



RFP UJ 17/2025: APPOINTMENT OF A SERVICE PROVIDER FOR EXTERNAL AUDIT SERVICES FOR A PERIOD OF THREE YEARS WITH THE OPTION TO EXTEND FOR AN ADDITIONAL TWO YEARS

1. Introduction

As a vibrant, multicultural and dynamic institution, the University of Johannesburg (UJ) shares the pace and energy of cosmopolitan Johannesburg, the city whose name it carries. Proudly South African, the university is alive down to its African roots, and well-prepared for its role in actualising the potential that higher education holds for the continent's development. UJ has transformed into a diverse, inclusive, transformational and collegial institution, with a student population of over 50 000, of which more than 3 000 are international students from 80 countries. This makes UJ one of the largest contact universities in South Africa.

UJ offers world-class, internationally recognised academic programmes based on curricula informed by cutting-edge developments in both undergraduate and postgraduate education and are designed to prepare students for the world of work and for global citizenship. Our curriculum is increasingly reflective of previously marginalised scholarship that talks to a transformation and decolonisation agenda, with Africa as its core.

The University has 4 campuses and houses 7 faculties and a college namely, Education, Law, Humanities, Art, Design and Architecture, Health Sciences, Science, Engineering and the Built Environment as well as the College of Business and Economics, as well as the Johannesburg Business School. The staff compliment is approximately 8 650.

Being an institution that prides itself in its accessible excellence, UJ has established itself as an institution of global excellence and world-class stature.

In the next ten years, UJ has identified five strategic core themes to underpin the strategic plan, namely:

- i. Societal Impact and Sustainability
- ii. Global Footprint and Partnerships
- iii. Technology for the Future

The Strategic Plan 2035 will in turn focus on the following areas:

- i. Education
- ii. Global Footprint and Partnerships
- iii. Purposeful Collaborative
- iv. Research and Innovation
- v. Societal Impact and Sustainability, and
- vi. Technology for the Future

The University is committed to:

- Complying with the Higher Education Act, 1997 (Act No.101 of 1997, as amended) which includes the reporting requirements stipulated by the Department of Higher Education and Training;
- Complying with the International Standards for the Professional Practice of Internal Auditing (Standards) and Code of Ethics and the requirements of the Public Audit Act where applicable;
- Complying with the King Report on Corporate Governance (King IV) where applicable;
- Effective management and leadership, transparency, accountability, responsibility, accuracy and mitigating exposure to losses by responsible risk taking and well defined risk strategies; and
- Adhering to ethical values and standards in all aspects of business, and
- Achieving the Institutional Strategic Plan 2035 and predetermined objectives, as approved by Council and reflected in the Annual Performance Plan (APP) and comply to internal policies and charters; Practice effective management and leadership, transparency, accountability, responsibility, accuracy and mitigating exposure to losses by responsible risk taking and well-defined risk strategies.

2. Partnership Desired

The University of Johannesburg seeks to appoint **one or more** suitable, independent service provider(s) that can provide an appropriate external auditing service, subsidiaries audits and audit on agreed upon procedures to the University. The service provider(s) will assist the University management in effectively discharging its assurance responsibilities in an independent and objective manner.

The selected Service Provider(s) will share in the mission and business objectives of the University. These mutual goals will be achieved by meeting contractual requirements and new challenges in an environment of teamwork, joint participation, flexibility, innovation and open communication. In this spirit of partnership, UJ and its Service Provider(s) will study the current ways they do business to enhance current practices and support processes and systems. Such a partnership will allow UJ to reach higher levels of quality and service.

Specifically, UJ seeks to benefit from this partnership in the following ways:

- UJ must receive proactive value-add from the Service Provider with respect to provision of service and related processes.
- UJ's overall competitive advantage must be strengthened by the chosen Service Provider's leading-edge technology and service delivery systems; and
- UJ's end users must be able to rely on the chosen Service Provider's personnel for service enquiries, recommendations and substitutions.

3. Management Arrangement

The service is fully outsourced and the successful service provider(s) would be required to provide the best possible management structure, which would serve the interest of both parties. The successful service provider should ensure that all staff in the team have the necessary and relevant training and experience to perform audits as contracted. Prior experience in external audit services in accordance with the Public Audit Act and the Higher Education sector would be preferable.

