

**Witbank Coalfields Medical Aid
Scheme
(WCMAS)
REQUEST FOR PROPOSALS (RFP) TO PROVIDE
EXTERNAL AUDIT SERVICES**

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WITBANK COALFIELDS MEDICAL AID SCHEME
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Request for Proposal

REFERENCE NUMBER:	WCMAS-03-2024
CLOSE DATE:	Friday 5 April 2024 at 12:00
SUBMISSION ADDRESS:	via email to mperestrelo@wcmas.co.za
DESCRIPTION OF BID:	Appointment of a service provider to provide External Audit services to Witbank Coalfields Medical Aid Scheme
GENERAL AND TECHNICAL ENQUIRIES:	Ms. Monica Perestrelo Javed CFO E-mail: mperestrelo@wcmas.co.za

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1. INTRODUCTION

Witbank Coalfields Medical Aid Scheme (“the Scheme” or “WCMAS”) has embarked on a Request for Proposal (RFP) exercise for External Audit Services. The process will allow the Scheme to benchmark the current services and pricing against other service providers in the market. This exercise will also ensure that the Scheme continues to apply the principles of good corporate governance by evaluating all service providers at regular intervals.

2. BACKGROUND

WCMAS is a restricted medical scheme registered in terms of the Medical Schemes Act of South Africa, No. 131 of 1998, as amended (“the Act” or “MSA”) under registration number 1291. The Scheme is incorporated and domiciled in the Republic of South Africa. WCMAS is self-administered and is concentrated to the coal mining and related industries. We have been in operation over 80 years providing cover for more than 26 000 lives. The Scheme offers three (3) registered options to suit a range of member needs.

All respondents are expected to fully acquaint themselves with the conditions, requirements, and specifications of this RFP before submitting the requested information. Failure to do so will be at the respondent’s own risk and the respondent cannot secure relief on the grounds of any mistakes. WCMAS will not be held liable for any costs incurred by all respondents in connection with their response to this RFP.

To facilitate the review of all submissions, the Scheme requests that all respondents submit comprehensive information. Only the requested information should be provided. The Scheme requires clear, concise, and factual responses.

The proposal submitted by the respondent constitutes an offer. All respondents are required to provide a full written response to this RFP.

For a set of latest Annual Report or details on the benefit options, we refer you to our website at <https://www.wcmas.co.za/>.

3. CONFIDENTIALITY

This information document may not be used for any purpose by the respondent other than for developing their response to the RFP and all reasonable efforts must be taken by the respondent to ensure the confidentiality of any information provided. This document and any other information of a confidential nature provided to the respondent during this RFP process are and shall be covered by a written undertaking.

WCMAS, however, reserves the right to share the information received from interested parties with its management, legal and financial advisors, and any other entity or person who advises WCMAS on matters relating to the purpose for which this RFP is issued.

4. SPECIFIC QUALIFYING CRITERIA

Due to the complexity and uniqueness of the Medical Scheme Industry and associated legislation, it is a requirement that the following qualifying criteria are both met:

- Audited a medical scheme within the last three (3) years, and
- Accredited by the Council for Medical Schemes to audit medical schemes.

5. SCOPE OF SERVICES

1. Perform an audit of annual financial statements in accordance with full IFRS.
2. Express an audit opinion on the financial statements.
3. Perform audits in compliance with International Standards on Auditing (ISAs).
4. Work in conjunction with internal auditors to provide combined assurance to WCMAS on the effectiveness of the internal control systems.
5. Communicate audit findings to management and ensure they are fully aware of the implications to the operations of WCMAS.
6. Review the financial information in the annual integrated report prior to publishing.
7. Review the financial information in the annual statutory return prior to publishing with CMS.
8. Attend and provide input to the Audit and Governance Committee, Board of Trustees, and AGM meetings when required.
9. Provide a final audit report/management letter with recommendations to management and the Audit and Governance Committee.
10. Any other statutory and regulatory requirements.
11. Any other ad-hoc review engagements as required by the Scheme (to be assessed and costed as and when required).

