

Name of Institution	SOUTH AFRICAN LIBRARY FOR THE BLIND (SALB)
Bid Number	SALB 2019/01/02
Description	Internal Audit Services
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Compulsory Briefing Session	N/A
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Scoring	80/20 preference point system



**SOUTH AFRICAN
LIBRARY FOR THE BLIND**

An agency of the
Department of Arts and Culture

INTERNAL AUDIT SERVICES

JANUARY 2019

TECHNICAL SPECIFICATION

1. BACKGROUND

The South African Library for the Blind (“SALB”) is a Schedule 3A public entity. SALB is based in Makhanda (Grahamstown) in the Eastern Cape Province and provides Library services throughout South Africa to blind and visually impaired people.

SALB Mission

To render a library and information service to blind and visually impaired people through the production of accessible South African reading material in development of a comprehensive library collection and rendering of advisory services to promote access to information. More Information about SALB can be found on our website, www.salb.org.za

2. REQUIREMENTS

SALB is requesting proposals/bids from auditing and internal audit firms/companies to provide risk based internal audit services to SALB for the next three financial years.

All bids submitted by interested Companies will be evaluated on the 80/20 preference scoring system. Preference will be given to Local Eastern Cape Suppliers.

Services to be performed - Outsourced Internal Audit Function

Objective

The objective of this proposal/bid is to appoint a suitable independent Internal Audit Service Provider firm that can establish and maintain an appropriate Internal Audit Service to the Audit and Risk Committee and Management of the SALB.

Annual revenues are between R25 million and R30 million per year, and the organisation employs approximately 50 permanent Staff whom are based in Makhanda. SALB has a March 31 fiscal year-end, with a requirement to file an audited financial statement with the National Treasury and Executive Authority by July 31 and an Annual Report by August 31 of each year. Prior year Annual reports as well as Strategic and Annual Performance Plans can be requested via email and can be found on the SALB website as well.

Purpose

Internal Audit should be an independent appraisal function within SALB, which provides management with a systematic review and evaluation of operations for determining efficiency, economy and effectiveness of policies, practices and control.

The objective of internal auditing is to add value by assisting the Audit Committee and Management in effectively discharging their responsibilities, including the promotion of effective internal control at reasonable costs.

Contract Period

The duration of the contract is anticipated to run for a period of 36 months commencing 1st April 2019, subject to review and renewal.

Scope of work

The internal audit function must be conducted in accordance with the Standards for the Professional Practices of Internal Auditing and Code of Ethics set by the Institute of Internal Auditors. The scope of internal audit work entails evaluating the adequacy and effectiveness of the organisation systems of internal control. This includes:

- reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information;
- reviewing the systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations that could have a significant impact on operations, and determine whether the organisation is in compliance;
- reviewing the means of safeguarding assets and verifying the existence of assets;
- appraising the economy and efficiency with which resources are employed and identifying opportunities to improve operating performance;
- reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned;
- reviewing the planning, design, development, implementation and operation of major computer-based systems to determine whether:
 - adequate controls are incorporated in systems;
 - thorough systems testing is performed at appropriate stages;
 - system documentation is complete and accurate and;
 - that the needs of users are met.
- Reporting to the Audit Committee in writing regularly on the scope of reviews of good governance and any significant findings;
- the performance of the following assignments:
 - a) Review and update the Internal Audit Charter and Audit Committee Charter
 - b) Performing risk assessments and analysis
 - c) Prepare a Three-Year Internal Audit Plan
 - d) Perform Internal Audit assignments as assigned by Audit Committee/Management
 - e) Perform Computer Audits / IT Security / IT Risk assessment/ ICT Governance
 - f) Perform Finance and controls audit
 - g) Reviewing policies in place
 - h) Auditing of Performance Indicators / Predetermined Objectives
 - i) The performance of such other assignments as the Audit Committee and Management may (from time to time) authorise, which will constitute an addition to the scope of services mentioned above.

The internal audit function must apply due professional care and professionalism during the performance of audits to identify serious defects in internal controls which might result in possible malpractice. SALB expects the internal audit service provider to assess, implement and monitor identified controls, policies and procedures and entity wide risk management. It is envisaged that this methodology will introduce sustainable means of measuring and managing risks faced by SALB.

The scope of work must be in terms of the PFMA:

The Public Finance Management Act, No 1 of 1999, requires the establishment of an effective internal audit function under the control and direction of an Audit Committee (Section 51(1)(a)(ii)). This function as per this specification will be outsourced by the SALB.

3. PROPOSAL CONTENTS

The proposal/bid is expected to cover the following:

- Profile of the company
- Approach and Methodology
- Experience on projects of similar nature and contactable references
- Qualification of key personnel
- BBBEE status
- Proposed Fee Structure based on the following:
 - Total annual hours
 - Average Hourly Rate
 - Reimbursement costs such as telephone, travel, stationery and printing
 - Price per annum and overall 3 years including VAT.

4. TERMS & CONDITIONS

- a) The Management of the South African Library for the Blind reserves the right not to accept any bid or proposal or to sign any Agreement related to this request.
- b) A non-refundable R200.00 Tender Admin fee must be paid, and proof of payment should accompany all submitted bids.
- c) Bids from compliant Centralised Supplier Database (CSD) suppliers will only be considered.
- d) All bids/proposals received will be acknowledged in writing. Unsuccessful applicants will be informed in writing after the Adjudication process. SALB Library Management will not engage in any further communication after this notification.

5. SUBMISSION PROCESS

Bids/Proposals must be submitted for attention to Malibongwe Nquma via email at admin@salb.org.za or hand-delivered to the SA Library for the Blind 112B High Street Makhanda (Grahamstown) by 15 February 2019 at 12:00. No late submissions will be considered. The sender is responsible to confirm delivery and SALB will confirm receipt only.



Francois Hendrikz
Director