



**VAAL UNIVERSITY
OF TECHNOLOGY**

Inspiring thought. Shaping talent.

Supply Chain Management Department
Finance

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PRICING SCHEDULE

APPOINTMENT OF A SERVICE PROVIDER FOR INTERNAL AUDIT SERVICES

BID NUMBER: T03/2025

BID INVITATION DATE	
INVITATION DATE:	14 September 2025
COMPULSORY INFORMATION BRIEFING SESSION	
DATE:	23 September 2025
TIME:	11:00am
VENUE:	Virtual via Microsoft Teams, link accessible on VUT Website prior to the meeting.
SUBMISSION INFORMATION	
CLOSING DATE:	13 October 2025
CLOSING TIME:	11:00am
ADDRESS:	Vaal University of Technology, <u>Andries Potgieter Boulevard, Vanderbijlpark</u> <u>Main Campus, E-Block,</u> Bid Box in room No. E001

SCOPE OF WORK/SPECIFICATIONS

The objective of this bid is to appoint a suitable, reputable and independent service provider that can provide an appropriate internal audit service for the VUT. The VUT is expected to have an effective internal audit function, which should comply with the Institute of Internal Auditors' (IIA) Standards. In terms of King IV report on Corporate Governance the internal audit function should assist the VUT to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management control and governance processes. The risk management strategy, including the Fraud Prevention Plan, must be used to direct these internal efforts.

One of the objectives of the internal audit function is to assist the Audit and Risk Committee (ARC), and through it the University Council and the Management Committee, in the effective discharge of their responsibilities.

This must be done through furnishing them with analyses, appraisals, recommendations, counsel and information concerning the activities that have been reviewed as well as regular follow-ups.

Other objectives/standards/controls of the audit function, which are subject to an evaluation, are to review the following:

- (a) Internal control processes;
- (b) The information systems environment;
- (c) The reliability and integrity of financial and operational information;
- (d) The effectiveness of operations;
- (e) Compliance with policies, regulations and contracts;
- (f) The safeguarding of assets;
- (g) The economical and efficient use of resources; The achievement of established operational goals and objectives; and
- (h) Compliance with laws, regulations and controls.

Background information on the structure of the VUT can be found in the latest Annual Report.

• CROSS(X) AS CONFIRMATION/ABILITY TO SUPPLY EACH ITEM.

APPOINTMENT OF A SERVICE PROVIDER FOR INTERNAL AUDIT SERVICES	COMPLY
The scope of the internal audit function includes the points listed below. However, should any other function be regarded as imperative by the bidder, it should be added and clearly defined.	
1. The internal audit function must, in consultation with ARC, prepare:	
<ul style="list-style-type: none">• A rolling three-year strategic Internal Audit Plan based on the assessment of key areas of risk for the VUT, having taken into consideration the institution's current operations, the operations proposed in its corporate or strategic plan and its risk management strategy. This is subject to approval of ARC.	
<ul style="list-style-type: none">• An annual Internal Audit Plan to be approved by ARC every year.	
<ul style="list-style-type: none">• Internal Audit Plans indicating the scope, cost and timelines of each audit in the annual internal audit.	

<ul style="list-style-type: none"> • Audit reports directed to ARC detailing outcomes of audit against the plan to allow effective monitoring and intervention, when necessary. 	
<ul style="list-style-type: none"> • Monitor the clearing and implementation of internal and external audit findings and recommendations. 	
<ul style="list-style-type: none"> • Provide an overall annual opinion on the audited control environment for the Audit and Risk Committee. 	
2. It must co-ordinate with other internal and external providers of assurance to ensure proper coverage and minimal duplication of effort.	
3. The internal audit function must assist the University in maintaining effective controls by evaluating those controls and developing recommendations for enhancement or improvement.	
4. It must assist the University in achieving the objectives of VUT by evaluating and developing recommendations for the enhancement or improvement of the processes through which:	
<ul style="list-style-type: none"> • Objectives, strategies and values are established and communicated; 	
<ul style="list-style-type: none"> • The accomplishment of objectives is monitored and accountability is ensured; 	
<ul style="list-style-type: none"> • Corporate values are preserved; 	
<ul style="list-style-type: none"> • The adequacy and effectiveness of the system of internal control are reviewed and appraised; 	
<ul style="list-style-type: none"> • The relevance, reliability and integrity of management, financial and operating data and reports are appraised; 	
<ul style="list-style-type: none"> • Systems established to ensure compliance with policies, plans, procedures, statutory requirements and regulations, which could have a significant impact on operations, are reviewed; 	
<ul style="list-style-type: none"> • The means of safeguarding assets are reviewed and deemed as appropriate in verifying the existence of such assets; 	
<ul style="list-style-type: none"> • The economy, efficiency and effectiveness with which resources are employed and appraised; 	
<ul style="list-style-type: none"> • The results of operations or programmes and projects are reviewed to ascertain whether they are consistent with the VUT's established objectives and goals and whether the operations or programmes and projects are being carried out as planned; and 	
<ul style="list-style-type: none"> • The adequacy of established systems and procedures are assessed. 	
5. The audits that will need to be taken into account at the VUT are, among others:	
<ul style="list-style-type: none"> • IT security and systems processes audit. 	
<ul style="list-style-type: none"> • Conducting special assignments and investigations, on behalf of ARC or the VC, into any matter or activity affecting the probity, interest and operating efficiency of the VUT. 	
<ul style="list-style-type: none"> • Audit designed to detect fraud. 	

