



East Gippsland Catchment Management Authority

Request for Tender (RFT) for: Internal Audit Services

Reference number: 2011-12 / EGCMA 75

Place for lodgement: **Mail :** PO Box 1012, BAIRNSDALE 3875

In Person : 574 Main Street, BAIRNSDALE

Please note:

The Tenderer's Response (RFT Part D) must be completed in the format specified and submitted by post or hand delivered to our offices.

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Introduction

The East Gippsland Catchment Management Authority (the Authority) is seeking responses to this request for tender (RFT) **for Internal Audit Services**.

The Authority's specific requirements in relation to the services are set out in Part B of this RFT (Specification).

In issuing this RFT, the Authority seeks to identify a Tenderer who is:

- able to provide the services required by the Authority in the manner set out in the Specification;
- able to demonstrate a commitment and ability to working in collaboration with the Authority over the term of any agreed contractual period to continuously seek improvements in value, efficiency and productivity in connection with the provision of the services; and
- prepared to work with the Authority to continue to identify opportunities for improvement in the quality and level of service provided for the mutual benefit of both the Authority and the Tenderer.

Only Tenderers capable of providing all of the services and complying in full with the conditions set out in this RFT should submit a response.

RFT Part A – Conditions of Tendering

1 Reference Schedule

The information contained in this Reference Schedule must be read in conjunction with the remainder of Part A of this RFT.

Item 1: Organisation

East Gippsland Catchment Management Authority

Item 2: Tender reference number

2011-12 / EGCMA 75

Item 3: Project Manager and Project Sponsor

Project Manager	
Name and title	Rick Davies Corporate & Program Manager
Address for correspondence by post	PO Box 1012, Bairnsdale VIC 3875
Email Address	rdavies@egcma.com.au
Project Sponsor	Graeme Dear Chief Executive Officer

Item 4: Indicative Timetable*

Activity	Date
RFT issued	6 th January 2012
Tender Briefing (if applicable)	N/A
End of period for questions or requests for information (section 4.2)	Close of business 13 th January 2012
Closing Time (section 5.2)	Close of business 27 th January 2012
Intended completion of evaluation of Tenders	3 rd February 2012
Intended formal notification of successful Tenderer(s)	16 th February 2012
Intended execution of Proposed Contract and Inception Meeting	TBA

** Note: This timetable is provided to give Tenderers an indication of the timing of the evaluation process. The timetable is indicative only and may be changed by the*

Authority in accordance with the Conditions of Tendering set out in Part A of this RFT.

Item 6: Additional information

Details	Tenderers should refer to Part B of this RFT (Specification)
Format	electronic
Instructions for obtaining additional information	<p>Requests for additional information should be directed to: rdavies@egcma.com.au</p> <p>Every effort will be made to respond to requests for additional information within three working days, however the Authority cannot guarantee that information will be provided within this timeframe.</p> <p>The Authority recommends that Tenderers lodge their request for additional information as early as possible in the tender period to ensure a timely response.</p>
Information to be included in email request	<p>The following information should be included in the subject line of the email message.</p> <p>RFT 2011-12 / EGCMA 75 Request for additional information</p>

Item 7: Lodgement of Tenders

Address of Tender box	<p>By Mail: PO Box 1012, BAIRNSDALE VIC 3875</p> <p>In Person: 574 Main Street BAIRNSDALE VIC 3875</p>
Hours of access to Tender box	08:30 to 17:00 Monday to Friday
Access restrictions (if any)	Nil
Information to be marked on package containing the Tender	<p>RFT 2011-12 / EGCMA 75 Confidential</p> <p>Internal Audit Services</p>
Other requirements	Three copies of the proposal shall be enclosed in a single envelope

Item 8: Additional rules

Faxed and emailed tenders will not be accepted.

2 Rules governing this RFT and the Tendering Process

2.1 Application of these rules

Participation in the Tendering Process is subject to compliance with the rules contained in this Part A.

All persons (whether or not they submit a Tender) having obtained or received this RFT may only use it, and the information contained in it, in compliance with the rules set out in this Part A.

All Tenderers are deemed to accept the rules contained in this Part A.

The rules contained in this Part A of the RFT apply to:

- the RFT and any other information given, received or made available in connection with the RFT including any additional materials specified in **item 6** of the **Reference Schedule** and any revisions or addenda;
- the Tendering Process; and
- any communications (including any Tender Briefings, presentations, meetings or negotiations) relating to the RFT or the Tendering Process.

2.2 Structure of RFT

2.2.1.1 **Introduction** – contains an overview of the opportunity presented in, and the objectives of, this RFT.

Part A – Conditions of Tendering sets out the rules applying to the RFT documents and to the Tendering Process. These rules are deemed to be accepted by all Tenderers and by all persons having received or obtained the RFT.

Part B – Specification describes the Goods and/or Services in respect of which the Authority invites Tenders from interested persons.

Part C – Proposed Contract contains the terms and conditions in compliance with which the Authority desires the Services set out in Part B to be provided.

Part D – Tenderer's Response specifies the information to be provided in a Tender and may also specify any information to be provided by a Tenderer by other means.

2.3 RFT

Status of RFT

This RFT is not an offer. This RFT is an invitation for persons to submit a proposal for the provision of the services set out in the Specification contained in Part B of this RFT. Nothing in this RFT is to be construed as creating any binding contract for the supply of the services (express or implied) between the Authority and any Tenderer unless and until the Authority has accepted that Tenderer's proposal in the manner contemplated in Item 4 of this Part A.

