



**PUBLIC PROCUREMENT AND DISPOSAL
OF PUBLIC ASSETS AUTHORITY**

"Procurement That Delivers"

**REPORT ON THE COMPLIANCE INSPECTION OF KYAMBOGO
COLLEGE SCHOOL FOR THE CALENDAR YEAR 2024**

MAY 2025

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ACRONYMS

AO	Accounting Officer
CC	Contracts Committee
EC	Evaluation Committee
BEB	Best Evaluated Bidder
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
HPDU	Head, Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) carried out a compliance inspection of Kyambogo College School that covered a representative sample of 5 procurement transactions under Calendar Year 2024.

The overall objective of the inspection is to ensure that procurement and disposal activities have been conducted in accordance with the laid down public procurement procedures enshrined in the PPDA Act Cap. 205, the PPDA Regulations, 2023 and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014

From the findings of the compliance inspection exercise, the summary performance of the School revealed an aggregate risk rating 49% which is Moderately Satisfactory performance as per the ranking in table 6 of the attached report.

Despite the moderately satisfactory performance, the following exceptions were noted:

1. The Entity conducted two procurements worth UGX 271,088,320 i.e procurement of school's magazine and procurement for paving of the walk ways outside the approved procurement plan for the calendar year 2024 contrary to Section 60 (10) of the PPDA Act Cap. 205. This indicates that the Contracts Committee did not play an effective internal control role in the procurement process hence risking mis-management of funds.
2. Failure by the User Departments to prepare and submit departmental work plans to the Procurement and Disposal Unit contrary to Paragraph 7.5.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 which results in ineffective procurement planning funds allocation.
3. The Entity used the direct procurement method without adequate justification (there was an emergency) in four procurements worth UGX 457,276,320 i.e procurement of Schools magazine, procurement of students uniforms for year 2024, procurement of additional student's uniforms for year 2024 and procurement of walk ways. This was contrary to Paragraph 8.5.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 hence limiting competition and value for money.
4. Issued a local purchase order worth UGX 5,888,000 without Contracts Committee approval in the procurement of additional Uniforms for students. Local Purchase Order was issued to Kwera Limited without Contracts Committee approval of the procurement contrary to Paragraph 5.10.1 (d) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 which implies lack of independence of functions and powers and interference in the procurement process.
5. Failure to prepare and share performance/ progress reports with the Procurement and Disposal Unit by the contract managers and User Departments contrary to Paragraph 5.20.1 (h) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 which is an indication of a capacity gap among User Departments to effectively manage contracts and reporting thus deterring the achievement of value for money.

The Authority recommends that:

1. The Head Procurement and Disposal Unit should update the procurement plan on quarterly basis in accordance with Section 60 (7) of the PPDA Act Cap, 205.
2. The Accounting Officer should task the Heads of User Department to identify their procurement needs and prepare and submit departmental work plans to the Procurement and Disposal Unit for integration into the annual procurement plan in accordance with Paragraph 7.5.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.
3. The Accounting Officer should task the User departments to conduct proper needs assessment and cost estimation during the budgeting stage in order to minimize emergency requests.
4. Head Procurement and Disposal Unit should ensure that all procurements to be undertaken are submitted to Contracts Committee for approval in accordance with Paragraph 5.10.1 (d) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.
5. Task the User Departments/appointed contract managers to prepare a contract implementation plan and forward a copy to the Procurement and Disposal Committee for monitoring purposes in accordance with Paragraph 12.12.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014

CHAPTER 1: INTRODUCTION

1.1 Structure of the Entity

Kyambogo College School's mandate is to provide affordable, equitable and all round education with scientific, technical and attitude so as to create useful citizens.

According to Section 28 of the PPDA Act Cap. 205, the Accounting Officer has the overall responsibility for the successful execution of procurement, disposal and contract management in a Procuring and Disposing Entity. The Accounting Officer of Kyambogo College School during the Academic Year 2024 was Mr Stanley Mugume.

