



**Witbank Coalfields Medical Aid  
Scheme  
(WCMAS)  
REQUEST FOR PROPOSALS (RFP) TO PROVIDE  
INTERNAL AUDIT SERVICES TO THE WCMAS  
FOR A PERIOD OF 3 YEARS**

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WITBANK COALFIELDS MEDICAL AID SCHEME  
WCMAS Building, OR Tambo Rd and Susanna Str, eMalahleni

## REQUEST FOR PROPOSAL

<b>REFERENCE NUMBER:</b>	WCMAS-11-2021
<b>CLOSE DATE:</b>	Friday 21 January 2022 at 17:00
<b>SUBMISSION ADDRESS:</b>	via email to <a href="mailto:mperestrelo@wcmas.co.za">mperestrelo@wcmas.co.za</a>
<b>DESCRIPTION OF BID:</b>	Appointment of a service provider to provide Internal Audit services to Witbank Coalfields Medical Aid Scheme
<b>GENERAL AND TECHNICAL ENQUIRIES:</b>	Ms. Monica Perestrelo GM: Fund Management E-mail: <a href="mailto:mperestrelo@wcmas.co.za">mperestrelo@wcmas.co.za</a>

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## Documents in this RFP Pack

Bidders are to ensure that they have received all pages (23) of this document, which consist of the following two sections:

### ANNEXURE A

#### PART A

Documents in this section are for information and/ or instruction to Bidders and must not be returned with bids.

**SBD1**            Invitation to Bid

#### PART B

Documents in this section must be completed and returned or supplied with bids.

**SBD3.1**        Pricing Schedule

**SBD 4**            Declaration of Interest

**SBD6.1**        Preference Points Claim Form in terms of the Preferential Procurement Regulations 2017

**SBD 8**            Declaration of Past Supply Chain Management Practices

**SBD 9**            Certificate of Independent Bid Determination

## 1 TERMS OF REFERENCE

### 1.1. INTRODUCTON AND BACKGROUND

WCMAS is a non-profit, restricted membership, self-administered medical aid scheme registered in terms of the Medical Schemes Act of South Africa No. 131 of 1998, as amended, and has been serving its members, associated employer groups and the community for over 80 years. The Scheme was founded in 1935 and originated from the amalgamation of a number of “medical clubs” operated by some of the Coal Mines in the Witbank area. With the development in the coal mining industry the Scheme flourished and in 1976 it changed from a benefit society to a medical aid scheme, offering members a wide range of benefits at service providers of their choice.

The WCMAS Board of Trustees is committed to the principles and practice of fairness, responsibility, transparency and accountability in all dealings with its stakeholders. The Board of Trustees is also fully committed to, and has applied, the Principles and the Code of Corporate Practices and Conduct as set out in the King Report on Governance where applicable to Medical Schemes.

The Board of Trustees comprises at least 10 members, fifty percent of whom are appointed by participating employer groups and fifty percent who are nominated and elected by the members of the Scheme. All trustees serve a two-year period of office with a recommended maximum of three successive terms. This is in accordance with the provisions of the Medical Schemes Act of South Africa, as amended, and the Rules of the Scheme.

The Board of Trustees meets monthly to critically monitored the performance of the management of the Scheme. The Board of Trustees address a range of key issues and ensured that discussion on items of policy, strategy, risk management and service delivery were informed and constructive. To assist in the performance of their duties, the Board of Trustees receive actuarial and legal advice from experienced and well-qualified consultants. All Trustees have access to the advice and services of the Principal Officer and Fund Manager when required and may seek independent professional advice at the expense of the Scheme. The Principal Officer and Fund Manager attend all meetings of the Board of Trustees.

The Scheme has an established Audit and Governance Committee, which was set up in accordance with Section 36 of the Medical Schemes Act. The Committee consists of six members, two of whom are members of the Board of Trustees. The Chairman of the Committee may not be a trustee. Representatives of Scheme management and the auditors attend meetings, by invitation. The Principal Officer, external auditors and the Scheme management have unrestricted access to the Chairman of the Committee.