4. Audit of Subsidiaries

The primary objective of this engagement is to express an audit opinion on the statutory required annual financial statements prepared in accordance with IFRS, the Public Audit Act and the provisions of the Higher Education Act, 1997 (Act No. 101 of 1997) for the various entities of the University of Johannesburg for a 3-year period, commencing 1 January 2026 up to 31 December 2028. The engagement should commence during the 4th quarter of the 2025 financial year. The audit opinion must be based on the principles of the International Standards of Auditing.

Ultimately, an opinion must be formed as to whether or not the annual financial statements

of the subsidiary entities of the University of Johannesburg:

- Fairly represent the financial position, results of operations and cash flows for the year.
- Comply with statutory and regulatory requirements.
- Have been prepared in terms of the University's accounting policies in accordance with IFRS, and are consistently applied; and
- Reliably and accurately, present information on their performance objectives, as applicable.

5. Tender Requirements are as follows:

- i. The service provider(s) shall have a minimum of ten (10) years of experience in external audit services.
- ii. The lead team shall be registered with and certified by SAICA and IRBA and must be in good standing with the relevant bodies.
- iii. Service provider(s) must be properly registered to practice their profession.
- iv. The service provider(s) must provide at least five (5) contactable references of clients, along with details of the service conducted. Reference letters must indicate work completed within the last two (2) years (earliest date being 1 January 2023).
These must include client name, brief scope of work and year that the project was executed.
- v. The service provider(s) must demonstrate capacity to carry out interim and year-end audits in accordance with UJ's financial year-end and required reporting timelines.
- vi. A Service Level Agreement, including a Confidentiality agreement, will be instituted once the Service providers is appointed.
- vii. Rates and Terms and Conditions will inform the tender submission with the aim of obtaining a comparative rate per hour.
- viii. Scope of engagement must be all inclusive with no separate invoicing where services may be subcontracted.
- ix. The Primary Location / Office of the Service Provider must be in Gauteng.
- x. A Service Level Agreement will inform the tender submission. The appointment will be subject to the negotiation and agreement of a specific contract between the Service Provider and UJ, based on the standard UJ Terms and Conditions which accompanies this request for proposal.

6. Broad Based Black Economic Empowerment

In the adjudication of the bid, points will be given for empowerment in line with Government policies and guidelines. Valid certificates of rating should be attached as proof.

7. Scope of work: External Audit Services

The successful service provider will be required to perform all statutory audit work for the various entities of the University of Johannesburg in line with the requirements of the Public Audit Act (PAA), The Higher Education Act and International Standards on Auditing, as follows:

- Perform the year-end audit of the various entities of the University of Johannesburg.
- Express an opinion of the financial statements.
- Express an opinion of the report on performance objectives as applicable; and
- Identify internal control deficiencies.

7.1. Required outputs would include (but will not be limited to) the following:

- i. Providing management with a client service plan before commencement of the audit each year. This client service plan should detail the audit plan, risk areas and the impact this has on the standard audit program. A fee for the year must also be proposed based on the plan, with a detailed schedule of the fee being made available for approval by the Audit and Risk Committee of Council prior to the 01 September each year.
- ii. Audited annual financial statements of the various entities.
- iii. Submitting a report to the Audit and Risk Committee of Council in the first meeting of each year, detailing the audit opinion and any other matters to be brought to the attention of the Audit and Risk Committee of Council.
- iv. Providing management with an assessment, based on audit procedures performed, on the adequacy of internal systems and processes.
- v. Providing management with a management report, detailing concerns that require management's attention with recommendations.
- vi. Provide technical assistance and guidance on request, and
- vii. Strict and mandatory adherence to the agreed timelines.

8. Agreed upon procedures (AUP)

The primary objective of this engagement is to assist the members of the Council of the University of Johannesburg in connection with, and for the purpose of, performing agreed upon procedure reviews regarding various (approximately 30) research and other grants received from Government Institutions and External Funders in accordance with the relevant contractual requirements, specific procedures and required timelines. This relates to non-financial statement engagements.

This service does not constitute assurance and will be based primarily on internal management information. This engagement should commence as contracted in the scope of work. The service provider(s) must demonstrate the ability and organizational skills to manage AUP audits concurrently if required.

