SAMWUMED

Real Heritage. Real People. Real Health Care.

REQUEST FOR TENDER FOR INTERNAL AUDIT SERVICES TO SAMWUMED

ACTION	TIMELINE
RFT Reference Number	**SAM260901**
Issue Date	**11 September 2026**
Compulsory Briefing session	**13h00 on 16 September 2026**
Clarifying Questions Closing date	**16h00 on 18 September 2026**
Proposal Submission Date	**16h00 on 28 September 2026**

This is the Request for Tender issued to appoint a reputable company to provide Internal Audit Services to SAMWUMED. This document sets out the terms of reference for the Request for Tender. The information contained within this submission is considered proprietary and confidential. No inappropriate and/or unauthorized disclosure of this submission is allowed.

OBJECTIVE

The purpose of this tender is to appoint a suitably qualified and experienced service provider with the requisite knowledge, capacity, and expertise to provide independent internal audit services to SAMWUMED. The appointed provider will be expected to perform audit functions in accordance with applicable auditing standards and principles of sound corporate governance, as detailed in the scope of services. The appointment will be for a period of up to three (3) years, commencing on the date of signature of the contract.

PART 1: SCHEME INFORMATION IN RELATION TO REQUEST FOR TENDER

SAMWUMED MEDICAL SCHEME BACKGROUND

The South African Municipal Workers Union National Medical Scheme (SAMWUMED) ("the Scheme") is registered as a medical scheme in terms of Section 24 of the Medical Schemes Act 131 of 1998 and is governed in terms of the registered Rules of the Scheme. SAMWUMED is a financially healthy, national-accredited, and self-administered medical aid scheme which covers approximately 56 000 lives throughout South Africa. The Scheme operates within a closed sector, namely, local government and associated employees. At SAMWUMED, we are committed to the highest standards of ethics and integrity. We are responsible to our members, to SAMWUMED employees and their families, to the environment we inhabit, and to the societies we serve. Our interactions with all segments of society do reflect the high standards we profess.

THE TABLE BELOW HIGHLIGHTS THE KEY METRICS OF THE SCHEME.

SAMWUMED MEDICAL SCHEME	December 2023	December 2024	December 2025
Number of Principal Members	34 390	32 656	29 878

PART 2: TERMS AND CONDITIONS OF THE REQUEST FOR TENDER

2.1. INTRODUCTION

This document specifies the pertinent requirements by SAMWUMED. These specifications are being provided to serve as a basis for detailed Proposals and structured fees that service providers must submit to the Scheme for consideration.

Through this Request for Tender ("RFT"), SAMWUMED ("the Scheme") intends to obtain and achieve:

- A comprehensive understanding of your organization's capabilities and approach to providing services;
- Assurance that the Scheme's key requirements can be achieved; and
- Transparency in the cost structure for the described scope of services.

SAMWUMED hereby requests the accredited service providers to make a value proposition since the Scheme is:

- Driving towards more standardization in operations thus reducing costs for the Scheme;
- Looking for world-class solutions that will assist SAMWUMED in being competitive; and
- Searching for a trusted service provider that satisfies the Scheme's growth objectives.

2.2. COMPULSORY BRIEFING SESSION

A compulsory briefing session for prospective service providers will be held at 13h00 on 16 September 2026 via Microsoft Teams

Meeting Link: https://teams.microsoft.com/meet/334817004285972?p=We34dTQu3mxsNxgCDI

Meeting ID: 334 817 004 285 972

Passcode: 7iG63HN6

Proposals from service provider/s who did not attend the compulsory briefing session will not be considered.

Queries with regard to the compulsory briefing session can be directed to procurement@samwumed.org

2.3. CLARIFICATION/QUERIES

Any clarification required by a service provider regarding the meaning or interpretation of any part of the Terms of Reference or any other aspect concerning the RFT is to be requested in writing (e-mail) from procurement@samwumed.org. A reply will be forwarded within one (1) working day of receipt of the query. Telephonic requests for clarification will not be accepted. The answers to all the questions from service provider/s will be made available in writing to all the service providers that attended the compulsory briefing session.

2.4. ADDITIONAL INFORMATION

No additional information may be received from any individual service provider without such information having been requested.

During the evaluation of the submissions, additional information/clarity may be requested in writing from service providers. Replies to such requests must be submitted within one (1) working day or as otherwise indicated. Failure to comply may lead to your submission being disregarded.

2.5. CONFIDENTIALITY

The terms of the RFT, all other information provided to you by the Scheme in connection with the RFT, are to be treated as strictly confidential and proprietary to the Scheme. As such, these materials are to be used by you solely for the purpose of responding to this RFT.