2.3.1 Accuracy of RFT

While all due care has been taken in connection with the preparation of this RFT, the Authority does not warrant the accuracy of the content of the RFT and the Authority will not be liable for any omission from the RFT.

2.3.2 Additions and amendments to RFT

The Authority reserves the right to change any information in, or to issue addenda to, this RFT.

2.3.3 Representations

No representation made by or on behalf of the Authority in relation to the RFT (or its subject matter) will be binding on the Authority unless that representation is expressly incorporated into the contract(s) ultimately entered into between the Authority and a Tenderer.

2.3.4 Confidentiality

All persons (including Tenderers) obtaining or receiving the RFT and any other information in connection with the RFT or the Tendering Process must keep the contents of the RFT and such other information confidential.

The Authority may require persons and organisations wishing to access or obtain a copy of this RFT or certain parts of it, or any additional materials (as referred to below in section 3.7 of this Part A) to execute a deed of confidentiality (in a form required by, or satisfactory to, the Authority) before or after access is granted.

2.3.5 Licence to use and Intellectual Property Rights

Persons obtaining or receiving this RFT and any other documents issued in relation to the Tendering Process may use the RFT and such documents only for the purpose of preparing a Tender.

Such Intellectual Property Rights as may exist in the RFT and any other documents provided to Tenderers by or on behalf of the Authority in connection with the Tendering Process are owned by (and will remain the property of) the Authority except to the extent expressly provided otherwise.

2.3.6 Availability of additional materials

Additional materials (if any) may be accessed in the manner set out in **item 6** of the **Reference Schedule**.

2.4 Communications during the Tendering Process

2.4.1 Project Manager

All communications relating to the RFT and the Tendering Process must be directed to the Project Manager.

2.4.2 Requests for clarification or further information

Any questions or requests for further information or clarification of the RFT (or any other document issued in connection with the Tendering Process) must be submitted to the Project Manager by email.

Any communication by a Tenderer to the Authority will be effective upon receipt by the Project Manager (provided such communication is in the required format).

The Authority may restrict the period during which it will accept questions or requests for further information or for clarification and reserves the right not to respond to any question or request, irrespective of when such question or request is received.

Except where the Authority is of the opinion that issues raised apply only to an individual Tenderer, questions submitted and answers provided will be made available by email to all Tenderers without identifying the person or organisation having submitted the question. In all other cases, the Authority may deliver any written notification or response to a Tenderer by leaving or delivering it to the email address of the Tenderer (as notified to the Project Manager).

2.4.3 Unauthorised communications

Communications (including promotional or advertising activities) with staff of the Authority is not permitted during the Tendering Process except as provided in the section above, or otherwise with the prior written consent of the Project Manager. Nothing in this section is intended to prevent communications with staff of the Authority to the extent that such communications do not relate to this RFT or the Tendering Process.

Tenderers must not otherwise engage in any activities that may be perceived as, or that may have the effect of, influencing the outcomes of the Tendering Process in any way.

Unauthorised communications with such persons may, in the absolute discretion of the Authority, lead to disqualification of a Tenderer.

2.4.4 Improper assistance

Tenderers must not seek or obtain the assistance of employees, agents or contractors of the Authority or the State in the preparation of their Tenders. In addition to any other remedies available to it under law or contract, the Authority may, in their absolute discretion, immediately disqualify a Tenderer that it believes has sought or obtained such assistance.

2.4.5 Anti-competitive conduct

Tenderers and their respective officers, employees, agents and advisers must not engage in any collusion, anti-competitive conduct or any other similar conduct with any other Tenderer or any other person in relation to the preparation, content or lodgement of their Tender. In addition to any other remedies available to it under law or contract, the Authority may, in its absolute discretion, immediately disqualify a Tenderer that it believes has engaged in such collusive or anti-competitive conduct.

2.4.6 Complaints about Tendering Process

Any complaint about the RFT or the Tendering Process must be submitted to the Project Manager in writing immediately upon the cause of the complaint arising or becoming known to the Tenderer. The written complaint must set out:

- the basis for the complaint (specifying the issues involved);
- how the subject of the complaint (and the specific issues) affect the person or organisation making the complaint;
- any relevant background information; and
- the outcome desired by the person or organisation making the complaint.

Any complaint submitted to the Project Manager in accordance with this section that relates to the conduct or performance of the Project Manager or the manner in which the Project Manager has handled the Tendering Process must also be copied to the Project Sponsor.

2.5 Submission of Tenders

Lodgement

Tenders must be lodged only by the means set out in **Item 7** of the **Reference Schedule**.

Where the **Reference Schedule** requires or permits Tenders to be lodged in hard copy, packages containing the Tender must be marked with the information set out in **Item 7** of the **Reference Schedule** and must be placed in the tender box at the address which is set out in **Item 7** of the **Reference Schedule**.

Late Tenders

Tenders must be lodged by the Closing Time. The Closing Time may be extended by the Authority in their absolute discretion by providing written notice to Tenderers.

Tenders lodged after the Closing Time or lodged at a location or in a manner that is contrary to that specified in this RFT will be disqualified from the Tendering Process and will be ineligible for consideration, except where the Tenderer can clearly demonstrate (to the reasonable satisfaction of the Authority) that late lodgement of the Tender:

- resulted from the mishandling of the Tender by the Authority ; or
- was hindered by a major incident and the integrity of the Tendering Process will not be compromised by accepting a Tender after the Closing Time.

