJ's financial statements and detailed management report on the outcome and findings after the audit within the time of an agreed deadline
- Ensure that the overall annual opinion addresses areas as provided for in the scope of external assurance engagements
- Provide appropriate recommendation for follow-up action on audit findings;
- Provide value added specialist advice to management regarding the management of risks and improvement of business processes and internal controls, especially in a systems-based environment;
- Provide summary findings and costing reports to the Audit Committee;
- Attend Audit Committee meetings and provide feedback on audits completed and technical guidance on the management of risks, financial reporting and industry trends in the financial services sector.
- Work closely with the internal auditors and other assurance providers to ensure that there is clear reliance on the work of internal audit and no duplication of assurance work;
- Demonstrate a clear process of quality control in the preparation and review of audit work leading to audit judgment and issues raised.
- AISJ has an option of requiring the successful service provider to undertake a handover process with the previous auditors

c) Other

(i) Quality Control

Describe the firm's quality control system and demonstrate that the firm has established adequate quality control policies and procedures that comply with Auditing pronouncements.

(ii) Independence and Objectivity

- In terms of AISJ policy, the external auditors and their consulting arms or related entities may not be engaged for non-audit related work.
- Provide details of all consulting work (description, amount and period) performed or to be performed by the audit firm during the past 3 years 2017 to 2020. This also includes work performed or to be performed as subcontractors.
- Provide details of any possible conflict of interests as well as other information where independence and objectivity may be at risk. Indicate how this would be managed by the firm should it be appointed as the auditor. *(Please note that should the firm be appointed auditor, AISJ will review the firm's involvement in such consulting services).*

(iii) Insurance

- Provide details of local as well as international professional indemnity insurance (where Applicable).

(iv) Draft Engagement Letters

- Please provide us with a draft engagement letter together with your standard terms and conditions for providing audit services to the American International School of Johannesburg.

CONTRACT PERIOD

The firm will be appointed for a period of **five (5) years** subject to the following conditions:

- (i) Confirmation on an annual basis by the Audit Committee of SANAS based on an evaluation of the effectiveness as well as the independence and objectivity of the External Auditors.
- (ii) An announcement in the government gazette or communication in any other manner by the Auditor General of his intention not to audit the financial statements of AISJ or a specific year.
- (iii) Consultation with the Auditor General before the appointment for the specific year is finalized.

E. Evaluation Process and Criteria

Overall Evaluation Criteria

All proposals will be evaluated on the overall criteria as per the table below. The specifics of each sessions will be expanded respectively.

Area	Score
Functional Score	60
Pricing Score	35
B-BBEE Score	5
Total	100

The successful bidder will not necessarily be the bidder with the highest combined score, highest technical score or the lowest pricing and this is to be used as a guideline for determining the successful bidder.

Functional Evaluation

The functionality evaluation will be conducted by a Bid Evaluation Committee which comprises various skilled and experienced members from diverse professional disciplines.

The evaluation process will be based on prequalification/threshold criteria. The criteria will be as follows:

FUNCTIONAL EVALUATION CRITERIA		Weighting
Company Experience		20
Experience in External Audit Services of a similar magnitude Bidders are required to demonstrate clearly in the company profile, at least 4 projects completed successfully in the past 3 financial years	Profile provided = [1-5 points] and; 1 successfully completed project = [1-5 points] 2 Successfully Completed Projects = [2-10 points] 3 Successfully Completed Projects = [3 -15 points]	
References		15
Provide actual reference letters with contactable personnel in line with the number of projects completed. The reference letters should demonstrate capabilities in external audit services.	1 References = [1-5 points] 2 References = [2-10 points] 3 References = [3-15 points]	
Demonstrable Team Structure		5
Team organogram with detail on levels of escalation (where they arise).	Exceptional and detailed organogram provided = [1-5 points]	
Relevant Personnel Qualifications		10
Recommended Lead consultant's CV's with required/relevant qualifications.	Diploma = [5 points] Bachelor's & Master's degree = [10 points]	
Relevant Personnel Experience		10

In-depth experience and understanding of the external audit services. (demonstrated on CV's)	0-2 years' experience = [2 points] 2-3 years' experience = [4 points] 3-4 years' experience = [6 points] 4-5 years' experience = [8 points] 5 and more	
Methodology		40
The service provider must demonstrate a thorough understanding of the scope of the service and provide a methodology on how the services will be provided and managed	Proposed methodology must demonstrate: - Full understanding of the scope [10 points] - Clear project execution [10 points] - Communication methodology [10 points] - Differentiating factors [10 points]	
		100

**Points allocation is based on the following criteria:*

- 1: Unacceptable, does not meet set criteria*
- 2: Weak, less than acceptable. Insufficient for performance requirements*
- 3: Satisfactory should be adequate for stated element*
- 4: Very good, above average compliance to the requirement*
- 5: Exceptional mastery of the requirement should ensure extremely effective performance*

Pricing evaluation

Prices will be evaluated as follows:

- Inclusive of VAT
- Including contingencies
- Making an appropriate adjustment for any other acceptable variations, deviations, loss evaluation
- The following calculation is applied to determine the scoring:
 - The lowest price score is given a score of 10 and the others are ranked accordingly. Scores for price are based on the following method: (Note that the lower the price, the higher the score.)
 - $Normalised\ price\ score = \frac{lowest\ tender\ price * 10}{Tender\ Price}$
 - This score is then adjusted for the total weighting of: $= normalised\ price * total\ weighted\ price$

AISJ is under no obligation to accept the lowest priced response. AISJ reserves the right to reject any and all of the responses submitted and terminate discussions and or negotiations at any time and to depart from any terms and conditions contained within this RFQ without incurring liability and reserves the right to negotiate with one or more suppliers

B-BBEE Evaluation

All proposals will be evaluated on the criteria provided in the table below.