The Scheme reserves the right to share information submitted in response to this RFT with the Board of Trustees of the Scheme, its Advisors as well as members of the Scheme's committees and any other party that the Scheme deems necessary.

The Scheme reserves the right to collate questions from participants to this RFT regarding this document and its contents and to share such questions and their respective answers, on an anonymous basis, with all other participants.

2.6. SUBMITTING PROPOSALS

SAMWUMED shall not be liable for any expenses incurred by service providers in the preparation and submission of a Proposal.

The closing date for submissions is 28 September 2026 at 16h00.

An original version of the proposal plus four (4) hard copies must be submitted. All documents must be signed in ink, no tippex is allowed. Only proposals that are submitted as one (1) original and four (4) copies will be accepted as valid and responsive. In addition, the document must be stored on a USB to be submitted with the Proposal submission in a sealed envelope clearly marked with the description of the scope of service, name of the bidder as well as the return address at the back of the envelope.

The documents must be submitted to the following address, and clearly labelled in a sealed envelope:

The Procurement Office

SAMWUMED

Corner Lascelles and Trematon Streets

ATHLONE

CAPE TOWN

Late submissions will not be considered under any circumstances. Service providers are therefore strongly advised to ensure that submissions are dispatched, allowing enough time for any unforeseen events that may delay their delivery.

2.7. WARRANTY

All Proposals should have a signed warranty attached confirming that:

- The factual data accompanying the submission is accurate and correct.
- The factual data does not misrepresent the true position of the company.
- The signatory signing the Proposal is authorized to sign on behalf of the company.

2.8. CONTRACTING TERMS

Nothing in this document shall be construed as a contract between the parties, and no communication, whether verbal or written, by the Scheme's personnel or advisors during this process shall create such a contract in respect of the requirements specified in this RFT.

Potential service providers are expected to sign the standard Terms and Conditions and Service Level Agreement (SLA) of the Scheme, in respect of the services for which they are submitting a proposal. The Scheme reserves the right to amend the contract/s based on inputs and negotiations with the successful service provider, and these changes will be discussed and agreed upon between the service provider/s and the Scheme before final acceptance. Should potential service provider/s elect not to sign the Scheme's standard Terms and Conditions and Service Level Agreements, such potential service provider/s shall be automatically disqualified.

The final contract must be signed by both parties within thirty (30) days of the successful bidder's appointment. Failure to conclude the contract within the period envisaged shall result in disqualification. The contract term envisioned for the successful service provider is for three (3) years from the effective date.

The Scheme reserves the right to enter negotiations with one or more service providers regarding any terms and conditions, including price/s, of a proposed contract. Under no circumstances will negotiation with any service provider constitute an award or promise/undertaking to award the contract.

The contracting terms for the services will not be based on a fixed rate per month, but rather on a time and materials basis, where the cost will be determined by the actual time spent and materials used in providing the services. This means that the successful service provider/s will be compensated according to the actual hours worked, the rate agreed upon for those hours, and the materials required to perform the services. The parties shall agree upon the specific rates and conditions related to time and materials during the negotiation phase of the contract.

The Scheme also reserves the right to enter into one contract with the successful service provider for all the required services or into more than one contract with different successful service providers for different services. A contract will only be deemed to be concluded when reduced to writing in a formal contract and Service Level Agreement signed by the designated responsible persons of both parties. The designated responsible person of the Scheme is the Principal Officer.

2.9. ACCESS TO INFORMATION

Should potential service providers not receive a response from the Scheme within two (2) weeks after submission, the potential service provider should consider their submission unsuccessful.

Requests for information regarding the Proposal submissions will be dealt with in line with the Scheme policy in this regard and relevant legislation.

2.10. REASONS FOR REJECTION

This RFT does not commit the Scheme to any course of action resulting from the receipt of Proposals and the Scheme may, at its discretion, reject any submission, or reject any Proposal which does not conform to instructions and specifications which are contained herein or select a potential service provider based upon its own unique set of criteria.

The Scheme may disregard the submission of any service provider, if that provider, or any of its directors:

- Have committed proven fraud or any other improper conduct in relation to this procurement process, and/or
- Have failed to perform on any previous contract for the Scheme and the proof exists.

2.11. BOARD OF TRUSTEES DECISION AND FEEDBACK

The Scheme will not provide any formal justification for any decision that it takes. The Board of Trustees' decision will be final.

By submitting the RFT, the service provider agrees that it has no legal recourse to challenge the process and/or decision in any court of law.

