



A world class African city



### Joburg Market (SOC) Ltd

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#### REQUEST FOR QUOTATION NO: 4208585 - 2024/2025

REQUEST FOR QUOTATION FOR THE APPOINTMENT OF A SERVICE PROVIDER TO REVIEW JM'S INFORMATION TECHNOLOGY FOR JDE APPLICATION CONTROLS AND ITGC RELATING TO THE JDE SYSTEM WITH THE AIM OF RECOMMENDING IMPROVEMENT IN THE CONTROL ENVIRONMENT. POSSIBLE SETTING UP OF SELECTED CAATS FOR POSSIBLE FUTURE AUDIT.

<b>Issued by:</b>
<b>The Joburg Market: Supply Chain Department</b>
<p><b>P.O. Box 86007 Fortune Road City Deep Johannesburg 2049</b></p> <p><a href="mailto:quotations@joburgmarket.co.za">quotations@joburgmarket.co.za</a> for enquires</p>

Full name of bidding/tendering entity: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Tel Number: \_\_\_\_\_

Contract Price (excl VAT): \_\_\_\_\_

Contract Price (incl. VAT): \_\_\_\_\_

Advert date: **02 August 2024**

Closing date and time: **08 AUGUST 2024 @ 11H00**

Submission: **[quotations@joburgmarket.co.za](mailto:quotations@joburgmarket.co.za)**

Bidders to submit a quotation as per the scope of work

## **SCOPE OF WORK**

### **1. JDE Application Controls Reviews**

- Source data preparation and authorization;
- Source data collection and entry;
- Accuracy, completeness and authenticity checks;
- Processing integrity and validity;
- Output review, reconciliation and error handling;
- Transaction authentication and integrity.
- Other aspects as may be deemed necessary
- The total number of users of the JDE system is around 80 people.
- The JDE System is not linked to the internet.
- Estimated number of audit hours is around 300 and this can be discussed and confirmed before finalisation.

### **2. Please note the following about Joburg Market:**

- The entity operates from one location at City Deep Johannesburg.
- It has one server room/data centre and one DR room.

### **3. Setting up of CAATs – Computer Assisted Audit Techniques.**

- Investigate the possible setting up of CAATS in a few (less than 5) selected application systems,
- e.g. inventory tracking and flagging for potential subsequent auditing in order to improve audit efficiency.

### **4. Technical General Controls - ITGC**

The following are possible areas of scope, however, given the limited amount of time available the ITGC audit should only be considered as it applies to the JDE Application System (above) and will not be applied in all IT System of Joburg Market. I.e. it will be ITGC that relates to the JDE system hence some of the following may be excluded.

- IT Governance
- Security Management (Policies and Security Standards);
- Logical access management
- Manage Operations
- Change Management
- Operating system and Database security review
- Manage Database Security;
- Manage Network Device Security;

- Internet Security and Cyber-security;
- JM has about 50 servers (Sun Solaris, windows and Linux)
- Estimated number of hours is 300 and this can be discussed and confirmed before commencement of the work.

## **5. Information required in the proposal**

- List of staff that will be involved in the audit including their qualifications and experience.
- 
- Please note that advanced knowledge in Information Technology Audits in a Municipal environment is necessary for this audit.
- Consultants are at liberty to associate with other consultants, in order to complement their specific areas of expertise. In the case of a joint venture, all members of the joint venture should sign the contract and are jointly and severally liable for the entire assignment as secured.
- Furnish the JM with a list of all (Maximum of 5) consultancy services and any similar services provided to an organ of state in the last five years.

## **6. What is expected from the service provider**

- Preliminary survey and confirmation of scope
- Preparation of the engagement letter and sign off based on confirmed scope
- Commencement with fieldwork as stipulated in the engagement letter including interviewing of key personnel.
- Identification of risks and controls in the identification and processing of JDE process
- Testing of controls and gaps identification
- Preparation of an audit program indicating what will be covered during the assignment so that all critical areas are included.
- Review compliance with relevant legislation, regulations and related policies and procedures
- Discussing and clearing queries with respective management
- Drafting of an audit report covering the JDE application control and its related ITGC and the recommendations.
- Discussing draft report with respective management, including divisional executive management and obtaining management inputs before finalization of the report.