In accordance with the provisions of the Act, the primary functions and responsibilities of the Committee are to assist the Board of Trustees in carrying out its duties relating to the Scheme’s accounting policies, internal control systems and financial reporting practices. The external auditors formally report to the Committee on significant findings regarding accounting matters and any significant internal control deficiencies arising from the auditing activities. The Committee Chairman provides a verbal report on the Committee’s work to the Board of Trustees after each Audit and Governance Committee meeting.

The Scheme’s external auditor is PWC. The Scheme does not have an internal audit function presently.

The following laws and Regulations apply to WCMAS and its operations:

- Medical Schemes Act 131 of 1998
- Regulations to the Medical Schemes Act 131 of 1998
- Promotion of Access to Information Act 2 of 2000
- Financial Institutions (Protection of Funds) Act 28 of 2001
- National Health Act 61 of 2003
- Protection of Personal Information Act 4 of 2013
- National Health Insurance Bill, 2019
- Circulars and directive issued by the Council for Medical Schemes as applicable.

WCMAS has three major employer groups with 9,276 members and 25,254 beneficiaries. The majority of WCMAS's members are concentrated around eMalahleni, Mpumalanga, South Africa and work in the coal mining and related industries. The Scheme has three active benefit plans, two with Medical Savings Account balances. Membership across the three benefit options is as follows:

- Comprehensive 6 566 principal members
- Ntsika 2 385 principal members
- Midmas 325 principal members

Financial information for the year ending 31 December 2020 is as follows:

Net Contribution Income	R 448 312 522
Net Claims Incurred	R 358 003 812
Net surplus	R 71 199 691
Solvency ratio	99.4%
Claims ratio	79.9%

The current service environment of WCMAS consists of a staff compliment of 39 people as well as several third-party providers to support its strategic goals and service delivery to its members. The current service environment for WCMAS is reflected in the table below.

Main Service Area	Sub-Service Area (Current Provider in Brackets)
<b>ADMINISTRATION</b>	Processing Functions (Self-administered)
	Claims Processing Ntsika Option (Universal Healthcare)
	Risk Management Functions (Self-administered)
	Client Management Services (Self-administered)
	IT Platform (Oracle base inhouse developed system until 30/04/2022. Thereafter MIP system).
	IT Infrastructure (Self-administered)
<b>MANAGED CARE</b>	Disease Risk Management (Universal Healthcare)
	Medical Advisory Services (Universal Healthcare)
	Network Management (Universal Healthcare)
	Pharmacy Benefit Management (Medikredit Solutions – Comprehensive and Midmas options, Universal Healthcare - Ntsika)
	Emergency Medical Services (ER 24)
Main Service Area	Sub-Service Area (Current Provider in Brackets)
<b>PROFESSIONAL SERVICES</b>	Actuarial Services (3One Consulting)
	External Auditors (PWC)

<b>IT SERVICES</b>	Medical Scheme Administration System licensing (MIP – from 1 May 2022)
	Database hosting (Microsoft Azure – from 1 May 2022)
	Medical Scheme Administration System support (inhouse system supported by Riskcede until 30 April 2022)
	Database hosting support (Riskcede until 30 April 2022)

## 1.2. OVERVIEW OF THE INTERNAL AUDIT FUNCTION

The WCMAS Internal Audit function would report administratively to the Principal Officer and functionally to the Audit and Governance Committee of the Board. They will be expected to provide written and verbal feedback to this subcommittee as well as the Board of Trustees as necessary.