2.12. CANCELLATION OF THE PROCUREMENT PROCESS

SAMWUMED reserves the right to postpone/cancel and/or terminate the procurement process at any stage, including after the closing date and/or after presentations have been made, and/or after submissions have been evaluated and/or after the successful service provider/s have been notified of their status provided that such cancellation or postponement takes place prior to entering into a contract with the successful service provider/s unless there are justifiable reasons to cancel the contract with the successful service provider.

2.13. BLACK ECONOMIC EMPOWERMENT

SAMWUMED is committed to black economic empowerment and to playing a role in the upliftment of the communities in which we operate.

B-BBEE compliance must be demonstrated by the submission of either:

(a) a valid B-BBEE verification certificate issued by a SANAS-accredited verification agency, in the case of Generic Enterprises and Qualifying Small Enterprises (QSEs) that are less than 51% black-owned; or

(b) a sworn B-BBEE affidavit, completed and signed by a duly authorised representative and

commissioned by a Commissioner of Oaths, in the case of:

- Exempted Micro Enterprises (EMEs) with an annual turnover of R10 million or less; and
- Qualifying Small Enterprises (QSEs) with an annual turnover of between R10 million and R50 million that are 51% or more black-owned, in accordance with the Broad-Based Black Economic Empowerment Act, 53 of 2003, and the Amended B-BBEE Codes of Good Practice issued in terms thereof.

2.14. VALIDITY OF PROPOSAL SUBMISSION

The period during which SAMWUMED shall have the right to accept a Proposal without any right of withdrawal on the part of the service provider/s shall be seven (7) days from the submission date. After such a period a service provider/s may withdraw his proposal if he has not been notified of its acceptance. Service providers are not allowed to make any changes during the validity period.

2.15. EVALUATION PROCESS

This RFT will be evaluated in line with SAMWUMED Procurement Policy and principles enshrined therein.

Compliance with the minimum requirements specified in this Request for Tender will be examined to determine compliance with procurement requirements and conditions. Submissions with deviations from the stipulated minimum requirements/conditions will be disqualified and not considered further.

The Scheme or its authorized representatives reserve the right to call any shortlisted service provider for a presentation regarding any terms and conditions of the service provider's response to the RFT. Presentations may not form part of the evaluation process through which the proposed offer will be assessed and could be used to clarify certain aspects of the proposal submitted. The opportunity may also be used to obtain a view of the vision of the service provider/s for the future. Under no circumstances will a presentation by any respondent constitute an award or promise/undertaking to award the contract.

The Scheme or its authorised representatives also reserve the right to visit the facilities of any shortlisted service provider for an assessment of compliance regarding any terms and conditions of the service provider's response to the RFT. Such visits may not form part of the evaluation process through which the proposed offer will be assessed and could be used to clarify certain aspects of the proposal submitted. The opportunity may also be used to obtain a view of the vision of the service provider/s for the future. Under no circumstances will a visit to any respondent constitute an award or promise/undertaking to award the contract.

The evaluation of this RFT will be done in six (6) phases, namely:

Phase 1: **Gate keeping criteria**

Phase 2: **Written proposals**

Phase 3: **Functionality**

Phase 4: **Commercial (Price and B-BBEE): 80/20 preferential point**

Phase 5: **Presentations by the shortlisted service providers (top 3), if necessary**

Phase 6: **Due diligence/ Site Visit (top 3), if necessary**

2.16. PHASE 1: GATE KEEPING.

Proposals that fail to comply with the gate keeping criteria will not be evaluated further.

MANDATORY GATE-KEEPING CRITERIA		Page/bid section where matters addressed
i.	**COMPANY REGISTRATION, ACCREDITATION, TRADE LICENSES AND TAX COMPLIANCE PIN ISSUED BY SARS**	
	i. Bidders must possess all **trade, professional, or business licenses** as may be required by the work contemplated in this RFT. *ii.* Service providers must maintain their accreditation for the duration of the contract. *iii.* Service provider/s must submit their company registration number to confirm the number of years they have been registered for. *iv.* Tax Compliance Pin relating to the BID must be valid, and the service provider must be tax compliant at the time of submission and remain compliant for the duration of the contract. The Scheme reserves the right to continually verify the validity of the bidders' tax compliance status. Failure to be tax compliant may result in disqualification of the bid. *v.* A valid B-BBEE Verification Certificate issued by a SANAS-accredited verification agency, or, where applicable, a sworn B-BBEE affidavit for: - Exempted Micro Enterprises (EMEs) with an annual turnover of R10 million or less; and - Qualifying Small Enterprises (QSEs) with an annual turnover of between R10 million and R50 million that are 51% or more black-owned, as contemplated in the Broad-Based Black Economic Empowerment Act, 53 of 2003, and the Amended B-BBEE Codes of Good Practice. SAMWUMED reserves the right to verify the information contained in any sworn affidavit in accordance with applicable legislation. *vi.* A valid proof of registration as auditor and professional registration of audit members. • Must be registered with the Institute of Internal Auditors (IIA).	

