

**REQUEST FOR PROPOSAL (RFP)**

**FOR THE PROVISIONING OF INDEPENDENT INTERNAL AUDIT ASSURANCE FOR THE THREE-YEAR PERIOD 1  
April 2024 to 31 March 2027 FOR THE ZA DOMAIN NAME AUTHORITY**

RFP Number	RFPZA2024/03
Issue Date	06 February 2024
RFP Scope	Provisioning of Independent Audit Assurance for the Three-Year Period from April 1, 2024, to March 31, 2027
Non-compulsory Briefing Session	N/A
Closing date for submission	29 February 2024
Physical Address	44 Grand Central Blvd, Sanofi House Halfway House, Midrand, 1685
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.ZA Domain Name Authority NPC - Registration no. 2003/021150/08

Directors: Ms. P Legoze – Chairperson, Prof D Mashao, Prof K Moodaliyar, Ms. M Malapane,  
Mr. N Msibi, Ms. S Mzizi, Ms. V Motloutsi, Mr. M Wesi (CEO)

Company Secretary: First Corporate Secretaries

## **1. INTRODUCTION**

This document is intended to request the submission of proposals for the provision of independent Internal Audit Assurance to the .ZA Domain Name Authority (ZADNA/the Authority) by qualified auditors registered with a recognized and accredited auditors' body. The selected auditors will be accountable to the Authority's board. The services provider's scope of work will concentrate on providing internal assurance concerning control systems, ensuring good corporate governance, and conducting any additional audits that may be required by the Authority or deemed necessary for the efficient and effective operations of the Authority.

## **2. ROLE AND OBJECTIVES OF INTERNAL AUDIT**

The role of the Internal Audit (IA) function is to provide an independent, objective assurance of the effectiveness of the ZADNA system of corporate governance systems, risk management, and performance auditing. The IA function is a proactive and independent appraisal function within the ZADNA conducting its activities in terms of standards set by the Institute of Internal Audit (IIA) and relevant Regulations. It should use current and appropriate internal audit methodologies and techniques to provide ZADNA and Management with a systematic review and evaluation of operations for determining efficiency, economy, and effectiveness of policies, practices, and control.

## **3. ORGANISATIONAL STATUS OF INTERNAL AUDIT**

The IA function reports functionally to the Audit and Risk Committee (ARC) and administratively to the Chief Executive Officer or the Delegated Official of ZADNA.

## **4. SCOPE OF WORK**

The internal audit must be conducted following the Professional Practices of Internal Auditing standards and the Code of Ethics set by the Institute of Internal Auditors (IIA).

**The scope of the Internal Audit function shall consist of, but not be limited to, the following work:**

- 4.1. Evaluate the adequacy and effectiveness of the organization's corporate governance processes, risk management, and internal control systems.
- 4.2. Review and update the internal audit charter for approval.
- 4.3. The internal auditors, in consultation with the ARC and the CEO, no later than two (2) months before the date the work is due to commence, will prepare:
  - 4.3.1. A rolling three-year strategic Internal Audit Plan and Annual Internal Audit Plan, plans must indicate the scope, cost, and timelines of each audit; and
  - 4.3.2. Audit reports directed to the ARC detailing its performance against the plan, to allow effective monitoring and intervention when necessary.
- 4.4. Review the policies and systems established by management to ensure compliance with any law pertaining to the organization's operations.
- 4.5. Review the means of safeguarding assets and verify the existence of assets.
- 4.6. Appraise the economy and efficiency with which resources are employed and, where appropriate, recommend suggestions for improved operating performance.
- 4.7. Review operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being planned.
- 4.8. When needed to review the planning, design, development, implementation, and operation of major computer-based systems or ICT Projects to determine whether:
  - 4.8.1. Adequate controls are incorporated.
  - 4.8.2. Thorough systems testing is performed at appropriate stages.
  - 4.8.3. System documentation is complete and accurate.
  - 4.8.4. The needs of users are met, and
  - 4.8.5. That adequate ICT governance systems are in place.
- 4.9. Perform risk-based audit assignments in line with the standards and guidelines set by the IIA.
- 4.10. Reporting the results of the audits to ARC and Management for their response.
- 4.11. Perform any ad hoc investigations into any matter or activity affecting the probity, interest, and operating efficiency of ZADNA on request by the ARC and in conjunction with the CEO before work is due to commence.
- 4.12. Liaise with the external auditors to align the respective work programs so that, where applicable, the latter may place reliance on the IA work output. Performance of audit assignments. The Internal Audit Function must apply due care and professionalism during audits to identify severe

defects in the internal controls, which might result in possible malpractice. Any such defects must be reported immediately to the CEO or the ARC without disclosing these to any other staff. This also applies to instances where serious fraud and irregularity is uncovered. In addition to the above, the scope includes but is not limited to the following:

