



ACCOUNTING STANDARDS BOARD

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REQUEST FOR QUOTATION

Request for Quotation	<i>Services required for the legislated year end audit for the ASB</i>
RFQ Number	ASB 01/03/2024
Date of issue	1 March 2024
Closing Date and Time	15 March 2024 at 16:00pm All submissions must be <u>received by the ASB</u> on or before 16:00. Any submissions received after this date and time will not be considered.
Contact details	For submission of quotations or any other enquiries: Email shereenp@asb.co.za ; juliannev@asb.co.za ; info@asb.co.za (Please use RFQ No. as subject reference)

Board Members: Ms P Moalusi (Chair), Mr A van der Burgh (Deputy Chair), Mr C Braxton, Ms W de Jager,
Mr D Dlamini, Mr S Khan, Ms A Muller, Ms N Themba
Chief Executive Officer: Ms J Poggiolini

1. ABOUT THE ASB AND ITS AUDIT

About the ASB

1.1 The ASB is a public entity listed in schedule 3A to the Public Finance Management Act, as amended.

1.2 The ASB's mandate is governed by sections 88 to 91 of the PFMA and the ASB's Regulations. The ASB's mandate is to set Standards of GRAP for public sector entities. The ASB is required by the Public Finance Management Act (PFMA) to set Standards of GRAP for the following entities:

- departments (including national, provincial and government components);
- public entities;
- trading entities (as defined in the PFMA);
- constitutional institutions;
- municipalities, municipal entities, or any other entities under the ownership control of a municipality and, boards, commissions, companies, corporations, and funds; and
- Parliament and the provincial legislatures.

1.3 The ASB can also perform any activity incidental to advancing financial reporting in the public sector.

1.4 A few key facts about the ASB:

- The Minister of Finance is the ASB's Executive Authority.
- The ASB's Accounting Authority is the Board, which comprises a maximum eight independent, non-executive members; and representatives of the National Treasury and Auditor-General South Africa.
- There are two Board sub-committees: (a) an Operations Committee and (b) a Technical Committee.
- The internal audit function and the Audit Committee are shared with the National Treasury.
- The ASB has seven employees.
- The ASB operates solely in a virtual work environment, i.e. there is no physical office. The ASB uses the domicile of the Accountant General at National Treasury.
- The sole funding of the ASB is a transfer from the National Treasury.

1.5 For more information about the ASB, please visit our website www.asb.co.za

2. REQUEST FOR A QUOTATION

2.1 The ASB requires the services of an external auditor for a three-year period, commencing for the audit of the financial year ending 31 March 2024.

2.2 During this three-year period, annual re-appointment will be confirmed by the AGSA.

About the audit

2.3 The ASB's year end is 31 March. The external audit is governed by the Public Audit Act and the AGSA's Audit Directive. The latest AGSA Audit Directive can be accessed [here](#).

2.4 As the entity is a public entity, the external audit includes an audit of the financial statements, and differing assurance responsibilities for performance (non-financial) information, compliance with specific legislation, review of the annual report, and any other matters the AGSA deems necessary.

- 2.5 The AGSA concurs with the appointment of the auditors on an annual basis, after recommendation by the Audit Committee to the Board.
- 2.6 The audit methodology should aim to meet the following milestones:
- Hand-over from previous auditors and planning to commence soon after appointment.
 - Operations Committee to approve the draft annual report, including the draft financial statements and performance information to the auditors at the end of May.
 - Final audit report, management letter and completion of audit by mid-June.
 - Approval of the annual report by the Board in June/July.
 - Submission of final consolidation template and Annual Report is sent to the National Treasury at the end of July.

3. PROCUREMENT PRINCIPLES TO BE APPLIED

- 3.1 The ASB will apply the 80-20 principle in evaluating this bid. The procurement principles to be applied are as follows.

Phase 1 - Functional requirements

- 3.2 Table 1 outlines the functional requirements that must be met. Bids will be assessed against these functional criteria using the points outlined in Table 1. Bidders must score a minimum of 70 points to move onto phase 2.
- 3.3 To enable the ASB to evaluate the qualitative criteria, the evidence described in Table 1 must accompany the bidding documents. Bids will not be considered if supporting evidence is not provided for the criteria.

Table 1 – Criteria, supporting evidence and points for scoring functional criteria

Criteria	Supporting evidence	Points to be awarded
Registration with the IRBA as a Registered Auditor	Certificate of registration of engagement partner and key staff.	30
Firm is fit to perform the audit	<p>Most recent Inspection Report issued for the firm by the IRBA.</p> <p>If the firm has not been reviewed by IRBA, an affidavit must be provided by the firm to this effect.</p> <p>If a review is currently being executed by the IRBA, then the previous Inspection Report must be provided.</p> <p><i>Scoring</i></p> <p>Twenty points will be awarded for a IRBA Report with no significant findings OR an Affidavit confirming the Firm has not been inspected by IRBA.</p> <p>Five points will be deducted for each significant finding.</p>	20
Audit methodology relevant to a public entity	<p>The methodology must include:</p> <ul style="list-style-type: none"> • The approach for a public entity; and how the audit will be performed in terms of the AGSA's Directive. This should cover the audit of the financial statements, audit of 	20