The PS/ST of Ministry of Finance, Planning and Economic Development approved the following members of the Contracts Committee listed in Table 1 below who also acted during the period under review:

Table 1: List of the Contracts Committee Members

No:	Name	Committee Position	Position in the Entity
1.	Ms. Margret Harriet Apolot	Chairperson	Deputy Head Teacher
2.	Mr. Alex Isingoma	Secretary	Procurement Officer
3.	Mr. Robert Erima	Member	Teacher
4.	Ms. Roseline Aguti	Member	Teacher
5.	Mr. Arsen Lutaya	Member	Fine Art Teacher

According to Section 33 of the PPDA Act Cap. 205, and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014, all procurement or disposal activities of the Procuring and Disposing Entity except adjudication and the award of contract are to be managed by the Procurement and Disposal Unit. The Procurement and Disposal Unit during the year under review was headed by Mr. Alex Isingoma.

1.2 Background

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal inspection of Kyambogo College School that covered a representative sample of 5 procurement transactions under Calendar Year 2024. The inspection involved a review of procurement structures, procurement and asset disposal processes, as well as contract performance following the provisions of the PPDA Act Cap. 205 and of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

1.3 Objectives of the Compliance Inspection

The overall objective of the procurement and disposal inspection was to assess and establish the degree of compliance of Kyambogo College School's procurement system and processes with the provisions of the PPDA Act Cap. 205 and of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 and assess the level of procurement performance over the inspection period.

The specific objectives were to:

1. To Establish the level of compliance by the School with the general provisions of the PPDA Act Cap 205 and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 with regard to the performance of the procurement structures and conduct of the procurement processes;
2. To Assess the degree of compliance of the School disposal process with the provisions of the PPDA Act Cap. 205 and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014; and
3. To Assess the level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) Requirements in the procurement process.

1.4 Inspection Scope

The inspection involved a review of the procurement and disposal process, general compliance issues and contract implementation on sample basis. The inspection covered a representative sample of 5 procurement transactions under the Calendar Year 2024. The list of sampled transactions is contained in Annex A.

1.5 Methodology

Kyambogo College School was notified about the upcoming inspection on **29th January 2025** and commenced on **10th February 2025**. To prepare for the compliance inspection, the auditors reviewed the School's budget, procurement plan and quarterly reports.

The inspection team examined records and documents for each sampled procurement transaction and/or disposal and obtained the relevant evidence to derive inspection conclusions. This involved a review of the School's procurement/disposal planning, initiation, bidding, evaluation, contract placement and processes.

A debrief meeting to clear all pending issues that arose during the inspection was held with the School's management and staff on 14th February 2025 before the inspection team could embark on preparation of the Management Letter. The inspection team prepared the Management Letter, which was sent to the Entity on 5th March 2025 with a request to submit a management response by 14th March 2025, which was submitted on 13th March, 2025.

CHAPTER 2: COMPLIANCE INSPECTION FINDINGS

2.1 Compliance by the School with the General Provisions of the PPDA Act Cap. 205 and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 with regard to the Performance of the Procurement Structures and Conduct of Procurement Processes.

2.1.1 Procurement structures

The key players in the procurement structure at Kyambogo College School included the Head Teacher as Accounting Officer, the Contracts Committee, the Procurement and Disposal Unit and the User Departments.

i. Accounting Officer

Section 28 (1) of the PPDA Act, Cap 205 gives the Accounting Officer the overall responsibility for the successful execution of procurement, disposal and contract management in the Procuring and Disposing Entity. The Head Teacher; Mr. Stanley Mugume was designated as the Accounting Officer of the school during the Calendar Year 2024.

iii. Failure to establish a fully staffed Procurement and Disposal Unit

Clause 4.4 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 provides that, educational institutions with budgets exceeding UGX 150,000,000 must employ two Procurement Officers. However, the Authority observed that although the School's budget for the financial year amounted to UGX 3,243,618,700, it lacked a fully staffed Procurement and Disposal Unit. The Procurement and Disposal Unit was managed by Mr. Alex Isingoma in the position of Procurement Officer.

Implication

Low staffing levels could result into inefficiencies which would cripple the procurement function.

Management Response

In consultation with the Board of Governors and considering our resource envelope to cater for additional staff member in the Unit, the existing gap shall in the near future be filled accordingly.

Recommendation

The Accounting Officer should expedite the recruitment of the second Procurement Officer in accordance with clause 4.4 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 which requires establishing a Procurement and Disposal Unit staffed at an appropriate level.