8.1. Scope of work: Agreed upon Procedures

The required scope of work would include (but will not be limited to) the following:

- i. Agreed grant income to the general ledger.
- ii. Agreed grant income to bank statements.
- iii. Determine if any interest accrued from the investment of the grant in a bank account.
- iv. Re-calculate the total allocation received and reconcile the grant at the end of the grant period.
- v. Agree the grant expenditure as per the Summary Report to the general ledger.
- vi. Perform the specified procedures on underlying expenditure invoices e.g.:
 - Trace the expenses per the general ledger to the relevant invoice.
 - Agree the amounts as per the general ledger to the relevant invoice.
- vii. Verify the mathematical accuracy of the total expenditure Recalculate the total unspent funds.
- viii. Obtain an explanation from management on the reasons for the unspent funds; and
- ix. Obtain from management a clear outline on when the funds will be spent.

Required outputs would include (but will not be limited to) a report detailing the findings. It should be noted that the relevant report will be shared with the funder(s).

A fee for the year must also be proposed, with a detailed schedule of the fee being made available for approval by the Audit and Risk Committee of Council prior to September 1 each year. A schedule including the planned reviews and associated timelines and

submission dates will be provided to facilitate this process.

9. Methodology

The audit approach must be a top-down risk-based approach and focus appropriate audit effort on those areas perceived as higher risk, whilst striving to ensure that there are “no surprises” through continuous communication.

10. Reporting

The successful service provider will report directly to the Chief Financial Officer and will have unrestricted access to the Chairperson of the Audit and Risk Committee of Council. This reporting relationship ensures independence of the External Audit function. For operational purposes, External Audit liaises and interacts with the Executive Director: Financial Governance, Revenue, and the Director Strategic Financial Projects as appropriate.

External Audit will report the results of audit projects timeously to the Chief Financial Officer. Findings will be reported to and discussed with operational management before they are reported to the Chief Financial Officer. The external audit function will report formally on its performance to the Audit and Risk Committee at every meeting. The report will cover progress on projects, problems encountered, issues needing management’s urgent attention, feedback from operations project priorities and budget analysis.

11. Authority

The external audit staff has the authority to access and examine all information, both paper-based documents and electronic information residing on computer systems, and to inspect all physical assets. However, they must safeguard any assets or information that they examine and maintain the confidentiality of all information.

12. Additional Conditions of RFP

- i. All prices must include VAT.
- ii. The University of Johannesburg may not necessarily accept the lowest or any proposal and reserves the right to accept a proposal in full or no proposal at all.
- iii. The terms of the agreement to be entered into will be negotiated and agreed upon

with the successful contractor.

- iv. Proposals must be valid for a period of six (6) months from the date on which they are submitted and may be accepted at any time during that period.
- v. The University of Johannesburg may not necessarily accept the lowest, or any proposal and reserves the right to accept a proposal in full or no proposal at all.
- vi. Tender documents must be submitted electronically as per tender procedures provided.
- vii. The terms of the agreement to be entered into will be negotiated and agreed upon with the successful contractor.
- viii. Only electronic submissions will be accepted. Service Providers that are interested to submit a proposal for the above services, please use the address link provided to access the specification requirements pertaining to this RFP) - <https://www.uj.ac.za/tender>

13. Evaluation Criteria

Bids will be evaluated in accordance with the University's Procurement Policy as published on the UJ Website.

The tender will be evaluated in four (4) stages,

- ❖ **Stage 1: Tender Administrative Compliance**
- ❖ **Stage 2: Technical Evaluation (Compliance with technical requirements)**
- ❖ **Stage 3: Presentations**
- ❖ **Stage 4: Price and B-BBEE (80/20)**

A bidder must obtain a minimum of 70 points out of 100 points in order to be considered for further evaluation.

