



## **TERMS OF REFERENCE**

**NAME OF THE PROJECT: IT AUDIT (General Controls  
And Application Controls)**

## 1. INTRODUCTION OF THE PROJECT

The Internal Audit Unit requires the assistance of the external service provider to conduct IT audit. The appointed service provider will cover the areas identified or outlined under specification/scope below.

## 2. AIM OF THE PROJECT

The aim of the project is to ensure that the ICT unit processes are audited to identify gaps that may exist and also to provide the unit with recommendations for improvement.

## 3. SCOPE OF WORK

The Service Provider should perform reviews and tests on the following areas:

- User access management:
  - ✦ Access controls – Core processing system
  - ✦ Access control – LAN/WAN
  - ✦ Policies and procedures
  - ✦ User maintenance on applications, operating system, database and network level
  - ✦ Monitoring of user access and system controller/administrator activities.
- Information security management
  - ✦ Policies and procedures
  - ✦ Antivirus/ Malware protection
  - ✦ Patch management
  - ✦ Firewall review
- Security Management (Physical access and environmental control)
- Change management
  - ✦ Policies and procedures
  - ✦ Updates to software programs
  - ✦ Vendor access
  - ✦ Segregation of duties
- Intrusion prevention and managed network device administration
- Remote access
- Remote deposit capture
- Website
- Identity theft prevention
- IT service Continuity
  - ✦ Policies and procedures
  - ✦ Disaster recovery and business continuity management
  - ✦ Backups and tape management
- IT governance

- ✚ IT Budget (budget versus spending on key projects)
- IT assets management
- IT incident management
- IT software licensing
- Third party IT providers
  - ✚ Contract management
  - ✚ SLA's
- MSCOA readiness assessment
- Follow-up on IA & AG prior year audit findings

Kindly note that our municipality utilises the following systems:

- EVerus;
- PayDay; and
- WAN/LAN.

#### **4. IMPLEMENTATION**

The service provider will be responsible for the following:

- a) Planning
- b) Execution
- c) Reporting
- d) Follow-up on IA & AG ICT report 2015/2016 financial year.

#### **5. KEY DELIVERABLES**

- a) Audit Planning memorandum
- b) System description
- c) Audit program/procedures
- d) Sampling methodology
- e) Working papers
- f) IT Audit report with management comments.

#### **6. CONDITIONS OF THE CONTRACT**

Contract will lapse once the project is completed, discussed with management and submitted to internal audit with management comments.

## 7. PROJECT TIMEFRAME

The project must be complete within three weeks commencing on the 01 June 2017.

## 8. PROJECT BUDGET

- Service Providers must present a work plan and budget consistent with the amount of work as specified in the "scope of work".
- Service providers must present a proposal driven by cost saving methods and prices which are commensurate to the specified scope of work.
- The successful service provider shall be paid for services rendered.

## 9. EVALUATION CRITERIA

### **PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011 POINTS WILL BE AWARDED AS FOLLOWS:-**

Received Responsive Proposals will be evaluated based on the following criteria  
The bid will be evaluated in two stages namely:

- Stage 1 - Functionality
- Stage 2 - Price and Preferential Points

ITEM	Points allocation	Weight 5 - 1	Value 100%
<b>STAGE 1 OF EVALUATION FUNCTIONALITY</b>			
Company previous experience in projects of similar nature	Provide at least 5 previous projects of this nature with 3 traceable references, including contact details	5	45 %
	Provide at least 3 previous projects of this nature with 2 traceable references, including contact details	3	
	Provide at least 2 previous projects of this nature with 1 traceable references, including contact details	1	
Project Manager's Qualifications and Experience	B-Tech Degree in Information Technology/ Degree in Computer Science or CISA qualification with at least 5 years'	5	35 %

	experience in IT Auditing.		
	IT Diploma with at least 3 years' experience in IT auditing.	3	
	IT related certificate with at least 1 years' experience in IT auditing.	1	
Auditors' Experience	At least four (4) years' experience in IT auditing.	5	20 %
	At least three (3) years' experience in IT auditing.	3	
	At least two (2) years' experience in IT auditing.	1	
<i>CV's, letters of recommendation and copies of certified certificates must be attached to claim the points</i>			
<b>STAGE 2 OF EVALUATION PRICE &amp; BBBEE POINTS</b>			
<b>Price</b>		<b>80</b>	
<b>BBBEE POINTS</b>		<b>20</b>	