2.1.2 Procurement Plan Implementation Rate

A review of the School's Local Purchase Orders (LPOs) against the procurement plan for the calendar year 2024 revealed that the School implemented only 49% (UGX 1,580,354,840) of the procurement plan for the year 2024 (UGX 3,243,618,700). Table 2 below demonstrates the procurement plan implementation rate of the School during the calendar year 2024.

Table 2: Procurement Plan Implementation Rate

Total procurement plan for 2024 (UGX)	3,243,618,700
Total value of issued LPOs for procurement in 2024 (UGX)	1,580,354,840
Rate of procurements implemented (%)	49
Procurement implementation variance (UGX)	1,663,263,860

Implication

There is a likelihood that procurements were not handled through a due process which undermines the principles of transparency and accountability.

Management Response

We have attached herewith, a list of all Local Purchase Orders, for all supplies, services, works handled during the calendar year 2024, as required of us.

Authority's comment;

The Authority has verified the attached list of Local Purchase Orders amounting to UGX 1,580,354,840. However, the implementation rate still remains at 49%. This means that the School did not implement some procurements during the academic year.

Recommendation

- The Accounting Officer should ensure the School on a quarterly basis and in any other case wherever necessary review and update its procurement plan.
- The Head, Procurement and Disposal Unit should update the procurement plan in the event of changes in the prevailing circumstances at the School that cause amendments in the departmental work plans in accordance with Section 60 (7) of the PPDA Act, Cap 205.

2.1.3 Conducting procurements outside the approved procurement plan

The Authority found that two procurements worth UGX 271,088,320 were conducted outside the approved procurement plan for the academic year 2024 contrary to Section 60 (10) of the PPDA Act Cap. 205. The procurements are listed in Table 3 below:

Table 3: Procurements conducted outside the approved procurement plan

No.	Subject of Procurement	Contract Amount (UGX)
1.	Procurement of Schools Magazine	15,000,000
2.	Paving of the walk ways	256,088,320
	Total	271,088,320

Implication

This indicates that the Contracts Committee did not play an effective internal control in the procurement process hence risking mis management of fund.

Management Response

The two procurement requirements worth UGX 271,088,320 said to have been conducted outside the approved procurement plan for the academic year 2024 was an omission. The Head Procurement and Disposal Unit ought to have updated the Procurement plan and submit it to CC for approval to consider new developments prior to implementation.

However, the School Administration shall henceforth ensure that all the Procurement businesses align with the approved Procurement plan prior to implementation.

Recommendations

- The Contracts Committee and Procurement and Disposal Unit should conduct procurement processes for only items contained in the procurement plan in accordance with Section 60 (10) of the PPDA Act Cap. 205.
- The Head Procurement and Disposal Unit should update the procurement plan on quarterly basis in accordance with Section 60(7) of the PPDA Act Cap. 205.

2.1.4 No evidence of the User Departments preparing and submitting departmental work plans to the Procurement and Disposal Unit

There was no evidence of the User Departments identifying their procurement needs, preparing and submitting departmental work plans for integration into the annual procurement plan contrary to Paragraph 7.5.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Implication

This results in ineffective procurement planning funds allocation.

Management Response

User Departments always identify their procurement needs. However, submissions have always been made to the Accounts department for consideration in the annual general School Budget. Effective this academic year-2025, heads of user departments shall be encouraged to as well prepare and submit their respective departmental needs and work plans to PDU for integration into the annual procurement plan as required under Paragraph 7.5.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014. This will enable proper allocation of funds and effective budget implementation.

Recommendation

The Accounting Officer should task the Heads of User Department to identify their procurement needs and prepare and submit departmental work plans to the Procurement and Disposal Unit for integration into the annual procurement plan in accordance with Paragraph 7.5.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

2.1.5 No evidence of the Contracts Committee approving the procurement plan of 2024

There was no evidence of the Contracts Committee approving the procurement plan for the calendar year 2024 contrary to Paragraph 5.10.1 (a) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Implication

This allows the School to procure non-budgeted for procurements ultimately denying end users anticipated goods and services.