The following criteria (amongst others) will be considered during the evaluation process:

- i. The interested party should clearly indicate their strengths or area of specialty in terms of their proposal, particularly focusing on the:
 - Interim and Annual audit of the University's Financial Statements;
 - Interim and Annual audit of the Subsidiaries' Financial Statements;
 - Audit / Review of Agreed Upon Procedures;
 - A combination of the above

- ii. Ability to allocate a dedicated team to this engagement.
- iii. Staff capacity, qualifications, expertise and experience of the team members directly involved with the project (Including Partner, Manager, Senior and junior staff).
- iv. Understanding of UJ's requirements.
- v. Quality control processes in place at the firm and how these will be implemented
- vi. on the audit.
- vii. Firm's experience with Higher Education and/or Large Organizations.
- viii. Capacity to provide audit advice experts.
- ix. Capacity to utilize Data Analytics to assist in special audits.
- x. Ability to assist with special audits and ad-hoc audits.
- xi. A breakdown of the hourly tariff for service to be rendered.
- ix. In so far as possible, a comprehensive budget, showing the service activities proposed, with charge-out rate and budgeted hours per activity, detailing all assumptions made in arriving at a proposed budget. (Client Service Plan).
- x. An estimation of professional fees to be charged.
- xi. Indicate which document management system is in place to ensure efficient and effective tracking of evidence submissions.
- xii. Transformation initiatives within the firm.
- xiii. Presentations will form part of final evaluation.

14. Content of RFP Proposal

The proposal should include the following:

- Company profile, including references, detail of ownership, expertise etc.
- Deliverables that can be expected in terms of the requirements and scope of work listed above.
- An organizational structure and/or list of partners, managers and specialists who will form the team, together with their curriculum vitae and professional body affiliations.
- Proof of valid registration with SAICA and IRBA.

15. Duration of Contract

The contract is expected to run for three years, with an option to extend for an additional two years, commencing on the date of signing the Service Level Agreement and subject to the alignment and agreement of a specific contract between the Service Provider and UJ, based on the standard UJ Terms and Conditions.

The successful bidder should be able to commence planning processes and engagements as from August 2025.

16. Stage 2: Technical Evaluation (Compliance with technical requirements)

Evaluation Criteria		Weighing of Criteria	Rating Scale / Guideline	Reference / Page in Proposal
1	Experience and Expertise of the Firm	33		
1.1	Based on the Company Profile, does the firm have sufficient experience to perform the audit services adequately in terms of standards required by UJ?			
	(i) Interim and Annual audit of the University's Financial Statements	5	10 years or more = 5 points 5-9 years = 2 points 1-4 years = 0 points	
	(ii) Interim and Annual audit of the Subsidiaries' Financial Statements	5		
	(iii) Audit / Review of Agreed Upon Procedures	5		
1.2	Does the firm have the capacity and intention to allocate a dedicated team of staff to this engagement to appropriately direct, supervise and perform the audits?	5	Yes = 5 points No = 2 points	
1.3	Does the firm demonstrate the capacity and expertise to utilise data analytics to assist in special audits / ad-hoc audits	4	Yes = 4 points No = 1 point	
1.4	Does the firm demonstrate the ability to provide staff continuity and cross skilling on the UJ audit (contingency plans)	4	Yes = 4 points No = 0 points	
1.5	By way of information provided in the Reference Letters, does the firm demonstrate the knowledge and understanding of: Relevant regulations such as the Higher Education Act, Corporate governance etc. Sufficient experience as it pertains to the scope of work	5	5 relevant reference letters provided reflecting strong experience and expertise = 5 points	

	Large Organisation audit experience in the last 2 years		4 relevant reference letters provided reflecting adequate experience and expertise = 4 points 3 relevant reference letters provided reflecting adequate experience and expertise = 3 points 2 relevant reference letters provided reflecting adequate experience and expertise = 2 points 1 relevant reference letter provided = 1 point Insufficient letters and/or experience referred to is not relevant = 0 points	
	Is the firm registered with IRBA	Mandatory		
2	Resource Experience and Expertise	20		
2.1	Reflecting on the documents as provided below, does the proposed audit team reflect sufficient experience and expertise for an engagement of this size and nature, taking in account the below? CV's of the project team Formal structure / organogram of the organisation Listing the skills and experience in Internal Audit Core Team Years of experience in the above fields	5	5 years or more = 5 points 3-4 years = 2 points Less than 3 years = 1 point	
2.2	Does the partner/director with at least 5 years' experience at that level should be responsible for this size of engagement	5	5 years or more = 5 points 3-4 years = 1 point Less than 3 years = 0 points	