	<p>performance information and review of compliance with legislation.</p> <ul style="list-style-type: none"> • The timetable to meet the legislated deadline. • A fee proposal (or the escalation) should be provided for each year of the three-year period. 	
Reference letters	<p>Reference letters for audits completed for <u>public sector entities</u>. Please do not supply reference letters for work performed at other entities. Contacts should be provided in the reference letters.</p> <p><i>Scoring</i></p> <p>Five points will be awarded for each letter. A maximum of 30 will be awarded.</p>	30

Phase 2 - Points awarded for price

3.4 The second phase assesses price and B-BBEE. The ASB will use the 80/20 preference points system as outlined below.

3.5 The 80/20 preference point systems

(a) A maximum of 80 points is allocated for price on the following basis:

$$P_s = 80 \left(1 - \frac{P_t - P}{P} \right)$$

Where

P_s = Points scored for price of quotation under consideration

P_t = Price of quotation under consideration

P_{min} = Price of lowest acceptable quotation

(b) A maximum of 20 points may be awarded to a tenderer for the empowerment goals specified for the bid using paragraph 3.6.

(c) The points scored for the empowerment goal will be added to the points scored for price and the total will be rounded off to the nearest two decimal places

(d) The contract will be awarded to the tenderer scoring the highest points.

3.6 The ASB's empowerment goals are as follows:

(a) The ASB endeavours to protect or advance persons or categories of persons disadvantaged by unfair discrimination of the past through allocation of contracts as provided for in section 2(1) of the Preferential Procurement Policy Framework Act (PPPFA).

(b) The ASB's goals in this procurement are outlined in the table below:

Empowerment goal	Target	Points allocated	Method of verification
Black person/s with at least 51% ownership		10	B-BBEE certificate, or Sworn Affidavit, or Report from Central Supplier Database (which is not older than 24 months).
Black women with at least 30% ownership		5	
Black person/s with disabilities with at least 30% ownership		5	
Total		20	

4. SUB-CONTRACTING

- 4.1 A supplier awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an exempted micro enterprise that has the capability and ability to execute the sub-contract outlined in this RFQ.
- 4.2 If the supplier intends to sub-contract, they must indicate the value of the work in Rands to be sub-contracted in relation to the total quoted amount. The supplier must also indicate the name(s) of the company / contractor and experience in terms of this bid.

5. MANDATORY DOCUMENTS TO BE SUBMITTED

- 5.1 Interested service providers must comply with the conditions outlined in Section 3 of this Invitation to Bid. Failure to meet the requirements and/or provide the necessary supporting evidence, will render the proposal non-responsive and will be disqualified.
- 5.2 Service providers are required to complete and submit appropriately signed Standard Bid Documents (SBDs), failing which their bid response will be disqualified.
- 5.3 A list of documents required:
- SBD 1 – Invitation to bid – and all related documents
 - SBD 4 – Declaration of interest.
 - SBD 6.1 – Preference Points Claim Form In Terms of The Preferential Procurement Regulations 2022
 - SBD 8 – Declaration Of Bidder’s past Supply Chain Management Practices
 - SBD 9 – Certificate of Independent Bid Determination
 - SBD 3.3 – Pricing schedule for professional Services
 - General Terms of Contract
 - CSD Registration number
 - Tax Compliance Certificate/Tax PIN.
 - The ASB may request additional information if Instruction Notes, Guidelines and other documents related to the implementation of the Preferential Procurement Regulations 2022 (PPR 2022) are published by the National Treasury.
- 5.4 In case of proposal from a joint venture, the following must be submitted together with the proposal:
- Joint venture agreement including split of work signed by both parties.
 - The original or certified copy of the B-BBEE certificate of the joint venture.
 - The Tax Clearance Certificate of each joint venture member.

- Proof of ownership/shareholder certificates/copies.
- Company registration certificates.

5.5 Bids submitted should be valid for 60 days from date of closure of the Invitation to Bid.

6. ELIMINATION CRITERIA

Bidders will be eliminated under the following conditions:

- The required documents as outlined in this RFQ are not submitted.
- Proposals are submitted late. The ASB must receive the submission by 16:00 on 15 March 2024.
- Submission to incorrect email address **(Please submit electronically to shereenp@asb.co.za; info@asb.co.za; juliannev@asb.co.za)**

7. CANCELLATION OR NO AWARD

- 7.1 Bidders will be notified in writing about whether they have been successful or not.
- 7.2 The ASB reserves the right, in terms of the relevant legislation and regulations, to cancel or not award the bid.

8. PROTECTION OF PERSONAL INFORMATION

The Protection of Personal Information Act, 4 of 2013 (POPIA) provides that when one processes another's personal information, such collection, retention, dissemination and use of that person's personal information must be done in a lawful and transparent manner. To evaluate the bids received, the ASB will process bidders personal information. Personal information will not be used for other purposes.