MANDATORY GATE-KEEPING CRITERIA		Page/bid section where matters addressed
	• The engagement partner and audit team members assigned to the SAMWUMED engagement must be professionally registered with the Institute of Internal Auditors (IIA) and/or the Information Systems Audit and Control Association (ISACA), where applicable. • The Engagement Partner must be a qualified CIA/ CA (SA) and/or CISA. • The Audit Manager must have a minimum of a degree/diploma in accounting sciences or equivalent. • The firm must also provide evidence of a satisfactory result on their latest IIA review results for the firm and for the engagement partner.	
ii.	**PRICING SCHEDULE**	
	i. Service providers must complete the Pricing schedule in the format as prescribed (See attached Annexure B): *ii.* An all-inclusive and fully transparent **cost structure** is required. All costs related to the proposed Services are to be allowed for and incorporated in the Pricing Schedule and must be included as part of the response documentation. *iii.* Service providers shall quote prices in **South African Rand** with Value Added Tax included. *iv.* Service providers must indicate what portion of the total price will be allocated to each member of the **JV or Consortium** where the Service providers is constituted of more than one member. *v.* The successful Service Provider/s shall commit to the program of **continuous improvement**, which will result in cost-efficiencies during the contract period. *vi.* Service providers must **warrant** and indicate that the **pricing quoted is free of any errors or omissions and that the service providers are able to deliver on the contract on the prices quoted**. Such a warranty be provided on company letterhead and signed by a duly authorised representative.	

<table>
<tr><th colspan="2">MANDATORY GATE-KEEPING CRITERIA</th><th>Page/bid section where matters addressed</th></tr>
<tr><td>iii.</td><td>EXPERIENCE</td><td></td></tr>
<tr><td></td><td>i. The bidder must provide proof of relevant experience, resources, and local footprint:
Provide an organogram of key resources assigned to SAMWUMED, this should reflect professional audit staff with sufficient knowledge, skills, and professional certifications and qualifications.
Experience providing internal auditing services to Medical Schemes.
The bidder must provide a minimum of three (3) official headed reference letters issued by client's representative at the level of a CFO/ Executive Director/ Finance Manager highlighting previously completed assignments.
Audit firm must have a footprint in the Western Cape.
Proof of municipal account/ rental account /lease agreement reflecting an official business address within the Cape Metropole.
ii. The bidder must provide a project plan and outline audit methodology in line with scope of work.</td><td></td></tr>
<tr><td>iv.</td><td>FINANCIAL STABILITY</td><td></td></tr>
<tr><td></td><td>i. Bidders must be <u>financially stable</u>.
ii. Proof should be provided in the form of the latest Annual Financial Statements/ Management Accounts, which prove that the company is solvent and liquid in terms of industry norms.</td><td></td></tr>
<tr><td>v.</td><td>PROPOSAL PRICE GUARANTEE</td><td></td></tr>
<tr><td></td><td>i. Bidders must complete and submit on a company letterhead, and signed by a duly authorized representative, a "proposal price guarantee" of one-hundred and eighty (180) days.</td><td></td></tr>
<tr><td>vi.</td><td>ACCEPTANCE OF BID CONDITIONS</td><td></td></tr>
<tr><td></td><td>i. Bidders must familiarize themselves with the general information and</td><td></td></tr>
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MANDATORY GATE-KEEPING CRITERIA		Page/bid section where matters addressed
	conditions pertaining to this Request for Tender (RFT) and, *ii.* Must acknowledge and commit themselves in writing to these conditions by submitting such on a company letterhead signed by a duly authorised representative.	
vii.	**WARRANTY**	
	i. All proposals should have a signed warranty attached confirming that: a. The factual data accompanying this proposal is accurate and correct. b. Pricing quoted is free of any errors or omissions and the company can deliver on the contract prices quoted. c. The factual data does not misrepresent the true position of the company. d. The signatory signing the proposal is authorized to sign on behalf of the company. *ii.* Bidders must provide SAMWUMED on a company letterhead signed by a duly authorised representative, such warranty.	
viii.	**PRIME AND SUB-CONTRACTOR IDENTIFICATION**	
	i. The service provider acting as primary contractor, should take full responsibility for the demonstration, delivery, installation, and acceptance testing of the proposed products/services supplied by its subcontractor/s. *ii.* Each subcontractor used by the service provider on this project shall be declared to SAMWUMED on a company letterhead, signed by a duly authorized representative. *iii.* If the service provider does not use any subcontractors, this should be stated and confirmed to SAMWUMED on a company letterhead.	
ix.	**DELIVERABLES AS LISTED UNDER THE SCOPE OF SERVICES IN THE TERMS OF REFERENCE OF THIS RFT (PART 3)**	
	i. Provision of services as listed under point 3 on this document	