The determination of the Authority as to the actual time that a Tender is lodged is final. Subject to paragraphs (a) and (b) above, all Tenders lodged after the Closing Time will be recorded by the Authority, and will only be opened for the purposes of identifying a business name and address of the Tenderer. The Authority will inform a Tenderer whose Tender was lodged after the Closing Time of its ineligibility for consideration. All such Tenders will be returned at the conclusion of the Tendering Process.

2.6 Tender documents

Format and contents

Tenderers must ensure that:

- their Tender is presented in the required format as set out in Part D; and
- all the information fields in Part D are completed and contain the information requested.

The Authority may at their absolute discretion reject a Tender that does not include the information requested or is not in the format required.

Unnecessarily elaborate responses or other presentations beyond what is sufficient to present a complete and effective proposal are not desired or required. **Marketing materials, elaborate artwork and expensive visual and other presentation aids are not necessary and should not be submitted.**

Word limits where specified should be observed and the Authority reserves the right to disregard any parts of the Tender exceeding the specified word limit.

Tenderers should fully inform themselves in relation to all matters arising from the RFT, including all matters regarding the Authority's requirements for the provision of the services. Tenderers will be deemed to have made their own enquiries and assessed all risks regarding the RFT, and to have fully incorporated the impact of any unknown risks into their Tender.

Illegible content, alteration and erasures

Incomplete Tenders may be disqualified or evaluated solely on the information contained in the Tender.

The Authority may disregard any content in a Tender that is illegible and will be under no obligation whatsoever to seek clarification from the Tenderer.

The Authority may permit a Tenderer to correct an unintentional error in their Tender where that error becomes known or apparent after the Closing Time, but in no event will any correction be permitted if the Authority reasonably considers that the correction would materially alter the substance of the Tenderer's Response.

Obligation to notify errors

If, after a Tenderer's Response has been submitted, the Tenderer becomes aware of an error in the Tenderer's Response (including an error in pricing, but excluding clerical errors which would have no bearing on the evaluation of the Tender) the Tenderer must promptly notify the Authority of such error.

Preparation of Tenders

The Authority will not be responsible for, nor pay for, any expense or loss that may be incurred by Tenderers in the preparation of their Tenders.

Disclosure of Tender contents and Tender information

Tenders will be treated as confidential by the Authority. The Authority will not disclose Tender contents and Tender information, except:

- as required by law (including, for the avoidance of doubt, as required under the *Freedom of Information Act 1982 (Vic)* (**FOI Act**));
- for the purpose of investigations by the Australian Competition and Consumer Commission or other government authorities having relevant jurisdiction;
- to external consultants and advisers of the Authority engaged to assist with the Tendering Process; or
- general information from Tenderers required to be disclosed by government policy.

Use of Tenders

Upon submission in accordance with the requirements of this Part A and **Item 7** of the **Reference Schedule**, all Tenders become the property of the Authority. Tenderers will retain all ownership rights in any intellectual property contained in the Tender. The submission of a Tender does not transfer to the Authority any ownership interest in the Tenderer's intellectual property rights, or give the Authority any rights in relation to the Tender, except as expressly set out below.

Each Tenderer, by submission of their Tender, is deemed to have licensed the Authority to reproduce the whole, or any portion, of their Tender for the purposes of enabling the Authority to evaluate the Tender.

Further, in submitting a Tender, the Tenderer accepts that the Authority may, in accordance with the requirements of applicable Victorian Government policy, publish (on the internet or otherwise):

- the name of the successful or recommended Tenderer(s);
- the value of the successful Tender; and
- the Tenderer's name together with the provisions of the contract generally.

Period of validity

All Tenders must remain valid for a minimum of 120 days from the Closing Time. The period of validity of a Tender may be extended by mutual agreement between the Authority and the Tenderer.

Status of Tender

Each Tender constitutes an irrevocable offer by the Tenderer to the Authority to provide the services required under, and otherwise to satisfy the requirements of, the Specification (Part B of this RFT) on the terms and conditions of the Proposed Contract.

A Tender must not be conditional on:

- approval of the board of the Tenderer or any related body corporate of the Tenderer being obtained;
- the Tenderer conducting due diligence or any other form of enquiry or investigation;
- the Tenderer (or any other party) obtaining any regulatory approval or consent;
- the Tenderer obtaining the consent or approval of any third party; or

- the Tenderer stating that it wishes to discuss or negotiate any commercial terms of the contract.
- The Authority may, at their absolute discretion, disregard any Tender that is, or is stated to be, subject to any one or more of the conditions detailed above.

The Authority reserves the right to accept a Tender in part or in whole or to negotiate with a Tenderer in accordance with this Part A.

2.7 Compliance with Specification

Compliance with Specification

- Complies means that in all respects the Tenderer's Response meets or otherwise satisfies all specified outputs, characteristics or standards.
- Will comply subject to conditions means that the specified outputs, characteristic or performance standard can only be met by the Tenderer subject to certain conditions.
- Will not comply means that the specified outputs, characteristic or performance standard is not met by the Tenderer's Response.

General

Indefinite responses such as “noted”, “to be discussed” or “to be negotiated” are not acceptable.

Where the Tenderer is unwilling to accept a specified condition, the non-acceptance must be clearly and expressly stated. Prominence must be given to the statement detailing the non-acceptance. It is not sufficient that the statement appear only as part of an attachment to the Tender, or be included in a general statement of the Tenderer's usual operating conditions.