Details

B-BBEE Status Level of Contributor	Score
B-BBEE Levels 1-4	5
B-BBEE Levels 5-8	3
No B-BBEE Certificate	0

Disclaimer

The American international School of Johannesburg reserves the right to accept or reject any variation, deviation, tender offer or alternative offer and may cancel the tender process and reject all tender offers at any time before the formation of a contract. The American International School of Johannesburg reserves the right not to appoint a provider, to accept and / or award the whole or any portion of the tender and is not obliged to provide reasons for the rejection of any tender. The American International School of Johannesburg will not incur any liability to a tenderer for such cancellation and rejection but will give written reason for action upon request to do so.

SCHEDULES

Schedule A: Form A

Name of Bidder: _____

Postal Address: _____

Street Address: _____

Telephone Number: _____

Email Address: _____

Supplier Legal Status

Type of Business	Select the one that applies
Sole Trader	
Partnership	
Close Corporation	
Private Company	
Public Company	
Joint Venture/Strategic Alliance	
Trust	

Contact Person: _____

Person's Role at Company: _____

Signature: _____

Schedule B: Notice of Intention to Bid

External Audit Services RFP

DUE DATE: January 13, 2021 SUBMISSION ADDRESS Attention: Mr. Siphesihle Nzimande at snzimande@aisj-jhb.com
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Supplier's Name: _____

Supplier's contact details for RFP purposes

Name	Telephone	E-mail

Name

Signature

Schedule C: Declaration of Interest Form

1. DECLARATION OF INTEREST

ETHICAL CODE OF CONDUCT / CONFLICT OF INTEREST

The purpose of this ethical code of conduct is to ensure that all business transactions take place in an environment of honesty, integrity, fair competition and respect for South African Laws. This code outlines AISJ's expectations from all its employees and suppliers who participate, directly or indirectly, in procurement activities.

1.1 Suppliers

Suppliers' interest in relation to AISJ must be included with the quotation/tender documents. A quotation/tender shall be excluded from further evaluation if a supplier fails to declare any interest or potential conflict of interest. All suppliers must complete this declaration that no conflict or potential/perceived conflict of interest exists.

1.2 AISJ personnel

- a) All employees have a duty to promote the reputation and business of AISJ and not to make any personal gain at the expense of or as a result of their employment by AISJ. Decisions and functions carried out in the course and scope of employment must be directed at what is in the best interests of the AISJ. Personal interests must not conflict with those of AISJ
- b) An employee of AISJ (including long term contract workers) and their immediate family (i.e. spouse, life-long partners, parents and children) may not participate in or benefit directly or indirectly (i.e. through shareholding, profit sharing, etc) from tenders / contracts with AISJ. This provision specifically excludes shareholding and/or profit sharing which is immaterial (as defined in the Companies Act) in a public and/or listed company.
- c) When a conflict of interest arise after a contract is awarded or in the case of a sole source supplier, the Procurement Committee shall deliberate the merits of each case and recommend to the Executive Committee and/or Board for a final decision.
- d) Where a possible conflict of interest (other than the above) arises, the interest must be declared in writing to the Procurement Committee as soon as it arises and the employee must recuse him/herself from participating in any way in related business dealings. Written disclosure is effected by the employee.

1.3 Non-Executive Board Members of AISJ

In respect of non-executive board members, the provisions of the companies act in respect of declaration of interest shall be strictly observed.

2 DECLARATION

- 2.1 Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms

of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where:

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2.2 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

2.2.1 Full Name of bidder or his or her representative: _____

2.2.2 Identity Number: _____

2.2.3 Position occupied in the Company (director, trustee, shareholder²): _____

2.2.4 Company Registration Number: _____

2.2.5 Tax Reference Number: _____

2.2.6 VAT Registration Number: _____

2.2.7 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee numbers must be indicated in Table 1 below.

NB: *The term supplier, tenderer or bidder shall have a corresponding meaning.*

Table 1: Declarations by tenderer

QUESTION	YES	NO	PROVIDE FULL DETAILS WHERE APPLICABLE
Are you (the tenderer) presently employed by AISJ or any of its subsidiaries?			
Are any of your directors, partners, fellow trustees & beneficiaries, shareholders, executive managers, subcontractors or their spouses, lifelong partners, parents and/or children presently employed by AISJ or any of its subsidiaries?			
If you are presently employed by AISJ or any of its subsidiaries, did you obtain the appropriate authority to undertake remunerative work outside your employment in the public sector? If so, please provide proof.			
Does any of your directors, partners, fellow trustees & beneficiaries, shareholders, executive managers, subcontractors have any relationship (i.e. spouses, lifelong partners, parents or children) with any person employed by AISJ who may be involved with the evaluation and or adjudication of this bid?			
Is there any other potential conflict of interest between the tenderer or any of the tenderer's directors, partners, fellow trustees & beneficiaries, shareholders, executive managers, subcontractors and AISJ, whether personal or professional, which the public could perceive may impair or otherwise influence AISJ or any of its members' or employees' judgements, decisions or actions?			

2. SIGNED DECLARATION

I, THE UNDERSIGNED _____ CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPH 2 ABOVE IS CORRECT. I ACCEPT THAT AISJ MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF AISJ's PROCUREMENT POLICY SHOULD THIS DECLARATION PROVE TO BE FALSE OR INCOMPLETE.

Signature

Date

Position

Name of Bidder