4.12.1. Audit preparation

4.12.2. Preliminary survey

4.12.3. Review of internal controls

4.12.4. Audit testing

4.12.5. Development of findings and recommendations

4.12.6. Obtaining management responses and

4.12.7. Reporting

4.12.8. Quality assurance reviews of the work.

4.13. Fulfill the function or support of the fraud prevention officer.

4.14. Independence and objectivity of audit staff In carrying out the audit work, the auditor must ensure that audit staff maintains their objectivity by remaining independent of the activities they audit. The audit consultant shall;

4.14.1. Have no executive or managerial powers, functions or duties except those relating to Internal Audit work.

4.14.2. Not be involved in the day-to-day operations of ZADNA; and,

4.14.3. Not be responsible for developing or implementing new systems and procedures.

4.15. Monitoring the progress of assignments Quarterly, the Successful Bidder shall meet with the ARC to report on the progress of work accomplished.

4.16. Report of audit results. The report(s) on findings and recommendations should be sent to the relevant ZADNA Executive, as the case may be (auditee) responsible for implementing those recommendations for their review and comment. Within ten (10) working days of sending the report(s), the Successful Bidder shall meet with ZADNA Management to discuss the findings and obtain written responses to recommendations and implementation dates. If the findings have not been addressed, these shall then be incorporated into the relevant report.

- 4.18. The Successful Bidder shall ensure that all work conforms to the Standards for the Professional Practice of Internal Auditing.
- 4.19. Fraud and irregularities. In planning and conducting its work, the successful bidder should seek to identify serious irregularities, which might result in possible fraud; any such irregularities must be reported immediately to the Chief Executive Officer of ZADNA as well as the Chairperson of the ARC without disclosing these to any other members of the staff.

**5. CONTRACT DURATION**

- 5.1 The contract's duration is anticipated to run for three (3) fiscal years, commencing for the 2024/2025 financial period and ending after the 2026/27 financial period audit. The 2nd and 3rd years will be subject to an evaluation of the 1st year's achieved targets and approval by the ARC.

**6. SKILLS REQUIRED ON THE PROFESSIONAL**

- 6.1. Strong analytical skills and interpersonal skills.
- 6.2. Sound judgment and commercial awareness
- 6.3. Assertiveness, Independence, and objectivity.
- 6.4. Performing effective audit and assurance engagement.
- 6.5. Ability to report accurately with the highest level of precision and meet deadlines.
- 6.6. Guiding efficient and effective operations.
- 6.7. Risk Management
- 6.8. IT General skills

**7. REQUESTED DOCUMENTS**

- 7.1. CIPC registration documents.
- 7.2. Tax Compliance certificate/Pin.
- 7.3. BEE Certificate / Affidavit.
- 7.4. Detailed Company profile.
- 7.5. Professional body affiliation accreditation.
- 7.6. Three contactable references in the same scope of work.
- 7.7. Pricing Schedule
- 7.8. Declaration of Interest for Key Management in the Organization.

**8. EVALUATION**

The RFP will be evaluated with the preference point 80/20 evaluation per ZADNA'S procurement policy.

Total Points for Price and Functionality awarded 80	Total HDI Points 20
<ul style="list-style-type: none"><li>• Price 50 Points</li><li>• Functionality 30 Points</li></ul>	9 Upliftment of communities (BBBEE) 10 Promotion of SMMEs 11 Promotion of female-owned
Total = 100	

**9. CONFLICTS OF INTEREST**

9.1. The professional service providers are required to comment on any potential conflicts of interest arising out of other assignments or a conflicting involvement in other assignments that may impair their independence.

**10. CONFIDENTIALITY**

- 10.1. The Consultant agrees to keep confidential all information that they receive, directly or indirectly, from the Authority or any other stakeholder, as well as all copies or analysis that they make, or have been made by third parties, based on such information (collectively, the Material);
- 10.2 The Consultant shall use the Material exclusively to prepare deliverables relevant to this assignment. Confidentiality obligations shall not apply to information in the public domain.
- 10.3 The Consultant shall only permit access to the Material to persons within their organizations on a need-to-know basis.
- 10.4 The Consultant shall explicitly inform such persons of the confidential nature of the Material and, before providing them with the Material, subject them to the confidentiality obligations contained in this Terms of Reference.

10.5 The Consultant agrees that the Material will remain the property of ZADNA and cannot be used anywhere outside this project's scope.

**Submissions should be emailed to [zadnafinance@zadna.org.za](mailto:zadnafinance@zadna.org.za) no later than Thursday, the 29th of February 2024. Submitted documents should be bound together electronically and be in PDF format. No late submissions will be considered.**

**Inquiries should be directed to Ms Kedibone Mpholeng (Executive Manager: Finance) at telephone number 010 020 3910 or the email addresses provided above.**