MANDATORY GATE-KEEPING CRITERIA		Page/bid section where matters addressed
	ii. Provision and presentation of monthly progress reports to SAMWUMED on: a. Compliance with agreed service levels (as defined in a Service Level Agreement). b. Quality assurance. c. Cost containment. *iii.* Bidders must provide SAMWUMED on a company letterhead signed by the duly authorised representative, such confirmation.	
x.	**DECLARATION OF INTEREST**	
	i. The proposing entity must complete, sign, and return the Declaration of Interest form attached to this RFT document as Annexure A. *ii.* The bidder must be independent from SAMWUMED, its BOT Members, Executive Management etc. and be able to maintain its independence throughout the engagement.	
xi.	**SERVICE LEVEL AGREEMENTS**	
	i. Service providers should review and submit input on the Scheme's proposed Service Level Agreement (SLA) within seven (7) days of the successful bidder's appointment. *ii.* Service providers are not restricted to the scope in the Terms of Reference (TOR) and the Scheme's Terms and Conditions and Service level Agreement, as outlined in Part 3, but are advised to refer to it as a guideline. *iii.* Bidders must provide SAMWUMED, on a company letterhead, signed by the duly authorized representative, confirming that this review and inputs will be provided within the given timeframe.	

Failure to submit will deem the service provider's submission non-responsive and will not be further evaluated.

2.17. PHASE 2: WRITTEN PROPOSALS (FORMAT OF PROPOSALS)

Service provider/s are advised that their proposals should be concise, written in English, and simply presented. Service providers are required to provide detailed responses on the information required in Part 3 Internal Audit Services of this RFT document as part of their RFT response documentation.

2.18. PHASE 3: FUNCTIONALITY

Bidders are referred to table below which indicates the maximum possible score for information requested under this schedule.

Bidders are required to demonstrate the following:

- Composition of team structure including roles & responsibilities and time allocation
- Qualifications and Demonstrated Experience of key personnel in relevant projects (similar size, nature & complexity). As the work to be carried out in this RFT is of a technical nature, it is essential that suitably qualified and experienced personnel be assigned to this project.

Only service providers that have scored **70 points or above** will be evaluated on Commercial (Price and B-BBEE).

DESCRIPTION OF CRITERIA	FUNCTIONAL CRITERIA	TICK BOX	SCORING	TOTAL
COMPANY PROFILE (MAX 20 POINTS)				
Bidder's company profile as an entity must demonstrate Internal Audit experience of more than five years, including: • Local (Western Cape) Internal Audit clients. • Experience in Internal Audit of medical aid schemes. Bidders will be evaluated up to a maximum of 10 points per sub-attribute, and this will be reliant on how satisfactory the supplied information is.	Local (Western Cape) Internal Audit clients.		1-3	3
	Local (Western Cape) Internal Audit clients.		4-6	5
	Local (Western Cape) Internal Audit clients.		7+	10
	Years' experience in Internal Audit of medical aid schemes.		1-3	3
	Years' experience in Internal Audit of medical aid schemes.		4-6	5
	Years' experience in Internal Audit of medical aid schemes.		7+	10

DESCRIPTION OF CRITERIA	FUNCTIONAL CRITERIA	TICK BOX	SCORING	TOTAL
PROJECT PLAN AND METHODOLOGY (MAX 30 POINTS)				
Project plan and methodology in line with the scope of work demonstrating clear milestones and timeframes for each task to be completed. Audit methodology should be properly outlined.	Project plan provided with no clear deliverables, audit and methodology and timeframes/milestones.			10
	Project plan provided with clear deliverables, audit methodology and timeframes/ milestones.			20
	Project plan well broken down with methodology deliverables, timeframe/ milestone and management of the project including staff deployment to each activity/deliverable. A sample/ example of an audit strategy.			30
TEAM QUALIFICATIONS AND CAPABILITIES (MAX 40 POINTS)				
The curriculum vitae and qualifications of engagement leadership to be allocated to the project must include the following: Partner: The Engagement Partner must be a qualified CIA/ CA (SA) and/or CISA (where applicable) with the following years of experience in managing Internal Audit Services related projects:	Partner's years of experience		3-5	5
	Partner's years of experience		6-9	10
	Partner's years of experience:		10+	20
Auditor Manager: The Audit Manager must have a minimum of a degree/diploma in accounting sciences or equivalent with the following years of experience in executing Internal Audit Services related projects and experience in the Medical Aid Industry All key audit team members responsible for the SAMWUMED's audit must be based in Cape Town.	Audit Manager's years of experience		3-5	5
	Audit Manager's years of experience		6-9	10
	Audit Manager's years of experience		10+	20

