



RFT 07/2022

TERMS OF REFERENCE

Request for Tender

**Special Audits For
Land Transport Authority**

LAND TRANSPORT AUTHORITY

P.O. Box 6677, Nasinu, Fiji.

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DATES : 19/02/2022 & 26/02/2022

CONTENTS

PART A - RULES GOVERNING THIS REQUEST FOR TENDER (RFT)	3
1.0 PURPOSE OF ENGAGEMENT	3
2.0 NO CONTRACTUAL OBLIGATIONS.....	3
3.0 BIDDERS TO INFORM THEMSELVES	3
4.0 RIGHT TO VARY OR STOP SUBMISSION PROCESS	3
5.0 PROCUREMENT TIMETABLE.....	3
6.0 CONFLICT OF INTEREST	4
7.0 ENQUIRIES BY BIDDER.....	4
8.0 SUBMISSION CONTENT	4
9.0 WHAT TO LODGE	5
10.0 LODGEMENT OF TENDER	5
11.0 LATE SUBMISSIONS	5
12.0 ALTERATIONS, ERASURES OR ILLEGIBILITY	5
13.0 ACCEPTANCE OF SUBMISSIONS	5
14.0 COLLUSIVE ACTIVITIES	6
15.0 SHORTLISTING.....	6
PART B - TENDER SPECIFICATIONS	7
16.0 A) i) SCOPE OF WORKS.....	7
17.0 BASIC BUSINESS COMPULSORY REQUIREMENTS	10
18.0 EVALUATION CRITERIA.....	11

PART A - RULES GOVERNING THIS REQUEST FOR TENDER (RFT)

1.0 PURPOSE OF ENGAGEMENT

The objective of the special audit of is to enable an independent external auditor to comment and provide recommendations on the procedures and operations of the Land Transport Authority (LTA) on a quarterly basis. The scope of special audit includes the examination and evaluation of the adequacy and reliability of LTA's system of internal control.

2.0 NO CONTRACTUAL OBLIGATIONS

This Request for Tender (RFT) is not to be constructed as a contract between LTA and the prospective bidder. Nothing in this RFT or in any submission document is to be viewed to give rise to any contractual obligations either related, expressed or implied.

3.0 BIDDERS TO INFORM THEMSELVES

The onus is on the bidder to understand the contents of the RFT and the implications of being involved in this tender process. LTA does not accept responsibility for any misunderstandings arising from the bidder's failure to comply with the above-mentioned process.

LTA only accepts submissions on the condition that the bidder:

- Has examined this RFT and all other information made available to the bidder.
- Has made all reasonable inquiries regarding relevant risks, contingencies and other circumstances that might affect the submission.
- Has satisfied itself as to the correctness and sufficiency of the submission;
- Has involved itself in the submission process entirely at its own expense and without any costs being payable by LTA.

4.0 RIGHT TO VARY OR STOP SUBMISSION PROCESS

LTA reserves the right to either stop or vary the submission process and may require re-submission at any given time.

5.0 PROCUREMENT TIMETABLE

It is proposed that the following procurement timetable shall apply. LTA will strive to adhere to this timetable but reserves the right to alter the dates whenever necessary.

Where this timetable varies significantly, LTA will notify prospective Bidders.

Dates	Tasks
19/02/22 & 26/02/22	Advertisements
04/03/22	RFT closing date & time
18/03/22	Complete evaluations
25/03/22	Complete approval process
01/04/22	Notify Successful & Unsuccessful Bidders
08/04/22	Signing of Agreement

6.0 CONFLICT OF INTEREST

Bidders and their personnel must not place themselves in a position that may create a conflict of interest concerning this RFT. Any potential or actual conflict of interest that may arise in the performance of their obligations under the RFT must be fully disclosed.

Identification of a potential or actual conflict of interest does not necessarily preclude a Bidder's submission from consideration. However, LTA will carefully consider the circumstances surrounding the conflict of interest to determine whether it will compromise the status of the outcome of this RFT, and if so, will promptly notify the Bidder.

7.0 ENQUIRIES BY BIDDER

All enquiries by potential bidders for information should be addressed only to the nominated contact officers named on the tender advertisement. Where, in the opinion of LTA, that there is a need to disseminate additional information to a particular bidder, the same information shall be provided to other bidders. Such information shall be given the same distribution as in the original RFT.

8.0 SUBMISSION CONTENT

Should a potential bidder find any discrepancy, ambiguity, inconsistency, error or omission in this RFT document, they should notify LTA in writing as a soon as possible. In any such case this needs to be done before the closing date for the submission so that LTA may take any corrective action it considers necessary.

9.0 WHAT TO LODGE

For manual submissions, bidders must submit three (3) hard copies in the tender box placed at LTA - Level 1 Building A, Valelevu, Nasinu, Fiji or upload their submission electronically to the submission site - <https://www.tenderlink.com/ltafi/> by the closing date and time.