The WCMAS Internal Audit function places reliance on the work conducted by the auditors of the following third party service providers:

- Universal Health Administrators - claims management on the Ntsika option
- MIP – administration IT system (from 1 May 2022)
- Microsoft Azure – database hosting (from 1 May 2022)
- Universal Care – hospital benefit management, oncology benefit management.
- Performance Health - chronic medicine management
- Medikredit – pharmacy real time claims validation
- Aluwani Capital, NinteyOne, Prudential, Coronation - asset management.
- OMT – hosting of administration database on MS Azure (from 1 May 2022).

The WCMAS Internal Audit function works with the external auditor in executing a Combined Assurance Plan as agreed for the Scheme.

## 1.3. THE OBJECTIVE OF THIS REQUEST FOR PROPOSAL

The objective of this Request for Proposal is to invite parties, in good tax standing, to submit proposals for consideration to be appointed to assist the Scheme (WCMAS) through providing internal audit services in execution of the internal audit coverage plan.

The Terms of Reference are intended to define the purpose, scope of work and deliverables of the required service for WCMAS for which the appointment of a service provider is required.

## 1.4. THE PURPOSE FOR THIS REQUEST FOR PROPOSAL

The Witbank Coalfields Medical Aid Scheme (WCMAS), being a small to medium sized medical aid scheme in South Africa, is looking to appoint a reputable and well-established independent Internal Audit firm to perform its internal audit function for a period of 3 years. These internal audit activities are required to be conducted in accordance with the internal audit charter, internal audit coverage plan and combined assurance framework approved by the Audit and Governance Committee (A&GC) in line with accepted best practices in corporate governance and the professional standards of the Institute of Internal Auditors.

## 1.5. SCOPE OF SERVICES

The scope of work covers the provision of internal audit services for the period of 3 years. The 80/20 principle will be applied in terms of the planned versus unplanned projects. The scope of planned projects will include, inter alia, the following projects:

1. Risk based Internal audit review of operations and financial management over a 3 year cycle
2. CAATs on Contributions, Benefits MSA balances
3. IT Governance and Controls Review
4. Mandates Review (Delegation of Authority Framework and SLA with Universal Healthcare)
5. Data Analytics on Member Maintenance and to verify accuracy of Active Member Data;
6. Disaster Recovery and Business Continuity Review;
7. Compliance (with relevant Laws, Rules and Policies) Review; and
8. Review of ISAE 3402 of major service providers and assessment of the effectiveness of combined assurance, including internal audit, at the major service providers
9. Evaluate the adequacy and effectiveness of the Risk Management processes within WCMAS and make appropriate recommendations;
10. Evaluate the adequacy and effectiveness of the Board of Trustees, sub-committee and Principal Officer appointment and performance review processes within WCMAS and make appropriate recommendations;
11. Evaluation the adequacy and effectiveness of the Scheme's succession plan for the Board of Trustees, sub-committees and Principal Officer.
12. Prepare relevant reports for the Audit and Governance Committee and Board including recommendations for the enhancement or improvement of processes through which the Fund's objectives are met, its assets are safeguarded and its values are maintained;
13. Attend Audit and Governance Committee meetings and other meetings as and when required;
14. Augment internal controls capacity and transfer skills to the Principal Officer and Fund Manager; and
15. The successful bidder will be the one that will complement our culture and assist us in maintaining a strong control environment within WCMAS.

#### **1.6. INDEPENDENCE, OBJECTIVITY PROFESSIONAL COMPETENCE OF STAFF**

The internal audit service provider to WCMAS and its staff through whom it delivers the service to WCMAS need to be and remain independent of WCMAS and all its significant service providers such as the Universal Healthcare and Medikredit.

In carrying out the work, the internal audit service provider must ensure that their staff maintains proper objectivity by remaining independent of the activities that they audit. They must also ensure that their staff are appropriately trained and suitably qualified to undertake internal audit work in the Medical Schemes industry.

#### **1.7. TIME FRAMES**

The term of the contract is envisaged to cover a period of three years, renewable on an annual basis based on value and performance.