DESCRIPTION OF CRITERIA	FUNCTIONAL CRITERIA	TICK BOX	SCORING	TOTAL
QUALITY CONTROL (MAX 10 POINTS)				
The bidder must demonstrate the existence of a documented Quality Assurance and Improvement Programme (QAIP) and quality management framework that complies with the Institute of Internal Auditors (IIA) Global Internal Audit Standards. The submission should include details of the firm's quality assurance processes, engagement supervision, review procedures, monitoring activities, and continuous improvement initiatives.	No credible processes and procedures Basic quality procedures with limited alignment to recognised standards. Comprehensive QAIP fully aligned with the IIA Global Internal Audit Standards, including evidence of external quality assessment and continuous monitoring			0 5 10

Minimum required score = 70

The minimum threshold for functionality is seventy (70) points. The bids that do not meet this threshold will be disqualified from further evaluation. Thereafter, only the qualifying bids will be evaluated in terms of the 80/20 preference point system, where a maximum of eighty (80) points are allocated for price and a maximum of twenty (20) points are allocated in respect of the Specific Goals (level of B-BBEE contribution) of the bidder.

2.19. PHASE 4: COMMERCIAL (PRICE AND BBBEE)

The percentage scored for price shall be calculated by applying the undermentioned formula to each price component:

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$

- Ps = points scored for price/price component by bid/tender under consideration
- Pmin = lowest acceptable price/price component of bid/tender
- Pt = price/price for that component of bid/tender under consideration

CRITERIA	WEIGHT	SUB-CRITERIA
Total Price	80/100	Benchmark against the lowest price
B-BBEE	20/100	B-BBEE Level Status

CRITERIA	WEIGHT	SUB-CRITERIA
Total Price & BBBEE	**100**	

B-BBEE CONTRIBUTION LEVEL	POINTS
Level 1	20
Level 2	18
Level 3	16
Level 4	12
Level 5	8
Level 6	6
Level 7	4
Level 8	1
Lower than Level 8	0

2.20. PHASE 5: PRESENTATIONS

The Scheme reserves the right to call shortlisted service provider/s for a presentation regarding any terms and conditions of the bidder's response to the RFT. Presentations will not form part of the evaluation process through which the proposed offer will be assessed and could be used to clarify certain aspects of the proposal submitted. Under no circumstances will a presentation by any respondent constitute an award or promise/undertaking to award the contract.

2.21. PHASE 6: DUE DILIGENCE/ SITE VISIT

The Scheme reserves the right to do a site visit to the shortlisted service provider/s to verify information submitted as part of the bidder's response to the RFT. Site visits will not form part of the evaluation process through which the proposed offer will be assessed and could be used to clarify certain aspects of the proposal submitted. Under no circumstances will a site visit to any respondent constitute an award or promise/undertaking to award the contract.

PART 3: TERMS OF REFERENCE FOR REQUEST FOR TENDER

3.1. INTRODUCTION & BACKGROUND

The internal audit will be carried out in accordance with the Standards for the Professional Practices of Internal Auditing and Code of Ethics set by the Institute of Internal Auditors (IIA, Medical Schemes Accounting Guide and the requirements of the Medical Schemes Act, Act No. 131 of 1998. The Auditor shall include such test and controls as the auditor may consider necessary. The auditor in its duties shall comply with the duties imposed upon them by the Auditors Professions Act.

3.1.1 The Standards for the Professional Practices of Internal Auditing and Code of Ethics require the auditor to comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

3.1.2 The auditor will be expected to provide assurance on the effectiveness of internal controls to the extent that these may impact the accuracy of the financial statements.

3.2. OBJECTIVES AND MINIMUM SERVICE LEVEL REQUIREMENTS

The objectives to be achieved and minimum service level requirements to which the Internal Auditors will have to adhere include, but are not limited to the following:

3.2.1 Minimum Required Services

The service provider should be a suitably qualified and experienced firm to provide the Internal Audit Function to SAMWUMED. The internal audit 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 (IIA).