6. SUBMISSION INSTRUCTIONS

The following items must be provided for in the submission utilising the sections as:

SECTION A

1. Proposals must be made in the official name of the firm under which the business is conducted (showing the official business address) and **MUST BE SIGNED** by a person duly authorised to legally bind the firm submitting the proposal.
2. The firm background and profile. This will include the information relating to the shareholding, the association with the Holding firm and / or subsidiaries.
3. The latest BEE rating certificate. An official rating to be done by an accredited ratings agency or DTI.
4. Proof of registration / accreditation / licensing (e.g., valid Certificate of Incorporation).
5. Proven track record, experience and reputation of the team working with medical industry institutional clients.
6. Declaration on independence from any activities that could result in a conflict of interest.

SECTION B

1. The latest South African Revenue Services Tax Compliance Certificate (or exemption) or letter of good standing.
2. The audited financial statements of the firm (and/or the Holding firm where these are available) for the last financial year. Where audited financial statements are not available, the management accounts for the last twelve (12) months, accompanied by a letter from the accountant or financial manager explaining why there are no audited financial statements.
3. Valid Insurance Certificate for Professional Indemnity.

SECTION C

1. Experience – summarise your firm's experience and special expertise in providing the type of services identified in the requested services, including resumes of key personnel.
2. Include the relevant accreditation, professional association, and registration with relevant authority bodies (i.e. registered audit firm with SAICA and Council for Medical Schemes).
3. Value proposition and/or differentiated service offering to WMCAS.
4. Documented success in servicing your client's specific needs.

SECTION D

1. Audit Approach – provide a brief overview of your audit management philosophy, methods, and practices and how they would meet the needs identified in the requested services section.

SECTION E

1. Competitiveness of management and applicable fees for our organisation. Significant consideration will be given to the proposed fee structure and estimated costs, but price indicating the full scope of fees, including VAT. Also, describe the payment terms and schedules, including any proposed conditions thereof.

SECTION F

1. Proposed engagement agreement detailing the services on offer.

SECTION G

1. References: include a list of references (including contact names, telephone numbers, and email addresses) of at least three (3) recent or current clients within the last four (4) years and accompanying reference letters. The Scheme reserves the right to contact references without prior notification.

SECTION H

1. Compliance to POPIA.

SECTION I

1. Information Technology (you are not required to produce certificates, policies, plans, etc. on the following, just the firm's approach to each):
 - a. Approach to Cyber Security, including penetration testing, vulnerability assessments or similar.
 - b. Approach to disaster recovery and business continuity.
 - c. Approach to IT System audits - ISAE3402 or similar.
 - d. ISO IT standards.

SECTION J

1. A written undertaking regarding the confidentiality of this RFP process is required upon submission of the proposal.

WCMAS reserves the right to engage in a second phase which may require further proposals from other interested service providers. Shortlisted providers may be invited to present to the Scheme at its offices situated eMalahleni, Mpumalanga. The Scheme will advise shortlisted providers in advance.

WCMAS hereby invites you to submit an RFP by **12h00 on 5 April 2024**. All submissions are to be sent by email to mperestrelo@wcmas.co.za. Please use subject: RFP 001/2024 – "firm name". All inquiries can also be directed to the above email address.

The following disqualification criteria shall apply to the RFP process:

- RFP submitted late.
- RFP wherein the minimum required documents listed above have not been submitted.
- Respondent has not audited a medical scheme in the last 3 years.
- Respondent is not accredited by the Council for Medical Schemes to audit medical schemes.

The service providers who apply for this contract must adhere to and operate within the ambit of all relevant legislation and regulatory standards.

Please note that WCMAS reserves the right to terminate this process, extend it, or otherwise amend or vary any aspect thereof in its sole discretion. Participation in this process does not mean that any participant will be guaranteed any commercial or other relationship with WCMAS.

We look forward to receiving your proposal.

Yours faithfully

Monica Perestrelo Javed
Chief Financial Officer