An incomplete Tender may be disqualified or assessed solely on the information received with the Tender.

2.8 Evaluation of Tenders

Evaluation process

Following the Closing Time, the Authority intend to evaluate the Tenders received. Tenders will be evaluated against the Evaluation Criteria specified in Attachment A to this Part A of the RFT.

Following the initial evaluation process, the Authority may give notice to Tenderers that it wishes to:

- Following the Closing Time, the Authority intends to evaluate the Tenders received. Tenders will be evaluated against the Evaluation Criteria specified in Attachment A to this Part A of the RFT.
- Following the initial evaluation process, the Authority may give notice to Tenderers that it wishes to:
 - shortlist one or more Tenderers to proceed to further negotiations;
 - commence or continue negotiations with all Tenderers without shortlisting any Tenderers; or
 - accept one or more of the Tenders.

Should the Authority choose to include a shortlisting stage in its evaluation process, the Authority are not, at any time, required to notify Tenderers or any other person or organisation interested in submitting a Tender.

Clarification of Tender

If, in the opinion of the Authority, a Tender is unclear in any respect, the Authority may seek clarification from the Tenderer. Failure to supply clarification to the satisfaction of the Authority may render the Tender liable to disqualification.

The Authority are under no obligation to seek clarification of anything in a Tender and the Authority reserve the right to disregard any clarification that the Authority consider to be unsolicited or otherwise impermissible in accordance with the rules set out in this Part A.

Negotiation and presentation

The Authority may at any stage of the evaluation process elect to engage in detailed discussions and negotiations with any one or more Tenderers, with a view to maximising the benefits of the Tenders submitted.

As part of this negotiation process, the Authority may request such Tenderer(s) to improve one or more aspects of their Tender, including any technical, financial, corporate or legal components.

In its absolute discretion, the Authority may invite some or all Tenderers to give a presentation to the Authority in relation to their submissions, including a demonstration of the services.

The Authority is under no obligation to conduct any negotiations with, or to invite any presentations from, Tenderers.

In addition to presentations and negotiation, the Authority may request some or all Tenderers to:

- conduct a site visit;
- provide references; and/or
- make themselves available for panel interviews.

Best and final offers

Tenderers or, where the Tendering Process involves a shortlisting process, shortlisted Tenderers, may be invited by the Authority to submit a best and final offer in relation to all or certain aspects of their respective Tenders.

The Authority is under no obligation to give Tenderers the opportunity to submit a best and final offer. If the Authority chooses to give Tenderers the opportunity to submit a best and final offer, it is under no obligation to give notification before the Closing Time that such opportunity will be given.

Notwithstanding the possibility that the Authority may give Tenderers the opportunity to submit a best and final offer, Tenderers should be aware that the Authority will, in conducting its evaluation of Tenders, rely on all information (including all representations) contained in such Tenders. Tenderers are therefore encouraged to submit their best and final offers in the first instance.

Any one or more Tenderers may be required to submit an executed contract based on the Tender as part of their best and final offer. Unless and until the Authority executes such a contract, submission of a contract capable of acceptance by the Authority does not and will not be taken to give rise to a binding contract (express or implied) between a Tenderer and the Authority .

2.9 Successful Tenders

No legally binding contract

Selection as a successful Tenderer does not give rise to a contract (express or implied) between the successful Tenderer and the Authority for the supply of the Goods or Services. No legal relationship will exist between the Authority and a successful Tenderer for the supply of the services until such time as a binding contract is executed by them.

Successful Tenderers will be required to enter into a contract based on the Proposed Contract (contained in Part C of this RFT).

The Authority may, at their absolute discretion, decide not to enter into pre-contractual negotiations with a successful Tenderer.

A Tenderer is bound by its Tender (including the Statement of Compliance to the Proposed Contract forming part of the Tenderer's Response) and, if selected as a successful Tenderer, must enter into a contract on the basis of the Tender without negotiation.

No obligation to enter into contract

The Authority are under no obligation to appoint a successful Tenderer or Tenderers (as the case may be), or to enter into a contract with a successful Tenderer or any other person, if it is unable to identify a Tender that complies in all relevant respects with the requirements of the Authority, or if to do so would otherwise not be in the public interest. For the avoidance of any doubt, in these circumstances the Authority will be free to proceed via any alternative process.

2.10 Additional rules

Any rules governing the RFT or the Tendering Process in addition to those set out in this Part A, are set out in **item 8** of the **Reference Schedule**.

2.11 Tenderer warranties

By submitting a Tender, a Tenderer warrants that:

- in lodging its Tender it did not rely on any express or implied statement, warranty or representation, whether oral, written, or otherwise made by or on behalf of the Authority, its officers, employees, agents or advisers other than any statement, warranty or representation expressly contained in the RFT;
- it did not use the improper assistance of Authority employees or information unlawfully obtained from the Authority in compiling its Tender;
- it has examined this RFT, and any other documents referenced or referred to herein, and any other information made available in writing by the Authority to Tenderers for the purposes of submitting a Tender;
- it has sought and examined all necessary information which is obtainable by making reasonable enquiries relevant to the risks and other circumstances affecting its Tender;
- it has otherwise obtained all information and advice necessary for the preparation of its Tender;
- it is responsible for all costs and expenses related to the preparation and lodgement of its Tender, any subsequent negotiation, and any future process connected with or relating to the Tendering Process;
- it otherwise accepts and will comply with the rules set out in this Part A of the RFT;