Management Response

It is true, there was an omission where PDU did not submit the Procurement plan for the calendar year 2024 to CC for approval prior to implementation, contrary to Paragraph 5.10.1 (a) of Guideline No.5 of 2014 of the Procurement and Disposal Guideline for Schools in Uganda. Henceforth however, we shall ensure that Contracts Committee approves the School annual procurement plan and any amendments thereto (if any), in accordance with the provisions of the law. More so, the School annual procurement plans shall always be submitted to the Authority in accordance with Section 60 (I) of the PPDA Act Cap.205 after approval by CC and this shall be done effective with the Procurement Plan for the Academic/Calendar year, 2025.

Recommendations

The Accounting Officer should:

- Task the Contracts Committee to approve the School's annual procurement plan and any amendments to the plan in accordance with Paragraph 5. 10. 1 (a) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.
- Submit an approved copy of the School's procurement plan for the calendar year 2025 within one month from the date of issue of this management letter in accordance with Section 60 (I) of the PPDA Act Cap.205.

2.1.6 No evidence of Submitting Quarterly Procurement Reports to PPDA

The School did not submit quarterly reports on procurement and disposal for the calendar year 2024 to PPDA contrary to Paragraph 5.2.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Risk Implication

This undermines the principles of transparency and accountability as well as the oversight role of PPDA in monitoring public procurement compliance of the School.

Management Response

It is true, the School did not submit quarterly reports on procurement and disposal for the calendar year 2024 to PPDA contrary to Paragraph 5.2.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda. However, these reports were prepared on a monthly basis and are available in the records of the PDU. Effective this Academic year - 2025, we shall ensure that quarterly reports of procurement and disposal detailing contracts awarded and completed are submitted to PPDA in accordance with Paragraph 5.3.1(d) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Recommendation

The Accounting Officer should submit quarterly reports of procurement and disposal detailing contracts awarded and completed in accordance with Paragraph 5.3.1(d) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

2.1.7 Inadequate justification for the use of the Direct Procurement method

The Authority noted that in four procurements worth UGX 457,276,320 the Direct Procurement method was used without adequate justification to acquire goods and services contrary to Paragraph 8.5.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 as detailed in Table 4 below:

Table 4: Procurements with inadequate justification for the use of the Direct Procurement method

No	Subject of Procurement	Procurement Method	Justification
1.	Procurement of Schools Magazine UGX 15,000,000	Direct Procurement Method	There was an emergency
2.	Procurement of Students Uniforms for year 2024 UGX 180,300,000	Direct Procurement Method	There was an emergency
3.	Procurement of Additional Students Uniforms for year 2024 UGX 5,888,000	Direct Procurement Method	There was an emergency and need to use the same provider.
4.	Procurement of Walk ways UGX 256,088,320	Direct Procurement Method	There was an emergency

Implication

Use of the Direct Procurement method without adequate justification limits competition and value for money.

Management Response

Requirements which were processed under direct method of procurement as highlighted by the Authority had sufficient justification and their implementation at a time was really necessary. Henceforth however, the School Administration shall ensure that most of the causes for emergency situations (not limited to poor planning by the user departments) are mitigated and through the Procurement and Disposal Unit and Contracts Committee, all procurement requirements (except those stipulated by law) shall be processed under competitive bidding methods of procurement in order to ensure effective competition and value for money as required by law.

Recommendation

The Accounting Officer should task the User departments to conduct proper needs assessment and cost estimation during the budgeting stage in order to minimize emergency requests.

2.1.8 Approval of inadequate solicitation documents

The Authority noted that in the procurement for paving of the walk ways worth UGX 256,088,320, an inadequate solicitation document was issued i.e. Special Condition of the Contract was not duly filled and missing the detailed technical evaluation criteria and methodology. This is contrary to clause 16 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Implication

Inadequate solicitation documents make it difficult for bidders to prepare and submit responsive bids, thus reducing the level of competition and can also result in awarding contracts to providers that are not capable of delivering as per the requirements of the User.

Management Response

Procurement and Disposal Unit shall at all times ensure that complete solicitation documents are prepared and issued to the bidders in accordance with Clause 16 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 in regards to the preparation of solicitation documents.

Recommendation

The Chairperson Contracts Committee, the Head, Procurement and Disposal Unit and User Departments should adhere to Clause 16 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 in regards to the preparation of solicitation documents.

2.1.9 Failure to have quorum at evaluation

The Authority noted that in the Procurement for School's Magazine worth UGX 15,000,000, only two members of the Evaluation Committee evaluated bids instead of the required minimum number of 3 members. This is contrary to Paragraph 5.22.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Implication

This hinders technical expertise at evaluation hence leading to irregularities at evaluation.