#### **1.8. CONTRACTUAL OBLIGATIONS**

The service provider will enter into a contractual agreement with WCMAS. No other contract relating to the services of WCMAS will be entered into between the service provider and any other third party unless such contract is approved by WCMAS.

Payment will be made within 30 days on presentation of the invoice by the service provider. Such invoice will be accompanied by the timesheet detailing the nature and time spent on the work performed.

## 2. EVALUATION CRITERIA

Item No.	Evaluation Criteria Item:	Weight
<b>A</b>	<b>Administrative requirements/compliance (Phase I)</b>	<b>N/A</b>
A.1	It will be ascertained whether bids: <ol style="list-style-type: none"> <li>Include SARS pin for tax compliance status.</li> <li>All standard bidding documents have been properly completed and signed off; and</li> <li>Technical proposal; and</li> <li>Price proposal.</li> </ol>	
<i>Failure to comply with any of the above administrative requirements may render your bid unacceptable for further evaluation.</i>		
<b>B</b>	<b>Functionality (Phase II)</b>	<b>100</b>
	<b>Relevant Skills and Experience (Competency):</b>	
B.1	Company profile including demonstrated experience in providing internal audit services to entities of a similar nature and significant size and within the medical schemes industry.	<b>20</b>
B.2	Team experience in providing services of the required nature: Team Internal Audit experience in the Medical Schemes industry (5) Experience in conducting the following audits: (15) <ul style="list-style-type: none"> <li>• Risk based internal audit review of Medical Schemes</li> <li>• Information Technology Controls and Governance Reviews</li> <li>• CAATs on Contributions, Benefits and MSA balances</li> <li>• Mandates reviews</li> <li>• Data Analytics on Membership Maintenance and to verify accuracy of Active Member Data;</li> <li>• Corporate Governance reviews</li> <li>• Review service provider ISAE3402 and application to combined assurance audit model</li> <li>• Risk Management reviews</li> <li>• Disaster Recovery and business continuity reviews</li> </ul> Capacity to service WCMAS <ul style="list-style-type: none"> <li>• At least one Director, Manager and Senior Auditor with relevant experience</li> </ul>	<b>25</b>
B.3	Qualifications of the team members in a similar context : <ul style="list-style-type: none"> <li>• Relevant qualifications of the proposed team leader such as registration with IIA SA, IRBA or similar body governing the internal audit profession in South Africa.</li> </ul>	<b>20</b>
B.4	A detailed Internal Audit Methodology and Project plan/Timeframe in executing similar projects and methodology.	<b>25</b>



Item No.	Evaluation Criteria Item:	Weight
B.5	References letters: Minimum of 2 positive reference letters from medical scheme, pension or financial services industry.	10
C	BBBEE	30
D	Price	70
<b>TOTAL</b>		<b>200</b>

## GUIDE TO RESPOND

### Phase I

Fully completed Tender Documents (SBD1; 3.1; 4; 6; 8; 9) must be submitted with the following technical responses, along with the **SARS pin for tax compliance**. Compliance to these above requirements will be evaluated in the first phase, all companies who do not submit the above documents will be disqualified.

### Phase II

Evaluation of the technical proposal according to the Evaluation Criteria table above will be conducted. B.1 – B.4 (See some weights for each item of the Evaluation Criteria table above, e.g. A1 Company profile: Weight 20; B.2 Team experience: Weight 20, etc. and respond accordingly).

#### B.1 Company profile

This refers to the details of the company (Bidder) and the services on offer. Specific details required are as follows:

- The nature and location of the company, its history and when it was registered (bidder must indicate)
- The company's core business e.g., provision of internal audit services preferably in the retirement/ pension fund or financial services industry (Bidder must indicate)

#### B.2 Team and experience

Specific details required here are:

- The consultant's internal audit experience preferably in the pension fund or financial services environment;
- At least five years of experience;
- Reference from at least 3 largest clients;
- Capacity to service WCMAS; and

#### B.3 Qualifications of the team members

Qualifications of the team members and specify the relevant experience of key team members (especially lead auditors/ managers /directors).