- it will provide additional information in a timely manner as requested by the Authority to clarify any matters contained in the Tender; and

2.12 Authority's rights

Notwithstanding anything else in this RFT, and without limiting its rights at law or otherwise, the Authority reserves the right, at its absolute discretion at any time, to:

- cease to proceed with, or suspend the Tendering Process;
- alter the structure and/or the timing of the RFT or the Tendering Process;
- vary or extend any time or date specified in this RFT for Tenderers or other persons;
- terminate the participation of any Tenderer or any other person in the Tendering Process;
- require additional information or clarification from any Tenderer or any other person or provide additional information or clarification;
- negotiate with any one or more Tenderers and allow any Tenderer to alter its Tender;
- call for new Tenders;
- reject any Tender received after the Closing Time;
- reject any Tender that does not comply with the requirements of this RFT; or
- consider and accept or reject any alternative tender.

2.13 Governing law

This RFT and the Tendering Process is governed by the laws applying in the State of Victoria. Each Tenderer must comply with all relevant laws in preparing and lodging its Tender and in taking part in the Tendering Process.

2.14 Interpretation

Definitions

In this Request for Tender, unless a contrary intention is apparent:

Closing Time means the time specified as such in **item 4** of the **Reference Schedule** by which Tenders must be received.

Evaluation Criteria means the criteria set out in Attachment A to this Part A of the RFT.

Goods means the goods or other products required by the Authority, as specified in Part B of this RFT.

Intellectual Property Rights includes copyright and neighbouring rights, and all proprietary rights in relation to inventions (including patents) registered and unregistered trademarks (including service marks), registered designs, confidential information (including trade secrets and know how) and circuit layouts, and all other proprietary rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.

Authority means the government Authority (as specified in **item 1** of the **Reference Schedule**) responsible for the Tendering Process.

Project Manager means the person so designated in **item 3** of the **Reference Schedule**.

Project Sponsor means the person so designated in **item 3** of the **Reference Schedule**.

Proposed Contract means the agreement and any other terms and conditions contained in or referred to in Part C of this RFT.

Reference Schedule means the schedule so designated forming part of Part A of the RFT.

Request For Tender or **RFT** means this document (comprising each of the parts identified in section 2 of this Part A) and any other documents so designated by the Authority.

Services means the services required by the Authority, as specified in Part B of this RFT.

Specification means any specification or description of the Authorities requirements contained in Part B of this RFT.

State means the Crown in right of the State of Victoria.

Tender means a document lodged by a Tenderer in response to this RFT containing an offer to provide Goods and/or Services in accordance with the Specification.

Tenderer means a person or organisation that submits a Tender.

Tender Briefing means a meeting (the details of which are specified in **item 5** of the **Reference Schedule**) that may be held by or on behalf of the Authority to provide information about the RFT and the Tendering Process.

Tendering Process means the process commenced by the issuing of this Request for Tender and concluding upon formal announcement by the Authority of the selection of a successful Tenderer(s) or upon the earlier termination of the process.

Tenders Website means the web site administered by the Victorian Department of Treasury and Finance located at universal resource locator www.tenders.vic.gov.au.

Instruction

In this Request for Tender, unless expressly provided otherwise:

a reference to:

- “includes” or “including” means includes or including without limitation; and
- “\$” or “dollars” is a reference to the lawful currency of the Commonwealth of Australia; and

if a word or phrase is defined its other grammatical forms have corresponding meanings.

3 Attachment A: Evaluation Criteria

- In evaluating Tenderer's Responses, the Authority will have regard to:
- each of the specific evaluation criteria identified in the table below; and
- the overall value for money proposition presented in the Tenderer's Response.
- In this context, "value for money" is a measurement of benefits represented by a Tenderer's Response, including:
- quality levels;
- performance standards.
- Value for money will be assessed on a 'whole of life' basis (including the transitioning-in, the contract term and the transitioning-out phases of the relationship between the Authority and a Tenderer), with a view to long-term sustainability of the value for money proposition and with a focus on ensuring that value for money outcomes are promoted and protected following the conclusion of any contract that may result from this RFT.

In evaluating the Tenderer's Responses, the Authority may assign a particular weighting to any or all of the criteria specified in the table below. The Authority are under no obligation to advise Tenderers of such weightings.

Evaluation criteria
1. Capability – the demonstration of your ability to deliver the services
2. Approach, methodology - organisation's planned approach to undertake the work
3. Technical - key contact for operational purposes - skill set and experience of all staff
4. Demonstration of performance - evidenced by client referees
5. Price

**PART B –
PROJECT BRIEF**

Internal Audit Services

Tender No. 2011/12 EGCMA 75

January 2012

FOR MORE INFORMATION CONTACT:

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Corporate & Program Manager
East Gippsland Catchment Management
Authority
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INTRODUCTION

PROJECT OVERVIEW

The Authority seeks to appoint an Internal Auditor with recognised and proven skills to conduct internal audit services for a period of three years.

The Authority has had an Internal Audit function since 2002.

RATIONALE

The Authority has high governance standards and seeks continual improvement. The Authority also aims to continually improve business management systems and processes.

The role of the Internal Audit function is governed by the Terms of Reference - Audit & Finance Committee ([Appendix 1](#))

PROJECT OBJECTIVES

OBJECTIVES OF THE INTERNAL AUDIT

The Internal Audit is to contribute to the quality of management within the Authority by the provision of an independent, objective and ongoing review of compliance and management procedures and processes.