Management Response

A regrettable omission however happened that much as one of the members - Mr. Bwire Jonan participated in the bid evaluation exercise, forgetfully the member did not append his signature on the evaluation report. Henceforth therefore, we shall ensure that PDU secures signatures of all the evaluation team members prior to submission of the evaluation report to CC for approval. And we shall at all time task the CC to be vigilant on the same issue in order to avoid contradicting with the requirement of the law as stipulated in Paragraph 5.22.2 of Guideline No.5 of 2014 of the Procurement and Disposal Guideline for Schools in Uganda.

Recommendation

The Contracts Committee should ensure that an Evaluation Committee comprises of a minimum of three members as required under paragraph 5.22.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

2.1.10 Failure to seek Solicitor Generals' approval

The Authority noted that in the procurement for Paving walk ways worth UGX 256,088,320, there was also no evidence that the Solicitor General approval was sought before the contract was signed contrary to Regulation 7 (1) (f) of the PPDA (Contract) Regulations, 2014.

Implication

This denies the School grounds for litigation from poor performance of the contractor.

Management Response

There was an omission of failure to seek for the Solicitor General's clearance of the contract for the Paving of the walk ways worth UGX 256,088,320 as noted by the Authority. In future however, the School shall ensure that all Procurement requirements and Contracts worth UGX. 200,000,000 and above are submitted to the Solicitor General for clearance prior to contract signing and implementation as required under Regulation 7 (1) (f) of the PPDA (Contract) Regulations, 2014.

Recommendation

The Accounting Officer should always seek the Solicitor General's clearance before signing contracts above UGX. 200 million in accordance with the Regulation 6 (1) (f) of the PPDA (contracts) Regulations, 2023.

2.1.11 Issuing a local purchase order without Contracts Committee approval

The Authority noted that in the procurement of additional Uniforms for students worth UGX 5,888,000, a Local Purchase Order was issued to Kwera Limited without Contracts Committee approval of the procurement contrary to Paragraph 5.10.1 (d) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Implication

This implies lack of independence of functions and powers and interference in the procurement process.

Management Response

LPO for the procurement of additional Uniforms for students (special sizes) worth UGX 5,888,000 without Contracts Committee approval follows a situation of need to cater for the students with sizes that had not been pre-determined in the original order which was issued to M/s Kwera Limited (the supplier).

As a lesson taken however, the user representatives shall be tasked to consider such sizes during planning so as to avoid the situation of emergency in ordering of additional items. More to that, PDU shall be tasked to ensure that all procurements to be undertaken are submitted to Contracts Committee for approval prior to implementation, in accordance with Paragraph 5.10.1 (d) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

Recommendation

Head Procurement and Disposal Unit should ensure that all procurements to be undertaken are submitted to Contracts Committee for approval in accordance with Paragraph 5.10.1 (d) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

2.2 Level of Compliance of the School's Disposal Process with the Provisions of the PPDA Act Cap. 205 and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

2.2.1 Failure to dispose obsolete assets

i. Failure to institute a Board of Survey

It was noted that the School had not instituted a Board of Survey to assess and determine the status of the assets under the School's custody contrary to clause 9.2. of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Management Response

As noted by the Authority, the School had not instituted a Board of Survey to assess and determine the status of the assets under the School's custody. Henceforth however, the School shall ensure that a Board of Survey is instituted to assess and determine the status of the assets under the School's custody as guided under clause 9.2.3 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

ii. Failure to draft a disposal plan for approval by the Board of Governors

Contrary to clause 9.2.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 there was no disposal plan in place.

Management Response

The disposal plan as compiled under the Consolidated Procurement and Disposal plan 2024, is in place. As noted by the Authority however, the disposal plan was not submitted for approval by the Board of Governors in accordance with clause 9.2. of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014. Henceforth, the School shall effective with the academic year 2025 draft a disposal plan for the obsolete assets and submit it to the Board of Governors for consideration prior to implementation.

iii. Failure to dispose obsolete assets

The Authority noted that the School had not conducted any disposal process during the period under review contrary to clause 9.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014. The following assets including: computers, printers, water tanks chairs among others were thus not disposed of.