#### B.4 Project plan and methodology

Specific details required here are:

- Project plan and methodology;
- Include sample of internal audit reports;

- Use of electronic internal audit software to perform audits (CAATs, ACL etc.)
- Demonstrate understanding of the requirements of WCMAS.

### **B.5 Reference letter**

Minimum of 2 positive reference letters from medical aid, pension or financial services industry.

At least 2 reference letters from a large medical scheme, pension fund or financial service organisation of similar size must be provided.

### **C. BBEE Status**

Companies must indicate and submit a valid B-BBEE contributor level status certificate or sworn affidavit to claim preference points.

### **D. Price**

Companies must submit a separate price proposal that is broken down in detail.

Internal audits are generally based on hourly rates and typically detailed audit budgets can only be drawn up once the appointed auditor has been able to assess the likely extent of each particular audit project. Accordingly, financial proposals will be compared on the basis of hourly rates inclusive of overheads and VAT which bidders must supply in the form of the table set out below. Proposed hours per project should be broken down as per the various professional levels stated below:

<b>Item (where applicable)</b>	<b>Hourly Rate (including overheads and VAT)</b>
Engagement Partner	R
Partner	R
Senior Manager	R
Manager	R
Assistant Manager	R
Supervisor	R
Senior Auditor	R
Trainee Auditor	R
Specialists (e.g. IT, other technical)	R

It is recognized that it is difficult for a prospective bidder to be firm about the extent of the work based solely on the terms of reference. However, to assist with assessments, a firm must provide a typical distribution of time for members of the audit team on a job of this nature. This should be expressed in percentages of the total person-hours billed on a typical job (see table below, which is indicative only and not binding on the firm).

The annual fee should be allocated for each of the following professional levels for the three year period, in line with the bidder's project methodology, for example:

<b>Item (where applicable)</b>	<b>Typical Percentage of Total Hours on Project</b>
Engagement Partner	%
Partner	%
Senior Manager	%
Manager	%

Assistant Manager	%
Supervisor	%
Senior Auditor	%
Trainee Auditor	%
Specialists	%
TOTAL	100

**General and technical enquiries:**

Ms Monica Perestrelo  
GM: Fund Management  
MPerestrelo@wcmas.co.za

## **ANNEXURE A: Standard Bid Document**

## PART A: INVITATION TO BID

**SBD1**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF WITBANK COALFIELDS MEDICAL AID SCHEME (WCMAS)</b>					
BID NUMBER	WCMAS 11/2021	CLOSING DATE	21 January 2022	CLOSING TIME	17:00pm
DESCRIPTION	<b>Provision of Internal Audit Services to WCMAS</b>				
<b>BID RESPONSE DOCUMENTS MAY BE EMAILED TO (EMAIL ADDRESS)</b>					
<a href="mailto:mperestrelo@wcmas.co.za">mperestrelo@wcmas.co.za</a>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO</b>		
CONTACT PERSON	Monica Perestrelo		CONTACT PERSON	Monica Perestrelo	
TELEPHONE NUMBER	N/A		TELEPHONE NUMBER	N/A	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	<a href="mailto:mperestrelo@wcmas.co.za">mperestrelo@wcmas.co.za</a>		E-MAIL ADDRESS	<a href="mailto:mperestrelo@wcmas.co.za">mperestrelo@wcmas.co.za</a>	
<b>BIDDER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRAT-ION NUMBER					
COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN				
BBBEE STATUS LEVEL VERIFICATION CERTIFICATE	<input type="checkbox"/>	<input type="checkbox"/>	BBBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No		Yes	No
	[TICK APPLICABLE BOX]			[TICK APPLICABLE BOX]	
<b>A BBBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR BBBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/>	<input type="checkbox"/>	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No		Yes	No
	[IF YES ENCLOSE PROOF]				

## **PART B: TERMS AND CONDITIONS FOR BIDDING**

### **1. BID SUBMISSION**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS.
- 1.2. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.3. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.4. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.5. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO CONCLUDE AND SIGN A WRITTEN CONTRACT OR LETTER OF AGREEMENT.**

### **2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE [WWW.SARS.GOV.ZA](http://WWW.SARS.GOV.ZA).
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 NO BIDS WILL BE CONSIDERED FROM PERSONS RELATED TO THE KEY MANAGEMENT PERSONNEL OF WITBANK COALFIELDS MEDICAL AID SCHEME.