The main objectives of the Internal Audit project are to:

- Develop an Internal Audit program for each of the 2013 to 2015 financial years, agreed to by the Audit & Finance Committee;
- Attend Audit & Finance Committee meetings as required and assist the Committee with the oversight of financial and administrative processes;
- Conduct audit examinations on financial information, policies and procedures, in an independent, contemporary and professional manner to express an objective opinion on the findings and to provide recommendations for improvement.

SCOPE OF THE INTERNAL AUDIT

In preparing a response to this specification, prospective tenderers should recognise, but not be limited by, the issues below. It is anticipated that the scope of the services to be provided will cover:

- Provision of an assessment of the Authority's management processes and controls and report directly, both in writing and orally, to the Audit & Finance Committee on its findings;
- Provision of an assessment of the Authority's financial controls and report directly, both in writing and orally, to the Audit & Finance Committee on its findings;
- Assess the compliance with all legislation relevant to Local, State and Federal policies, plans and procedures;
- Identify any operational weaknesses or inefficient practices and provide written reports and recommendations to the Audit & Finance Committee on alternatives which might yield desired results;
- Provide an assessment of any other business process, practice or compliance issues as directed by the Audit & Finance Committee, within the terms and conditions of the agreement.

In accordance with the above-stated scope it is expected that the prospective tenderers will have the following:

- Extensive experience in the management of complex audits, investigations and special projects, strategic planning, budgeting and risk analysis;
- Demonstrated knowledge and experience in Public Sector accountability and probity requirements, legislation, guidelines and policies;
- Advanced problem solving including critical analysis of high priority complex issues;
- Superior liaison, communication, and presentation skills;
- Extensive knowledge of risk management, corporate governance, auditing practices and standards, investigation and management techniques;
- Experience and understanding of Catchment Management Authority business.

PROJECT SCHEDULE

Milestones and Key Tasks	Date of Completion
3.1.1 Commencement Activities	
Formal engagement of Internal Auditor	February 2012
Develop Internal Audit Program in consultation with the Audit Committee	April 2012
3.1.2 Audit Activities Year One	
Conduct Internal Audits 2012/13	July & October 2012, April 2013.
Revise Internal Audit Program in consultation with the Audit Committee	May 2013
3.1.3 Audit Activities Year Two	
Conduct Internal Audits 2013/14	July & October 2013, April 2014.
Revise Internal Audit Program in consultation with the Audit Committee	May 2014
3.1.4 Audit Activities Year Three	
Conduct Internal Audits 2014/15	July & October 2014, April 2015.

All dates are indicative only and will need to be confirmed with successful provider in conjunction with the Audit Committee

INTERNAL AUDIT TERM

The Internal Audit Term will be for a period of three years to 30 June 2015.

KEY PERFORMANCE INDICATORS

The performance of the Internal Auditor will be monitored and measured on an ongoing basis once work has commenced.

The following Key Performance Indicators are indicative of the expectations of the Authority in respect of Internal Audit;

- All Internal Audit reports to have specific recommendations to management for corrective / remedial action. Such recommendations are to be practical and achievable.
- All reports to include an identification and assessment of potential risks identified by the audit as per the Authority's Risk Management Framework
- All reports to be completed within the time frames that are specified and agreed to in the annual Internal Audit program.
- Internal Audit program is to be developed and agreed with the Audit Committee by the May meeting each year.
- The Internal Auditor will drive the program including scheduling reviews, completing reviews, and providing reports as agreed.

BUDGET

Whilst the Authority has set aside an indicative annual budget for the Internal Audit, it does not guarantee any specific number of hours to the successful Internal Audit provider. The Authority reserves the right to change, amend or terminate services to be undertaken according to the needs of the organisation.

The Authority foresees each review to take approximately 30-40 hours per visit or two (2) to three (3) days.

All proposals should present a single hourly blended rate that will be charged for work undertaken.

RELATIONSHIPS OF THE INTERNAL AUDITOR

TO THE AUTHORITY

The Internal Auditor will report directly to the board's Audit & Finance Committee by way of a written report and verbal presentation. The Audit & Finance Committee will ensure that the organisation receives the full benefits of the internal audit and that appropriate attention is given to matters raised by internal audit and external audit (including the Auditor-General).

The Internal Auditor will be accountable to the Authority Audit & Finance Committee and will be required to present each report to the committee, usually by telephone.

The Internal Auditor will be required to liaise with the Corporate & Program Manager in regards to delivery, timing and coordination of services.

The successful Internal Auditor will be required to enter into a contract using standard Victorian State Government contract (Part C - Example).

TO THE EXTERNAL AUDITOR

The Internal Auditor will be required to coordinate its activities and effectively liaise with Authority's External Auditors to optimise the total audit outcome. The External Auditor relies upon the work undertaken by the Internal Auditor in generally determining the level of internal control in an organisation.

To this end, the External Auditor will in the normal course of his audit form an opinion of the general effectiveness of the Internal Audit including its independence, scope and quality of personnel in determining the extent of external audit coverage.

Internal Audit Reports will become the property of the Authority and will, by necessity, be readily available for inspection by the External Auditor or his agent.

REPORTING & MONITORING REQUIREMENTS

REPORTING

The Internal Auditor will be required to prepare an Internal Audit report addressed to the Convener of the Authority's Audit & Finance Committee.

The report should initially be emailed to the Corporate & Program Manager to incorporate management responses for all audit findings prior to the final report being prepared.