The internal auditors will be expected to, in consultation with the Audit and Risk Committee,

- Perform a risk assessment;
- Prepare a rolling three-year strategic Internal Audit Plan;
- Prepare an annual Internal Audit Plan; and

- Prepare Audit reports directed to the Audit Committee detailing its performance against the plans, to allow effective monitoring and intervention where necessary. Plans must indicate the scope, cost, and timelines of each audit. Evaluate the adequacy and effectiveness of internal controls.
- Assess the effectiveness of risk management processes.
- Review compliance with applicable legislation, regulations, and Scheme Rules.
- Assess governance structures and practices.
- Identify opportunities for operational efficiency and cost savings.
- Provide recommendations to enhance controls and mitigate risks.
- Monitor implementation of agreed management action plans.

3.2.2 EXPECTED OUTCOMES AND DELIVERABLES

3.2.2.1 Annual Deliverables

- Internal Audit Charter review.
- Strategic Internal Audit Plan (3-year rolling plan).
- Annual Risk-Based Audit Plan.
- Annual Internal Audit Report.
- Combined assurance;

3.2.2.2 Per Audit Engagement

- Audit planning memorandum.
- Audit scope and objectives document.
- Draft audit report.
- Final audit report.
- Management action plan.
- Follow-up report on agreed actions.
- Risk and Control Matrix (RACM);

3.2.2.3 Reporting

Reports shall include:

- Executive summary.
- Audit objectives and scope.
- Audit findings.
- Root cause analysis.
- Risk ratings.
- Recommendations.
- Management responses.
- Target implementation dates.

3.2.2.4 Information Systems/Technology Audits

The service provider must be able to demonstrate their ability to deliver work in the following areas: Elements of the ITGRC as may be identified and prioritized by the organization from time to time:

1. Data analytics
2. Cybersecurity- Physical and logical access control review, external penetration testing and internal vulnerability assessment .
3. IT governance- Review of IT governance structures and efficiency, Review IT policy Manual and Supporting IT procedures.
4. Review of Business continuity Plan and IT Disaster Recovery Plan
5. Business control review pertaining to new IFRS standards/amendments
6. Understands the business processes/cycles of the Medical Scheme.

3.2.2.5 Expected Outcomes

The internal audit function should provide assurance that:

- Governance structures are effective.
- Risks are adequately identified and managed.
- Regulatory compliance is maintained.
- Financial resources are safeguarded.
- Healthcare administration processes operate effectively and efficiently.
- Information systems are secure and reliable.
- Opportunities for operational improvement are identified and implemented.

3.2.3 QUALITY ASSURANCE REVIEWS OF THE WORK

3.2.3.1 The auditor shall ensure that all work is conducted in terms of the Standards for the Professional Practices of Internal Auditing and Code of Conduct of the Institute of Internal Auditors (IIA). Such work may further be subject to an internal quality assurance as may be considered necessary.

3.2.4 MONITORING PROGRESS OF ASSIGNMENTS

3.2.4.1 On completion of each audit engagement, the Internal Auditor shall distribute the audit report to management and the Audit and Risk Committee.

3.2.5 INDEPENDENCE AND OBJECTIVITY OF AUDIT STAFF

3.2.5.1 In carrying out the audit work, the auditor must ensure that audit staff maintain their objectivity by remaining independent of the activities they audit. The auditor shall:

- Have no executive or managerial powers, functions, or duties except those relating to Internal Audit.
- Not be involved in the day-to-day operations of SAMWUMED.
- Not be responsible for the detailed development or implementation of new systems and procedures; and
- Comply with the Code of Ethics set by the Institute of Internal Auditors (IIA).
- Work 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 (IIA)

3.2.6 COMPETENCY AND EXPERTISE REQUIRED

3.2.6.1 The firm must be registered with the Institute of Auditors (IIA) and employ staff who are suitably qualified audit professionals.

3.2.6.2 Preference will be given to firms with a dedicated Internal Audit business unit and dedicated Internal Audit staff. The core management team proposed for this assignment should include at least one or more, Certified Internal Auditor (CIA), Chartered Accountant (CA (SA)) and/or Certified Information Systems Auditor (CISA), with appropriate experience across various types of audits.

3.2.6.3 It is essential that the service provider have extensive knowledge and experience of internal audit in medical schemes and can demonstrate that they are up to date with all relevant changes in the profession.

3.2.6.4 Bidders should submit an extensive list of clients confirming current and past internal audit experience in medical schemes.

3.2.6.5 Bidders shall be expected to clearly demonstrate and elaborate on their capabilities on the following areas in their bids and to give relevant examples.