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

**PRICING SCHEDULE – FIRM PRICES**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED.

Name of bidder.....	Bid number: <b>WCMAS 11/2021</b>
Closing Time <b>17:00 pm on 21 January 2022</b>	

OFFER TO BE VALID FOR **240** DAYS FROM THE CLOSING DATE OF BID.

DESCRIPTION	BID PRICE (INCLUDING VAT)
Internal Audit Services fee year 1	R
Internal Audit Services fee year 2	R
Internal Audit Services fee year 3	R
<b>Total for three years(VAT Inclusive)</b>	<b>R</b>

Item (where applicable)	Hourly Rate (including overheads and VAT)
Engagement Partner	R
Partner	R
Senior Manager	R
Manager	R
Assistant Manager	R
Supervisor	R
Senior Auditor	R
Trainee Auditor	R
Specialists (e.g. IT, other technical)	R

Does offer comply with specification?       YES       NO

If not to specification, indicate deviation(s) .....

**DECLARATION OF INTEREST**

Any legal person or persons having a kinship with key management personnel of WCMAS, including a blood relationship, may not make an offer or offers in terms of this invitation to bid. It is therefore required that the bidder or their authorised representative declare any and all interest in relation to Witbank Coalfields Medical Aid Scheme, including those who are adjudicating the bid on its behalf.

“Key Management Personnel” are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any trustees, subcommittee members, and the Principal Officer of the entity.

**IN ORDER TO GIVE EFFECT TO THE ABOVE, THE FOLLOWING QUESTIONNAIRE MUST BE COMPLETED AND SUBMITTED WITH THE BID.**

1. Full Name of bidder or their representative:

.....

2. Identity Number:

.....

3. Position occupied (director, trustee, shareholder, member)

.....

4. Registration number of company, enterprise, close corporation, partnership agreement or trust:

.....

5. Tax Reference Number:

.....

6. VAT Registration Number:

.....

7. Are you, or any person connected with the bidder, aware of any relationship (family, friend, other)

between any other bidder and any key personnel of WCMAS?

Yes  No

**If so**, furnish particulars:

.....

8. Do you, or any person connected with the bidder, have any relationship with a person employed by WCMAS and who may be involved with the evaluation and or adjudication of this bid?

Yes  No

**If so**, furnish particulars:

.....

9. Did you or your spouse, or any of the company’s directors / trustees / shareholders / members or their spouses conduct business with WCMAS in the previous twelve months?

10.  Yes  No

**If so**, furnish particulars:

.....



10. Provide full details all members of the key management personnel of the bidder:

	Full Name	ID Number	Position
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

Please append an additional page to this declaration should further space be required to complete.

**DECLARATION**

I, THE UNDERSIGNED (NAME) .....  
 HEREBY CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION OF INTEREST  
 FORM (SBD4) IS CORRECT. I ACCEPT THAT WCMAS MAY REJECT THE BID OR ACT AGAINST  
 ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
 SIGNATURE

.....  
 DATE

.....  
 NAME OF BIDDER

.....  
 POSITION

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution NB: before completing this form, bidders must study the general conditions, definitions and directives applicable in respect of b-bbee, as prescribed in the preferential procurement regulations, 2017.

