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NON-COMPULSORY BRIEFING SESSION QUESTIONS AND ANSWERS

To: Potential Service Provider/ Bidders

From: Supply Chain Management Unit

Subject: FFC/03/BID/2021/22 - PROVISION OF FORENSIC INVESTIGATIONS SERVICES.

The Financial and Fiscal Commission (FFC) intends to appoint a professional Service Provider to undertake investigations into identified instances of potential fruitless and wasteful; and irregular expenditure transactions and provide a report to the FFC with recommendations to guide and assist any disciplinary or fraudulent, corrupt, or other criminal conducts as per FFC Policies. Request for proposal documents can be downloaded from the e-Tender portal and FFC's website: www@ffc.co.za **Bid Number: FFC/03/BID/2021/22.**

Based on the non-compulsory briefing session with prospective bidders held on the **26th of November 2021 at 11h00am**. The following questions or points that were raised during the meeting are as follows:

Question 1:

The mandatory requirements stipulate that the Service Provider must be a member of ACFE. This is quite a costly exercise. All of members of staff are either CFE's or (FP) SA. Will this be sufficient or do we have to have corporate membership to ACFE?

Answer 1:

The FFC has reviewed this requirement and has issued **ADDENDUM 1: AMENDMENT TO MANDATORY REQUIREMENT 1 AND 2** to clarify the mandatory requirement with the aim of ensuring that maximum participation in the bid is undertaken to ensure fairness and competitiveness of the process.

Question 2:

Applying corporate membership to the ACFE implies that we must all be members of the ACFE, which is unfair and may not be legally correct. This could be viewed as preferential treatment between the professional bodies?

Answer 2:

The FFC has reviewed this requirement and has issued **ADDENDUM 1: AMENDMENT TO MANDATORY REQUIREMENT 1 AND 2** to clarify the mandatory requirement with the aim of ensuring that maximum participation in the bid is undertaken to ensure fairness and competitiveness of the process.

All other questions were answered satisfactorily within the briefing session and do not require further articulation as they were referred back to the Bid Document.

A further 3 emailed requests were received which were responded to the service providers, their questions are provided in the annexures to ensure transparency in the bid process:

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Please note that for Submission please email to tenders2@ffc.co.za.

Yours sincerely,
Supply Chain Management Unit

Annexure A: Emailed Queries 1

Date Received: 28 November 2021

- Is the Irregular Expenditure and Fruitless and Wasteful Expenditure (to be investigated in the initial 12 week investigation), only those cumulative amounts that are mentioned in the 2020/ 2021 Annual report? ?

Answer:

The irregular and fruitless and wasteful expenditure that is envisaged to be investigated in the initial 12 week period is the irregular and wasteful expenditure disclosed in the annual report as well as any other irregular and fruitless and wasteful expenditure that the Commission may have uncovered subsequent to the publication of the Annual Report.

- Over what time period did all of the transactions (to be investigated in the initial 12 week investigation),) take place,?

Answer:

The transactions occurred mostly in the 2021 financial year and a few which have been identified in the 2020 financial year. The oldest transaction occurred in the 2018 financial year.

- How many individual transactions were there (to be investigated in the initial 12 week investigation)?

Answer:

The quantum of the transactions are as disclosed in the Annual Report of 2020/21

- How many contracts and service providers did the Irregular Expenditure and Fruitless and Wasteful expenditure relate to (to be investigated in the initial 12 week investigation)?

Answer:

The quantum of the contracts/service providers are as disclosed in the Annual Report of 2020/21

- Please confirm, that should the allocated 480 hours not be sufficient for the initial 12 week investigation, will a rate card will be applied for costing purposes?

Answer:

The normal SCM processes related to contract variations and contract extensions shall be exercised by the FFC where the quantum of work allocated is deemed insufficient.

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- Will we have access to the preliminary review already conducted by FFC, into the Irregular and Fruitless and Wasteful transactions (to be investigated in the initial 12 week investigation)?

Answer:

All information shall be provided to the preferred bidder in relation to the execution of their duties within the contract.

Annexure B: Emailed Queries 2
Date Received: 29 November 2021

- At the tender briefing session, and as per Section 2 of the RFP, it appears that the FFC wishes to appoint a service provider to finalise the internal preliminary investigation into fruitless and wasteful expenditure / irregular expenditure at the FCC in accordance with the phased approach set out in NT's Irregular Expenditure Framework. The cover page of the RFP, however, refers to the Provision of Forensic Investigation Services for a Period of 3 Years. Should we ignore the description on the cover page and bid for one specific assignment only?

Answer:

The bid submission is for the 3-year period as and when required. It is required that both pricing schedules are completed. It is envisaged that the rates provided on the rates card shall inform the pricing on the pricing schedule and the whole bid shall be awarded as one. The initial work shall relate to the already identified instances of irregular, fruitless and wasteful expenditure and future work shall be as and when required. It can therefore not be estimated in hours and hence the need to understand the rates which inform the pricing the work initially scoped.

- There is a specific requirement that at least 2 letters of reference must be in respect of fruitless and wasteful expenditure / irregular expenditure in the public service. Fraud, corruption and theft often result in fruitless and wasteful expenditure / irregular expenditure. The more serious common law offences are then the subject of disciplinary / criminal proceedings against those responsible, rather than the statutory offences. Could this requirement for the letters of reference not be expanded to include the offences of fraud, corruption and theft in the public sector? After all, if the bidders are capable of investigating fraud and corruption, it should follow that they have the ability to investigate statutory offences under the PFMA.

Answer:

It is advised that where such work has been done (Fraud, corruption and theft) and resulted in fruitless and wasteful expenditure it is explicitly recorded as such on the reference letters submitted to be eligible for the award of points. The basis of the request for services is to execute the work required in terms of the National Treasury guidance on dealing with irregular, fruitless and wasteful expenditure and hence the request for references to be in respect of these types of expenditures.

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Annexure C: Emailed queries 3
Date Received: 29 November 2021

In section 12.1 of your RFQ, Phase 1 – Mandatory Requirements, you indicate that “The Service Provider must be a member of the Association of Fraud Examiners or the Institute of Commercial Forensic Investigators”.

Please note the South Africa Qualifications Authority (SAQA) Policy and Criteria for Recognising a Professional Body and Registering a Professional Designation for the Purposes of the National Qualifications Framework Act, Act 67 of 2008 (As amended, September 2020), specifically paragraph 1d, paragraph 11 and paragraphs 28 j and 28 k does not make provision for a service provider to be a member of a professional membership body. (Corporate membership).

Your mandatory requirements are therefore not aligned with the SAQA Policy and Criteria for purposes of the National Qualifications Framework Act, Act 67 of 2008 (As amended, September 2020) and can therefore not be enforced.

Answer:

The FFC has reviewed this requirement and has issued **ADDENDUM 1: AMENDMENT TO MANDATORY REQUIREMENT 1 AND 2** to clarify the mandatory requirement with the aim of ensuring that maximum participation in the bid is undertaken to ensure fairness and competitiveness of the process.