INTERNAL AUDIT MONITORING

On an annual basis the Audit & Finance Committee will;

- review the adequacy and focus of the internal audit work plan and its fit with the Authority's risk profile and the work of the external auditors;
- review the internal auditor performance, its authority, the adequacy of its resources and the proposed allocation of those resources;
- take steps to confirm that the internal auditor has not been unduly influenced by management or experienced any problems with management.

VARIATION

All Internal Audit program variations need to be approved by the Authority prior to completion of additional tasks.

SELECTION CRITERIA

CRITERIA WEIGHTING

Criterion No.	Criterion Description	Weighting
1	Capability	10%
2	Proposed Project Methodology	10%
3	Technical	10%
4	Demonstration of performance	30%
5	Pricing	40%

COMMERCIAL REQUIREMENTS

The Authority requires that the following standards apply:

- That a policy exist for professional indemnity insurance for a minimum indemnity limit of \$2,000,000.
- That a policy exist for public liability insurance for a minimum sum insured of \$10,000,000. This policy must be maintained for the duration of the contract.

DISCLAIMER

The best available knowledge and information has been used in preparing this documentation. However, the Authority does not warrant the accuracy or reliability of the contents of this document. No responsibility is assumed by the Authority in respect of the contents or omissions from this document. The Tenderer is therefore advised to make its own independent enquires concerning matters relevant to its Tender proposal.

TENDERER'S PROPOSAL AND DOCUMENTS TO BE PROVIDED

All Tenderers must supply the following documents as part of the submission process;

- A completed copy of 'Part D - Tenderers Response' of the Request For Tender (RFT).

No other formats or documents will be considered.

Tenderers should access:

- RFT Parts A, B, C and D - Internal Audit Services Tender No. 2011-12 / EGCMA 75

LODGEMENT OF TENDERS

Three unbound copies of the proposal must be received in a sealed envelope marked:

Tender – Internal Audit Services
EGCMA 75
East Gippsland Catchment Management Authority
PO Box 1012
Bairnsdale VIC 3875

Tenders will be accepted up until the close of business on 27th January, 2012.

Tenders submitted electronically or by facsimile will not be accepted.

All tenders will be treated as strictly confidential.

REFERRAL OF ENQUIRIES

Please contact Rick Davies on (03) 5150 3564, or by e-mail to rdavies@egcma.com.au, should you have any questions regarding the requirements of the work



TERMS OF REFERENCE FOR AUDIT & FINANCE COMMITTEE

The Audit & Finance Committee reports to the Board. It has no executive powers of authority to implement actions in areas over which management has responsibility.

Membership

- The Audit & Finance Committee is appointed by the Board and will consist of:
 - ◆ Three Board Members
 - ◆ Two external members (independent of the Authority)
- Each member should be capable of making a valuable contribution to the Audit & Finance Committee
- The Convener of the Committee will be confirmed by the Board annually
- Appointment to the Audit & Finance Committee will be reviewed annually
- A quorum for any meeting will be three members, with at least one independent member present
- The Committee receives senior management support from the Business Manager and secretarial support from the Authority's Administration Coordinator.

Purpose and Objectives:

The Audit & Finance Committee will assist the Authority in fulfilling its oversight responsibilities. The Committee will undertake the oversight of:

- Financial performance and the effectiveness of the financial reporting process, including the annual budget, the annual financial statements and all other internal control
- The scope of work, performance and independence of internal audit
- Ratifying the engagement and dismissal by management of any chief internal audit executive
- Review the operation and implementation of the risk management framework
- The sign off of accounting policies

- The Authority's process for monitoring compliance with laws and regulations and Codes of Financial Practice
- In performing its duties, the Audit & Finance Committee will maintain effective working relationships with the Board, management, and the internal and external auditors
- To perform his or her role effectively, each Committee member will obtain an understanding of the detailed responsibilities of Committee membership as well as the Authority's business, operations and risks
- Review the Chief Executive remuneration, ensuring compliance with the Government Sector Executive Remuneration Panel (GSERP).

Authority

The Board authorises the Audit & Finance Committee, within the scope of its responsibilities to:

- Perform activities within its Terms of Reference
- Seek any information it requires from:
 - ◆ Any employee (and all employees are directed to co-operate with any request made by the Committee via the Chief Executive Officer or Business Manager)
 - ◆ Internal and external audit
 - ◆ External parties
- Obtain outside legal or other professional advice to assist in undertaking its oversight responsibilities
- Ensure the attendance of Authority officers at meetings as appropriate.

Attendance at Meetings

- The Committee may invite such other persons (eg the Chief Executive Officer, Business Manager, Internal Auditor) to its meetings, as it deems necessary
- The internal and external auditors should make presentations to the Committee as appropriate
- Meetings shall be held not less than quarterly. Special meetings may be convened as required. Internal audit or the external auditors may convene a meeting if they consider that it is necessary
- The agenda and supporting documentation should be delivered to the Audit & Finance Committee members at least three working days and one weekend in advance of each meeting
- The proceedings of all meetings will be minuted to reflect the work done by the Committee and are to be provided to the Board, at its next meeting
- The Committee will report to the Board at the next Board Meeting.