3.2.6.6 Bidders must demonstrate experience in reviewing, assessing, and placing reliance on independent assurance reports over outsourced service providers, including ISAE 3402 reports and other relevant service organisation control reports, where applicable.

3.2.6.7 Provide a detailed proposal outlining how they would address the objectives and minimum service levels specified by SAMWUMED above. This proposal should clearly describe their approach and the necessary processes, procedures, and measures that would be implemented to ensure that auditor achieves the required outputs. The proposal should also make specific reference to the requirements of a medical scheme.

3.2.6.8 Provide a proposed project plan indicating the estimated scope, hours, cost, and timelines of each audit.

3.2.6.9 Provide a list of their employees and key individuals that will be assigned to this account, including the engagement partner assigned to SAMWUMED and their level of experience to achieve the Scheme's objectives. Copies of CVs and qualifications of the key staff members involved should be provided. Explain how they will manage changes to the core team over the three-year period to avoid disruptions to SAMWUMED and to ensure continuity in the team.

3.2.6.10 Demonstrate an ability to protect the confidential nature, integrity, and assignment of data.

3.2.6.11 General Administration with specific reference to:

- Interface management.
- Disaster management.
- Documentation storage.

3.2.6.12 Service(s) to be subcontracted, if any, and to whom.

ANNEXURE A: Declaration of Interest for Proposing Entity

<table>
<tr><td colspan="3">DECLARATION OF INTEREST FOR BIDDING ENTITY
To be completed by the person authorized to commit the service provider.
Interest is declared on behalf of the service provider.</td></tr>
<tr><td>1.</td><td colspan="2">It is required that the service provider or his/her authorized representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where:</td></tr>
<tr><td></td><td colspan="2">☐ the service provider is employed by SAMWUMED and/or
☐ the service provider is a Management or Board Member of the SAMWUMED; and/or
☐ the legal person on whose behalf the proposal document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the proposal(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 proposal.</td></tr>
<tr><td>2.</td><td colspan="2">In order to give effect to the above, the following questionnaire must be completed and submitted with the proposal.</td></tr>
<tr><td>2.1.</td><td>Are you or any person connected with your company, employed by SAMWUMED</td><td>YES/NO</td></tr>
<tr><td>2.1.1</td><td>If so, state particulars:</td><td></td></tr>
<tr><td>2.2</td><td>Does your company, or any person connected with your company, have any relationship (family, friend, other) with a person employed by SAMWUMED in the evaluation and or adjudication (Trustees) of this tender?</td><td>YES/NO</td></tr>
<tr><td>2.2.1.</td><td colspan="2">If so, state particulars:</td></tr>
<tr><td>2.3.</td><td>Are you, or any person connected with your company aware of any relationship (family, friend, other) between the service provider and any person employed by SAMWUMED who may be involved with the evaluation and or adjudication of this proposal?</td><td>YES/NO</td></tr>
<tr><td>2.3.1.</td><td colspan="2">If so, state particulars.</td></tr>
<tr><td>3.</td><td colspan="2">ADDITIONAL INFORMATION</td></tr>
<tr><td>3.1.</td><td colspan="2">Service providers are to submit the ownership structure of the responding entity</td></tr>
</table>

DECLARATION	
I, THE UNDERSIGNED (NAME)	
CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 TO 3 ABOVE IS CORRECT	
I ACCEPT THAT SAMWUMED MEDICAL SCHEME MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.	
CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 TO 3 ABOVE IS CORRECT	
Signature	Date
Position	Name of Service provider

ANNEXURE B: PRICING SCHEDULE

INTERNAL AUDIT SERVICES

1. An all-inclusive and fully transparent cost structure is required. All costs related to the proposed Services are to be allowed for and incorporated in the Pricing Schedule and must be included as part of the response documentation.
2. Service providers shall quote prices in South African Rand with Value Added Tax included.
3. Service providers must indicate what portion of the total price will be allocated to each member of the JV or Consortium where the service providers are constituted of more than one member.
4. Where figures are referred to in numerals and in words and there is a conflict between the two, the words will prevail.
5. The successful service provider/s shall commit to the programme of continuous improvement, which will result in cost-efficiencies during the contract period.
6. Service providers must warrant and indicate that the pricing quoted is free of any errors or omissions and that the service providers are able to deliver on the contract on the prices quoted.

DESCRIPTION	**TOTAL COST FOR THREE (3) YEAR CONTRACT**
Internal Audit Services	
TOTAL COST INCL VAT	
TOTAL (INCL VAT) IN WORDS	