Implication

This increases the costs of holding items, theft and depreciation of assets.

Management Response

Much as the Authority noted that the School had not conducted any disposal process during the period under review contrary to clause 9.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014, most (if not all) of the highlighted assets are deemed still useful especially for study purposes and others can be repaired at a cost lower than the purchase cost for the new items. Some of the items such as Computers, printers, water tanks chairs among others are still deemed useful to the School and thus could not be disposed off during the period under review.

Recommendations

The Accounting Officer should:

1. Task the Heads of User Departments to declare, and to submit to her office, a list of all obsolete assets for disposal in accordance with Paragraph 9.2.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.
2. Present to the Board of Governors, for approval of disposal action, the list of assets to be disposed of in accordance with Paragraph 9.2.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.
3. Constitute a Board of Survey to verify the condition of all identified obsolete assets and task it to submit a Board of Survey report.
4. Task the Board of Governors to approve boarding off obsolete assets based on the Board of Survey report in accordance with Paragraph 9.2.3 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.
5. Task the Procurement and Disposal Committee/Unit to prepare and submit to PPDA the School's disposal plan for 2025 - based on the Board of Survey report - in accordance with Section 60 (1) of the PPDA Act Cap. 205.

2.3 Level of Efficiency and Effectiveness in Contract Implementation including the Application of Environmental, Social, Health and Safety (ESHS) Requirements in the Procurement Process

2.3.1 No evidence of nominating and appointing contract managers

In all sampled procurements worth UGX 1,580,354,840 (Annex I), there was no evidence of the User Departments nominating to the Accounting Officer a member from the User Department with appropriate skills and experience to be appointed as contract manager contrary to Paragraph 12.12.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

Implication

Without contract managers, there is a likelihood of not executing contracts in full compliance with the contractual terms and conditions hence affecting maximization of value for money.

Management Response

Henceforth however, the Accounting Officer shall at all times task the Heads of User Departments to always nominate a member of their department with appropriate skills to be appointed as contract manager for all signed contracts or issued Local Purchase Orders in accordance with Paragraph 12.12.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Recommendations

The Accounting Officer should:

- Task the Heads of User Departments to always nominate a member of their department with appropriate skills to be appointed as contract manager for all signed contracts or issued Local Purchase Orders in accordance with Paragraph 12.12.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

- Task the User Departments/appointed contract managers to prepare a contract implementation plan and forward a copy to the Procurement and Disposal Committee for monitoring purposes in accordance with Paragraph 12.12.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

2.3.2 Preparing and sharing performance/ progress reports with the Procurement and Disposal Unit

Despite the absence of contract managers, there was no effort made by the User Departments to prepare and share contract progress and/or performance reports with the Accounting Officer copied to the Procurement and Disposal Committee contrary to Paragraph 5.20.1 (h) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Implication

This inhibited accountability and contract effectiveness.

Management Response

The School Administration shall task User Departments to prepare and share contract implementation plans in accordance with Paragraph 12.12.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda and progress or performance reports with the Accounting Officer.

Recommendation

The Accounting Officer should task the Heads of User Departments to prepare performance and/or progress reports and share them with the Procurement and Disposal Committee for monitoring purposes and archiving in accordance with Paragraph 5.20.1 (h) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE SCHOOL

This section will present the scores per area assessed under different inspection questions

3.1 Overall Compliance Inspection Conclusion

The performance of Kyambogo College School for the Academic Year 2024 was **Moderately Satisfactory** with overall weighted average risk rating of **49%**.

Entity's Performance

The risk rating was weighted to determine the overall risk level of the Entity. The weighting was derived using the average weighted index as shown in Table 5 below:

Table 5: Summary of performance of Kyambogo College School

Risk category	No.	No. %	Value	Value %	Weights	Total weighted Average	
						By No.	By Value
High	3	30	276,976,320	17.5	0.6	18	10.5
Medium	2	20	1,303,378,520	82.4	0.3	6	24.7
Low	0	0	0	0	0.1	0	0
Satisfactory	0	0	0	0	0	0	0
Total	5	100	1,580,354,840	100	1	24	35.2

$$\text{Performance by Number} = \frac{24 \times 100}{60} = 40\%$$

$$\text{Performance by Value} = \frac{35.2 \times 100}{60} = 58.6\%$$

$$\text{The average weighted risk rating} = \frac{40 + 58.6}{2} = 49\%$$

Table 6: Risk rating is as follows:

Risk Rating	Description of Performance
0-30	Satisfactory
31-70	Moderately Satisfactory
71-100	Unsatisfactory

3.2 Recommended Action Plan

Kyambogo College School should implement the following recommendations within the timeframe given in order to improve its performance in procurement and disposal listed in Table 7 below.