**1. GENERAL CONDITIONS**

- 1.1 The following preference point systems are applicable to all bids:
  - the 70/30 system for all requirements irrespective of Rand value (all applicable taxes included)
- 1.2
  - a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the 70/30 preference point system shall be applicable; or
  - b) The 70/30 preference point system will be applicable to this tender
- 1.3 Points for this bid shall be awarded for:
  - (a) Price; and
  - (b) B-BBEE Status Level of Contributor.
- 1.4 The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	<b>70</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>30</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

**2. DEFINITIONS**

- (a) "B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) "B-BBEE status level of contributor" means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) "bid" means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

- (d) “Broad-Based Black Economic Empowerment Act” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) “EME” means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad- Based Black Economic Empowerment Act;
- (f) “functionality” means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) “prices” includes all applicable taxes less all unconditional discounts;
- (h) “proof of B-BBEE status level of contributor” means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) “QSE” means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) “rand value” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

#### 3.1 THE 70/30 PREFERENCE POINT SYSTEMS

A maximum of 70 points is allocated for price on the following basis:

**70/30**

$$P_s = 70 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below

B-BBEE Level	No of points	B-BBEE Level	No of points
1	30	5	14
2	26	6	10
3	22	7	6
4	18	8	3
Non-compliant	0		

**5. BID DECLARATION**

Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1 B-BBEE Status Level of Contributor: . = ..... (maximum of 30 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor).

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted? (***Tick applicable box***)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

a) If yes, indicate:

i) What percentage of the contract will be subcontracted .....%

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE (***Tick applicable box***)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

<b>Designated Group: An EME or QSE which is at last 51% owned by:</b>	<b>EME</b> √	<b>QSE</b> √
Black people	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are youth	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are women	<input type="checkbox"/>	<input type="checkbox"/>
Black people with disabilities	<input type="checkbox"/>	<input type="checkbox"/>
Black people living in rural or underdeveloped areas or townships	<input type="checkbox"/>	<input type="checkbox"/>
Cooperative owned by black people	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are military veterans	<input type="checkbox"/>	<input type="checkbox"/>
<b>OR</b>		
Any EME	<input type="checkbox"/>	<input type="checkbox"/>
Any QSE	<input type="checkbox"/>	<input type="checkbox"/>

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited [TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....

.....

**8.6 COMPANY CLASSIFICATION**

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc. [TICK APPLICABLE BOX]

**8.7 Total number of years the company/firm has been in business:.....**

**8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:**

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c)cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation; and
  - (d)forward the matter for criminal prosecution.

**WITNESSES**

1. ....

2. ....

.....

**SIGNATURE(S) OF BIDDERS(S)**

**DATE:** .....

**ADDRESS** .....

.....

.....

**DECLARATION OF PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

1. This Standard Bidding Document must form part of all bids invited.
2. The bid of any bidder may be disregarded if that bidder, or any of its directors have:
  - a. abused the institution’s supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. Failed to perform on any previous contract.
3. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
3.1	Is the bidder or any of its directors prohibited from doing business with WCMAS in terms of the Medical Schemes Act and other applicable regulations. <b>If so</b> , furnish particulars:		
3.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>If so</b> , furnish particulars:		
3.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years? <b>If so</b> , furnish particulars:		
4.4	Was any contract between the bidder and any medical scheme or pension fund terminated during the past five years on account of failure to perform on or comply with the contract? <b>If so</b> , furnish particulars:		

**DECLARATION**

I, the undersigned (name) ..... hereby certify that the information furnished on this declaration form is true and correct. I accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.

\_\_\_\_\_  
Name and Surname

\_\_\_\_\_  
Capacity

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging). Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds.

Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging and must be completed and submitted with the bid

I, the undersigned, in submitting the accompanying bid (bid number) .....  
in response to the invitation for the bid made by WCMAS do hereby make the following statements that I certify to be true and complete in every respect.

I certify, on behalf of .....  
that:

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorised by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorised by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organisation, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder.
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium will not be construed as collusive bidding.

7. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
  
8. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.