For manual submissions, the original hard copy must be marked "ORIGINAL" and the remaining two (2) copies must be marked "COPY 1" and "COPY 2", respectively. The original and the copies must include all supporting materials and be well-bound.

An Evaluation Team will evaluate submissions according to the criteria specified in this RFT.

10.0 LODGEMENT OF TENDER

Manual submissions must include three (3) hard copies in sealed envelopes and placed in the tender box provided at Level 1 Building A, Valelevu, Nasinu or upload the submission electronically on the LTA site <http://www.tenderlink.com/ltafi/>. The submission must be clearly addressed:

Management Tender Committee
RFT 07/2022 – Special Audits for Land Transport Authority
Land Transport Authority
P.O. Box 6677
Lot 1 Daniva Road, Valelevu
Nasinu, Fiji

Submissions must be lodged by 3:00pm Fiji Time on Friday, 04/03/2022.

11.0 LATE SUBMISSIONS

Submissions lodged after the submission closing time shall be deemed late.

12.0 ALTERATIONS, ERASURES OR ILLEGIBILITY

Submissions are liable to be rejected where they contain alterations or erasures, incomplete, ambiguous or illegible prices or terms, or insufficient information to enable proper evaluation. Alterations cannot be made to submissions after the Tender Closing Time unless it can be clearly demonstrated to the satisfaction of the LTA Management Tender Committee that a clerical or keying error has been made by the bidder.

13.0 ACCEPTANCE OF SUBMISSIONS

LTA is not bound to accept the lowest priced submission. Bidders whose submissions are not accepted will be notified. The LTA Management Tender Committee reserves the right to

negotiate with other bidders in the event that a contract cannot be successfully negotiated between LTA and the preferred Bidder.

14.0 COLLUSIVE ACTIVITIES

Bidders and their personnel must not engage in any collusive bidding, anti-competitive conduct or any similar conduct with any other bidder or other person in preparing or lodging a submission or to involve themselves in sort of collusive activities related to the tender.

15.0 SHORTLISTING

The LTA Management Tender Committee reserves in its absolute discretion, to make a shortlist of any bidders and seek further information from those bidders before choosing a preferred bidder. In the event of a shortlist being compiled by LTA, bidders that are not shortlisted will be advised as soon as possible.

PART B - TENDER SPECIFICATIONS

16.0 A) i) SCOPE OF WORKS

1. PURPOSE OF TENDER

The purpose of the tender is to engage an External Auditor to provide assurance on the adequacy of control within the Authority's systems and activities: that is to comment on and recommend appropriate changes to mechanisms put in place by management to ensure systems and activities achieve their objectives; and to bring deficiencies therein to the notice of operational management.

2. SCOPE OF SPECIAL AUDITS

1. The scope of special audit includes the examination and evaluation of the adequacy and reliability of the Authority's system of internal control. In addition, the External Auditor may be requested to review and provide inputs into the Finance Policy, Procurement Policy as and when required for improvement purpose and any advice required by the Audit & Risk Standing Committee and Finance Sub Committee. Special Audit's work provides assurance across all of the Authority's activities regarding the extent to which management controls ensure that:
 - a) Significant risks are identified, assessed and appropriately managed;
 - b) Objectives are established and achievement against them is monitored;
 - c) The Authority's assets are safeguarded from significant losses, including those caused by fraud, waste, inefficiency and commercially unsound practices;
 - d) Relevant laws, rules and regulations are complied with;
 - e) Operations are conducted effectively, efficiently and economically;
 - f) Operations are conducted in accordance with Authority's policies and procedures;
 - g) Management information systems are reliable and secure;
 - h) Systems under development are monitored, that appropriate internal controls are built in and are consistent with the Authority's' needs;
 - i) Major projects achieve their objectives; and
 - j) Throughout the Authority's activities it can demonstrate good governance.
2. In addition, Special Audits may perform special reviews requested by the Audit & Risk Standing Committee and LTA Board.
3. The appointed Internal Auditor will be prohibited from tendering for any External Audit projects of the Authority.

4. In complying with International Standards on Auditing, the auditor is expected to pay particular attention to the following matters:

- a) **Fraud and Corruption:** Consider the risks of material misstatements in the financial statements due to fraud. The auditor is required to identify and assess these risks (of material misstatement of the financial statements) due to fraud, obtain sufficient appropriate audit evidence about the assessed risks; and respond appropriately to identified or suspected fraud;
- b) **Laws and Regulations:** In designing and performing audit procedures, evaluating and reporting the results, consider that non-compliance by the Authority with laws and regulations may materially affect the financial statements;
- c) **Governance:** Communicate audit matters of governance interest arising from the audit of financial statements with those charged with governance of an entity as required by International Standards on Auditing;
- d) Other relevant areas

The internal audit strategy may address some ad hoc areas that do not feature as a high or medium risk. These are nevertheless areas where LTA would benefit from an internal audit review, or they are being reviewed to provide assurance to the Finance and Audit committee and external auditors regarding operation of the key financial and management information systems. The audit days, fieldwork and reporting expectations for these areas should also be identified in the audit plan.