Does the Partner / Team lead adhere to the required Professional Registration Certification: SAICA and IRBA		Mandatory		
2.3	Provision of specialist skills in the fields of ICT reviews	5	5 years or more = 5 points 3-4 years = 2 points Less than 3 years = 0 points	
	Listing the skills and experience in Specialised System audits			
	Years of experience in the above fields			
	Implementation of similar projects (similar in scope and size)			
2.4	Provision of specialist skills in the fields of Specialist Tax reviews	5	5 years or more = 5 points 3-4 years = 2 points Less than 3 years = 0 points	
	Listing the skills and experience in Specialised System audits			
	Years of experience in the above fields			
3	Audit Methodology and Approach	29		
3.1	Does the Proposal reflect an appropriate audit methodology which is relevant to the University and its funders?	5	Detail clearly and thoroughly explained / demonstrated in the Proposal document = 5 points Mentioned in the proposal document, but insufficient detail = 2 points High level referral in the proposal document, but no detail = 1 point No reference made in the proposal document - 0 points	
3.2	Does the project methodology reflect the follow pertaining to approach and reporting:	5	Comprehensive project / process details included in plan with value adds = 5 points	
	Identification and consideration of specified proposed focus areas and deliverables		Plan submitted with all the criteria included = 3 points	

	Provision of detailed audit reports which align with reporting standards		High level indication of Plan, but no detail = 1 point	
	Methodology of how timelines will be monitored, escalations processes and interventions to ensure that reporting deadlines are met			
	Review of previously reported findings		No Plan Submitted = 0 points	
	AUP Reviews:			
3.3	Reflect a clear understanding of submission timelines and demonstrate how this will be managed	5	Comprehensive project / process details included in plan with value adds = 10 points	
	Methodology of how multiple reviews will be managed simultaneously to ensure that reporting deadlines are met	5	Plan submitted with all the criteria included = 4 points High level indication of Plan, but no detail = 1 point No Indication of relevant procedures = 0 points	
3.4	Use of data analytics and modelling	5	Yes = 5 Points No - 0 Points	
3.5	System and IT Related Audits	4	Comprehensive project plan / methodology submitted with all the requirements and value adds. = 4 points	
	Project methodology to be applied			
	Testing of general and supervisory controls in all ICT systems			
	Identify potential threats of fraud		Comprehensive project plan / methodology submitted with all the requirements = 2 points	

	Best Practise advisory on recommendations		High level indication of Methodology and expertise, but no detail = 1 point	
	Provision of detailed audit reports which align with the UJ reporting standards and finding classifications		No Indication of relevant requirements = 0 points	
	Methodology of how timelines will be monitored, escalations processes and interventions to ensure that reporting deadlines are met			
4	Quality Assurance	10		
4.1	Does the firm demonstrate sufficient oversight, review and quality assurance process of audit processes and reports	5	High level and thorough quality review demonstrated = 5 points	
			Some review and oversight = 2 points	
			No review demonstrated = 0 points	
4.2	Does the firm demonstrate a clear methodology pertaining to Data Protection and safeguarding of evidence & documentation	5	Yes = 5 No = 0	
5	Document Management System	4		
5.1	Does the firm maintain an effective and efficient document management and tracking system for evidence submissions and monitoring	4	Document submission and document management tracking system = 4 points	
			Only document management system (i.e. Microsoft Teams) = 2 points	
			All procedures manual and/or via e-mail = 0 points	

8	Transformation	4		
8.1	Does the auditing firm promote diversity and inclusion	4	Yes = 4 Points	
			Possible, but not clearly demonstrated and lacks detail = 3 points	
			Partially = 2 points	
			Below expectation = 1 point	
			No = 0 points	
	Total	100		0

17. Stage 3: Presentations

Bidders who achieve a minimum of 70 points in the technical evaluation will be invited to present their proposal to the UJ bid evaluation committee.

18. Stage 4: Price and B-BBEE (80/20)**Proposed fee breakdown (please use the table below)**

Role	Rate/hour (Excl VAT)	Rate/hour (Incl VAT)
Lead Engagement Partner		
Audit Partner		
Senior Audit Manager		
Audit Manager		
Associate		
Senior Trainee		
Trainee		
Specialists:		
IT Audit Partner		
IT Audit Senior Manager		
IT Audit Manager		
IT Specialist		
IT Trainee		
Blended rate		
Estimated Annual Disbursements		