Roles and Responsibilities

The Committee will monitor and oversight the following:

- **Financial performance and the financial reporting process, including the annual financial statements.**

- ◆ Review and recommend the financial statements prior to finalisation and submission, where appropriate
 - ◆ Review the current areas of greatest business and financial risk and how these are being managed
 - ◆ Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- **The scope and work, performance and independence of internal audit**
 - ◆ Review and approve the internal audit plan, its scope and progress, and any significant changes to it, including any difficulties or restrictions on scope of activities, or significant disagreements with management
 - ◆ Ensure significant findings and recommendations made by the internal auditors are received, discussed with a course of action agreed and that this is implemented on a timely basis.
- **The engagement and dismissal by management of any chief internal audit executive**
- **Review of external audit**
 - ◆ Review the external auditor's report to ensure significant findings and recommendations are received and dealt with on a timely basis.
- **The operation and implementation of the risk management framework**
 - ◆ Review the Authority's policy for the oversight and management of business risks.

Performance

- **The committee will conduct an annual self assessment, as an agenda item for the last financial quarter of the year.**

Approved at Board Meeting 119 – 16th December 2009.

RFT PART C – PROPOSED CONTRACT

The successful tenderer will be required to sign a standard Victorian State Government contract.

The tenderer's response (Part D) includes a declaration that this contract will be signed and that no variations or alterations are to be made.

A template contract "Agreement for Provision of Services" can be found on page 2 of the following link;

<http://www.vgpb.vic.gov.au/CA2575BA0001417C/WebSearch?SearchView&1=Search~&Query=agreement+for+the+provision+of&Start=21&Count=20&SearchOrder=1&SearchWV=TRUE&SearchThesaurus=FALSE&SearchMax=1000>

RFT PART D – TENDERER’S RESPONSE

Tender document – PLEASE READ: Important information on the format of your tender response

- (a) Tenderers must provide a copy of the Tenderer’s Response (RFT Part D), submitted in accordance with the Conditions of Tendering (RFT Part A).
- (b) All responses must be provided within the specified boxes and must respond to the Specification (Part B) in accordance with the Conditions of Tendering (Part A). **Please do not provide additional attachments** but incorporate your proposal within the specific boxes. Any additional information not covered by your responses to earlier sections may be incorporated into Section “Any Other Matters” below.
- (c) Do not include graphics or data in responses. Where necessary, any graphics or data should be placed at the end of the documents and referred to in the response.
- (d) Include the name of the Tenderer in the footer of the Tender.

**EAST GIPPSLAND CATCHMENT MANAGEMENT
AUTHORITY**

CONTRACT - EGCMA 75

INTERNAL AUDIT SERVICES

Vendor Response

“NAME OF VENDOR”

I acknowledge that I have read this Request for Tender, understand all associated conditions and have fully acquainted myself with all matters relating to the proposed contract.

NAME AND ADDRESS OF REGISTERED OFFICE

AUSTRALIAN BUSINESS NUMBER

PRINCIPAL OFFICE IN VICTORIA

TELEPHONE

FACSIMILE

EMAIL ADDRESS

INTERNET ADDRESS

NAME OF TENDERER'S AUTHORISED AGENT

TITLE OF AUTHORISED AGENT

SIGNATURE:

EXECUTIVE SUMMARY

Tenderers shall provide a brief summary (**Max. 1 page**) providing an overview of their tender.

CAPABILITY

Please provide details of your organisation's knowledge and experience in your industry, in particular as it applies to the type of work expected under this contract.

Responses should include demonstrating experience in the business of Catchment Management Authorities and/or natural resource management generally. (Max. 1 page)

METHODOLOGY

Provide details of the methodology you propose to use to undertake the project to meet the requirements of the Project Brief (Part B).

Provide details of the proposed planning arrangements, in particular your capability for meeting the deadlines required in the Project Brief (Part B).

(Max. 1 page)

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TECHNICAL SKILLS

Please provide a brief Curriculum Vitae for each member of staff including partners that you are proposing for the work.

Note: this table is to be completed for all the key personnel involved in the service provision.

Name:	
Qualifications:	
Areas of experience	Duration
Insert relevant services to be provided.	

DEMONSTRATION OF PERFORMANCE

Briefly detail current or recent work performed by you which is relevant to the requirements detailed in the specification.

REFERENCES

Please provide referees that the Authority could contact with regards to the services offered.

CLIENT AND CONTRACT DETAILS:

Description of service:

Period:

CLIENT AND CONTACT DETAILS:

Description of service:

Period:

CLIENT AND CONTACT DETAILS:

Description of service:

Period:

PRICING

Provide a blended hourly charge rate for works to be included under the contract. The rate should be **exclusive of GST**. The rationale, exclusions and inclusions may be described in detail.

INSURANCE INFORMATION

The Authority requires appropriate public liability and professional indemnity insurance cover for the supply of services under this RFT.

Please provide the information listed below on your company's insurance arrangements.

Name of Insurance Company

Policy Type (e.g. Public):

Policy Number(s):

Expiry Dates:

Limit of Liability:

Comments:

Name of Insurance Company

Policy Type (e.g. Public):

Policy Number(s):

Expiry Dates:

Limit of Liability:

Comments:

CONFLICT OF INTEREST

Details of any interests, relationships or clients which may or do give rise to a conflict of interest and the area of expertise in which that conflict or potential conflict does or may arise; details of any strategy for preventing conflicts of interest.

YES NO Partial

Comments:

ACCEPTANCE OF STATE GOVERNMENT CONTRACT

It is a condition of submitting this tender that your organisation is prepared to accept a standard State Government purchase contract.

Please confirm your compliance with this requirement in this space.

ANY OTHER MATTERS

Please detail any matters which have not been covered in previous sections and you believe need to be taken into consideration when your offer is evaluated.