6. In planning and conducting its work, the internal auditor should seek to identify serious defects in internal controls, which might result in possible malpractices. Any such defects must be reported immediately to the VC and/or ARC without disclosing these to any other staff. This also applies to instances where serious fraud and irregularities have been uncovered.	
7. EXPECTED OUTCOMES AND DELIVERABLES	
7.1 Performing Audit Assignments	
Each assignment should at least consist of the following:	
• A pre-audit survey;	
• An audit planning memorandum;	
• Minutes of the entrance meeting;	
• A risk assessment document;	
• System descriptions;	
• Audit programmes;	
• Sampling methodology;	
• Mechanisms for follow-up on matters previously reported and feedback to ARC;	
• Mechanisms to ensure that working papers are reviewed at the appropriate level;	
• A record of work performed;	
• A review of work performed;	
• Audit findings and recommendations;	
• Reporting (a draft internal audit report and a final internal audit report); and	
• Follow-up on previous audit findings for both internal and external auditors.	
7.2 Reporting Requirements	
The structure of the report is to be as follows:	
• Introduction;	
• Audit objective and scope;	
• Background;	
• Executive summary, highlighting significant findings;	
• Findings, recommendations and management response (including implementation dates);	
• All audits as carried out according to the annual Internal Audit Plan and as approved by ARC; and	
• Conclusion.	
The auditor is to deliver an electronic copy and one signed copy of the final report to the chairperson of ARC and the VUT VC.	
7.3 QUALITY ASSURANCE REVIEWS OF THE WORK	

The auditor shall ensure that all work conforms to the IIA Standards for Professional Practice. Such work may further be subjected to external quality assurance, as may be considered necessary.	
7.4 MONITORING THE PROGRESS OF ASSIGNMENTS	
On completion of each assignment, the auditor shall distribute the reports to ARC, the Office of the VC and the MANCOM.	
On a quarterly basis, a report on progress against the plan, significant findings and administrative matters will have to be presented to ARC.	
7.5 INDEPENDENCE AND OBJECTIVITY OF STAFF	
In carrying out the work, the auditor must ensure that their staff members maintain objectivity by remaining independent of the activities they audit.	
7.6 DURATION OF CONTRACT	
The contract is expected to run for three years commencing on the date of signing the Service Level Agreement. It will, however, be renewable annually and this will be subject to a review of the previous year's performance against the Internal Audit Plan and approval of ARC and VUT Council.	
The successful bidder should be able to start as soon the service level agreement is signed and cover the full year of 2026 financial year.	

TOTAL BID PRICE (for 3 years) - excluding VAT

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VAT

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TOTAL BID PRICE (for 3 years) - including VAT

R

1. All pricing must be quoted in South African Rand (ZAR), including VAT.
2. The pricing must remain valid for 120 days from the closing date of the bid.
3. In instances where the contract period exceeds a year, it is accepted that the prices will remain fixed for the first year.
4. Foreign exchange rates used to be indicated (if applicable).
5. Prices charged by the supplier for goods delivered and services performed under the contract established pursuant to this bid shall not vary from the prices quoted by the supplier in his bid, and any variance will render the contract null and void.

COMPANY FULL NAME/S	BIDDERS SIGNATURE	DATE
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