Table 7: Recommended Action Plan

Origin	Recommended Action	Target Date
Accounting Officer	<ol style="list-style-type: none"> 1. The Accounting Officer should adhere to clause 4.4 of the PPDA Guideline 5/2014 (Procurement and Disposal Guideline for School in Uganda) which requires establishing a Procurement and Disposal Unit staffed at an appropriate level. 2. The Accounting Officer should task the Heads of User Department to identify their procurement needs and prepare and submit departmental work plans to the Procurement and Disposal Unit for integration into the annual procurement plan in accordance with Paragraph 7.5.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda. 3. The Accounting Officer should task the Contracts Committee to approve the School's annual procurement plan and any amendments to the plan in accordance with Paragraph 5. 10. 1 (a) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda. 4. The Accounting Officer should submit an approved copy of the School's procurement plan for the calendar year 2025 within one month from the date of issue of this management letter in accordance with Section 60 (1) of the PPDA Act Cap.205. 5. The Accounting Officer should submit quarterly reports of procurement and disposal detailing contracts awarded and completed in accordance with Paragraph 5.3.1(d) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda. 6. The Accounting Officer should always seek the Solicitor General's clearance before signing contracts above UGX. 200 million 	Immediately

Origin	Recommended Action	Target Date
	<p>in accordance with the Regulation 6 (1) (f) of the PPDA (contracts) Regulations, 2023.</p> <p>7. The Accounting Officer should institute a Board of Survey to assess and determine the status of the assets under the School's custody in accordance with to clause 9.2.3 of Guideline 5/2014 (Procurement and Disposal Guideline for Schools in Uganda).</p> <p>8. The Accounting Officer should task the Heads of User Departments to always nominate a member of their department with appropriate skills to be appointed as contract manager for all signed contracts or issued Local Purchase Orders in accordance with Paragraph 12.12.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</p> <p>9. The Accounting Officer should task the User Departments/appointed contract managers to prepare a contract implementation plan and forward a copy to the Procurement and Disposal Committee for monitoring purposes in accordance with Paragraph 12.12.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</p> <p>10. The Accounting Officer should task the Heads of User Departments to prepare performance and/or progress reports and share them with the Procurement and Disposal unit for monitoring purposes and archiving in accordance with Paragraph 5.20.1 (h) of Guideline No.5 of 2014 on the Procurement and Disposal Guidelines for Schools in Uganda.</p>	
Procurement and Disposal Unit	<p>1. The Head Procurement and Disposal Unit should ensure that the procurement plan is updated in accordance with Section 60 (7) of the PPDA Act Cap. 205.</p> <p>2. The Head Procurement and Disposal Unit should update the procurement plan on quarterly basis in accordance with Section 60 (7) of the PPDA Act Cap, 205.</p>	Immediately
Contracts Committee	1. The Contracts Committee and Procurement and Disposal Unit should conduct	Immediately

Origin	Recommended Action	Target Date
	<p>procurement processes for only items contained in the procurement plan in accordance with Section 60 (10) of the PPDA Act Cap. 205.</p> <p>2. The Contracts Committee and Head, Procurement and Disposal Unit should ensure the use of competitive procurement methods to ensure competition and value for money. Where the Direct Procurement method is used, the School should adhere to the provisions spelt out in Paragraph 8.5.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</p> <p>3. The Chairperson Contracts Committee, the Head, Procurement and Disposal Unit and User Departments should adhere to Clause 16 of the PPDA Guideline 5/2014 (Procurement and Disposal Guideline for Schools in Uganda) in regards to the preparation of solicitation documents.</p> <p>4. The Contracts Committee should ensure that an Evaluation Committee comprises of a minimum of three members as required under paragraph 5.22.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</p>	