3. OVERVIEW OF THE AUDIT APPROACH

The audit plan should document to set out the audit plan which should be developed considering the following:

- taking account of the risks identified in its risk register and other documents;
- using the internal auditor's experience with LTA and the any other sector more generally to identify other areas of risk which may warrant attention; and
- discussing all identified risks and other relevant issues with the LTA's management to identify the potential scope of internal audit

4. REPORTING

The External Auditor will be reporting to the Chairman of the Audit & Risk Standing Committee. Manager Audit will be the liaison officer for the External Auditor at the Authority and the External Auditor will be required to provide updates as and when requested by the Manager Audit.

5. CONFIDENTIALITY

Auditors must treat all documents and information provided by LTA including this RFT, as confidential. LTA will treat all proposals received, and the information contained therein, as confidential until a negotiated contract is executed or all proposals are rejected.

6. PUBLIC STATEMENT

No Auditor shall make any public statement in relation to this RFT without prior written consent from LTA.

7. GENERAL CONDITIONS

The following general conditions apply:

- LTA may not necessarily accept the lowest cost bidder, but will strive to select the best and most responsive bidder.
- LTA may cancel this RFT or amend its contents at any time prior to the acceptance of a submission.
- If no proposal is acceptable, then LTA may either re-issue the Terms of Reference or negotiate with one or more vendors for a satisfactory offer.
- The award of a submission shall not be deemed final unless and until a contract is successfully negotiated and approved by LTA.

8. PROPOSAL RESPONSE SECTION

Interested Auditors shall submit submissions responding to items below. Identify each response with the appropriate letter designation and respond to all items in the order given:

17.0 BASIC BUSINESS COMPULSORY REQUIREMENTS

- i. Company Profile
- ii. Business Registration and Business License – certified copies of:
 - Valid Business License
 - Valid Business Company Registration Certificate
- iii. Fiji Revenue Customs Services (FRCS) Tax Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders
- iv. Fiji National Provident Fund Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders
- v) At least 3 References for external audit covering the above scope must be provided of which 1 shall be for a Government Department.
- vi) All staffs engaged in Audit to be fully vaccinated.

It is mandatory for the bidder to provide all the requirements listed under (i. to vi.) above in order for their bid to be considered for further assessment. Any bidder who does not meet the 100% requirement as per above list, their submission SHALL NOT BE CONSIDERED for further assessment.

18.0 EVALUATION CRITERIA

1. Non-Price Factor 60%:

- i. Qualifications & Experience – 40%
- ii. Specification – 20%

2. Price Factor 40%

Evaluation Criteria	
Basic Business Compulsory Requirements	
i)	Company Profile <ul style="list-style-type: none">• Background / History of company including details of parent companies & subsidiaries;• Specify the years of experience
ii)	Business License & Registration – certified copies of: <ul style="list-style-type: none">• Valid Business License• Valid Business Company Registration Certificate
iii)	Fiji Revenue Customs Services (FRCS) Tax Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders <ul style="list-style-type: none">• Tax Identification Number Letter• Tax Compliance Certificate
iv)	Fiji National Provident Fund Compliance Certificate (if local) or equivalent Compliance Certification for overseas bidders
v)	At least 3 References for external audit covering the above scope must be provided of which 1 shall be for a Government Department.
vi)	Vaccination Status for all Staffs.

Qualifications & Experience – 40%	Percentage (%)
<p>Respond to these criteria:</p> <ul style="list-style-type: none"> • Describe how the Auditors experience will benefit LTA in terms of the successful delivery services LTA (Fiji Wide) – minimum 1 page. 5% • Auditors knowledge on existing LTA business, process, procedures and policies 10% • List of major clients of the Auditor with particular reference to Government and any other statutory authorities, which may have utilized the areas of expertise. Provide at least 3 references from clients you have previously provided service. Names and contact of suitable client contact persons for reference checks. 10% • Work Program – to show timeline of Delivery service 5% 	
Total	40%

Specification - 20%	Percentage (%)
<p>The submission must include the following:</p> <p>a) The Authority shall utilize the services of the successful Auditor for a period of three (3) years subject to yearly review of audit performance by Audit & Risk Standing Committee and LTA Board. The audit shall be delivered within a specified period of time agreed by both parties. 20%</p>	
Total	20%

Price Factor - 50%	Percentage (%)
Services and Charges: a) Provisions of service schedule and Vat Inclusive Prices (VIP) fees including any Administration fees for services to and return from the Authority's office. b) Special offers (added advantage)	 <p style="text-align: center;">40%</p> <p style="text-align: center;">0%</p>
Total	40%