## **7. Project Deliverables**

- Internal Audit report summarizing as well as detailing the observations from the assignment - signed copy and soft copy.
- Annexures in the form of evidence referred to in the report where applicable.
- Internal Audit file/folder referenced and reviewed and quality assured.
- Confirmation that the audit and the working papers have prepared in conformance with the IIA Standards.
- Report on total hours spent on the project

**Payment to the service provider will only be effected on receipt of the above.**

## **8. Information required in the Proposal**

- List of staff that will be involved in the audit including their qualifications and experience
- Advanced knowledge in ITGC and JDE Application Controls are important in this assignment;
- Details of rates charged per each level of staff

## **9. Evaluation of the Proposal**

Bidders assessed based on responsiveness of the bids, price and specific goals.

- 3 reference letters on ITGC and/or application controls audit.
- Team composition - Please number of staff and their names.
- Team qualification- Please show qualification and submit proof per staff member involved.

## **10. Fee Structure**

- The estimated full cost of the audit should indicated.
- Quotations to include details of rates charged per staff member involved including hours and total amount.

DECLARATION OF INTEREST

- 1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
- 2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
- 3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1. Full Name of bidder or his or her representative:.....

3.2. Identity Number: .....

3.3. Position occupied in the Company (director, trustee, shareholder<sup>2</sup>):.....

3.4. Company Registration Number: .....

3.5. Tax Reference Number:.....

3.6. VAT Registration Number: .....

3.7. The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8. Are you presently in the service of the state?

YES	NO
-----	----

3.8.1. If yes, furnish particulars. ....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999

(Act No.1 of 1999);

- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

<sup>2</sup> Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months?

YES	NO
-----	----

3.9.1. If yes, furnish particulars.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?

YES	NO
-----	----

3.10.1. If yes, furnish particulars. ....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

YES	NO
-----	----

3.11.1. If yes, furnish particulars .....

3.12 Are any of the company’s directors, trustees, managers, principle shareholders or stakeholders in service of the state?

YES	NO
-----	----

3.12.1. If yes, furnish particulars. ....

3.13 Are any spouse, child or parent of the company’s director’s trustees, managers, principle shareholders or stakeholders in service of the state?

YES	NO
-----	----

3.13.1. If yes, furnish particulars.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

YES	NO
-----	----

3.14.1. If yes, furnish particulars:.....

**4. Full details of directors / trustees / members / shareholders (If employed by the state)**

Full Name	Identity Number	State Employee Number (If employed by the state)

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022**

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

a) The applicable preference point system for this tender is the 80/20 preference point system.

1.2 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

The maximum points for this tender are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	<b>80</b>
<b>SPECIFIC GOALS</b>	<b>20</b>
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.3 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.4 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

**2. DEFINITIONS**

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

**3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES**

**3.1. POINTS AWARDED FOR PRICE**

**3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps} = \mathbf{80} \left( \mathbf{1} - \frac{\mathbf{Pt} - \mathbf{P min}}{\mathbf{P min}} \right) & \mathbf{or} & \mathbf{Ps} = \mathbf{90} \left( \mathbf{1} - \frac{\mathbf{Pt} - \mathbf{P min}}{\mathbf{P min}} \right)
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

**3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT**

**3.2.1. POINTS AWARDED FOR PRICE**

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps} = \mathbf{80} \left( \mathbf{1} + \frac{\mathbf{Pt} - \mathbf{P max}}{\mathbf{P max}} \right) & \mathbf{or} & \mathbf{Ps} = \mathbf{90} \left( \mathbf{1} + \frac{\mathbf{Pt} - \mathbf{P max}}{\mathbf{P max}} \right)
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration  
 Pt = Price of tender under consideration  
 Pmax = Price of highest acceptable tender

**4. POINTS AWARDED FOR SPECIFIC GOALS**

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

*(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such)*

*Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)*

The specific goals allocated points in terms of this tender	Means of verification  Evidence must be provided to score points	Number of points allocated  (80/20 system)	Number of points allocated  (80/20 system)  <b>(To be completed by the bidder)</b>
SMME's An EME OR QSE)	CSD,  B-BBEE Certificate/ Affidavit Sworn under oath	10	
Enterprises located within the City of Johannesburg Metropolitan Municipality	CSD  Proof of municipal account/ lease agreement	10	

**DECLARATION WITH REGARD TO COMPANY/FIRM**

- 4.3. Name of company/firm.....
- 4.4. Company registration number: .....
- 4.5. TYPE OF COMPANY/ FIRM
- Partnership/Joint Venture / Consortium

- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

..... <b>SIGNATURE(S) OF TENDERER(S)</b>	
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	..... .....