Annex 1: Transaction list for the Calendar Year 2024

NO	REFERENCE NUMBER	SUBJECT OF PROCUREMENT	METHOD OF PROCUREMENT	PROVIDER	CONTRACT VALUE (UGX)	RISK RATING
1.	KCS/SUPLS.2024/0009	Procurement of Schools' Magazine	Direct Method	Media Solutions	15,000,000	High Risk
2.	KCS/SUPLS/2024/0003	Procurement of students uniforms	Direct Method	Kwera Limited	180,300,000	Medium Risk
3.	KCS/WRKS/2024/0015	Procurement of walk ways	Direct Method	JSG Construction Co, Ltd	256,088,320	High Risk
4.	KCS/SUPLS/2024/0003/2	Procurement of Additional Uniforms for students	Direct Procurement	Kwera Limited	5,888,000	High Risk

NO	REFERENCE NUMBER	SUBJECT OF PROCUREMENT	METHOD OF PROCUREMENT	PROVIDER	CONTRACT VALUE (UGX)	RISK RATING
5.	KCS/SUPLS/2022/0003	Supply of food stuff, wood fuel and stationery	Framework	Various	1,123,078,520	Medium Risk
Total					1,580,354,840	

Annex 2: Risk Rating Criteria

RISK	DESCRIPTION	AREA	IMPLICATION
HIGH	Such procurements were considered to have serious weaknesses, which could cause material financial loss or carry risk for the regulatory system or the entity's reputation. Such cases warrant immediate attention by senior management. Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".	Planning: Lack of or failure to procure within the approved plan	This implies emergencies and use of the direct procurement method which affects competition and value for money.
		Bidding Process: Use of wrong/inappropriate procurement methods, failure to seek Contracts Committee approvals and usurping the powers of the PDU.	This implies use of less competitive methods which affects transparency, accountability and value for money.
		Evaluation: Use of inappropriate evaluation methodologies or failure to conduct evaluation.	This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend award to a responsive bidder.
		Record Keeping: Missing procurement files and missing key records on the files namely; solicitation document, submitted bids, evaluation report and contract.	This implies that one cannot ascertain the audit trail namely; whether there was competition and fairness in the procurement process.
		Fraud/forgery: Falsification of Documents	This implies lack of transparency and value for money.

RISK	DESCRIPTION	AREA	IMPLICATION
		Contract Management: Payment for shoddy work or work not delivered.	This implies financial loss since there has been no value for money for the funds spent and the services have not been received by the intended beneficiaries
MEDIUM	Procurements that were considered to have weaknesses which, although less likely to lead to material financial loss or to risk damaging the regulatory system or the entity's reputation, warrant timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded "medium" provided that there is sufficient evidence of "hands on management control and oversight" at an appropriate level of seniority.	Planning: Lack of initiation of procurements and confirmation of funds.	This implies committing the Entity without funds thereby causing domestic arrears.
Bidding Process: Deviations from standard procedures namely bidding periods, standard formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms and splitting procurement requirements.		This implies lack of efficiency, standardisation and avoiding competition.	
Procurement Structures: Lack of procurement structures		This implies lack of independence of functions and powers and interference in the procurement process.	
Record Keeping: Missing Contracts Committee records and incomplete contract management records.	This implies that one cannot ascertain the audit trail namely; whether the necessary approvals were obtained in a procurement process.		
Contract and Contract Management: Failure to appoint Contract Supervisors, failure to seek the Solicitor General's approval for contracts above UGX. 200 million and lack of notices of Best Evaluated Bidders.	This leads to unjustified contract amendment and variations which lead to unjustified delayed contract completion and lack of value for money. Bidders are not given the right of appeal.		

RISK	DESCRIPTION	AREA	IMPLICATION
		<p>Failure by the Entity to incorporate in the solicitation document aspects of gender, social inclusion, environment, health and safety.</p> <p>Aspects of gender, social inclusion, environment, health and safety not covered by the contractor during contract implementation.</p>	
LOW	Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best practice. Deviations from laid down detailed procedures would normally be graded "low" provided that there is sufficient evidence of management action to put in place and monitor compliance with detailed procedures.	Planning: Lack of procurement reference numbers.	This leads to failure to track the procurements which leads to poor record keeping.
		Bidding Process: Not signing the Ethical Code of Conduct	This leads to failure to declare conflict of interest and lack of transparency.