



**PUBLIC PROCUREMENT AND DISPOSAL  
OF PUBLIC ASSETS AUTHORITY**  
*"Procurement That Delivers"*

**AUDIT REPORT INTO THE PROCUREMENT OF MINI  
SERVER, ASSORTED ICT EQUIPMENT AND LIGHT VEHICLE  
DOUBLE CABIN AT UGANDA LAND COMMISSION FOR  
FINANCIAL YEAR 2022/2023 VIDE ACU/GEF/359/2024**

**ENTITY: UGANDA LAND COMMISSION**

**MAY 2025**

**Table of Contents**

ACRONYMS ..... ii

EXECUTIVE SUMMARY ..... 1

1.0 SUMMARY OF FACTS..... 2

    1.1 Procurement of The Mini Server for Uganda Land Commission ..... 2

    1.2 Procurement of Three Motor Vehicles (Lot 1- Double Cabin Pickups) For Uganda Land  
        Commission..... 3

    1.3 Procurement of Assorted Office Equipment ..... 5

2.0 LAW APPLICABLE..... 6

3.0 OBJECTIVE OF THE AUDIT ..... 6

4.0 METHODOLOGY ..... 6

5.0 FINDINGS OF THE AUTHORITY ..... 7

6.0 CONCLUSION ..... 9

## **ACRONYMS**

CC	Contracts Committee
CID	Criminal Investigations Department
ICT	Information Communication and Technology
PDU	Procurement and Disposal Unit
PO	Purchase Order
PPDA	Public Procurement and Disposal of Public Assets Authority
ULC	Uganda Land Commission
UGX	Uganda Shillings

## **EXECUTIVE SUMMARY**

The Authority received a request from your office in liaison with State House Anti-Corruption Unit for a compliance audit on the procurement and disposal activities of three selected transactions of Uganda Land Commission, namely; procurement of a mini server for Uganda Land Commission, procurement of assorted ICT equipment and the procurement of light vehicle double cabin alleging cases of corruption and abuse of office. The audit exercise involved a review of the procurement system and procurement processes following the Public Procurement and Disposal of Public Assets Act, Cap 205, and PPDA Regulations, 2023.

In accordance with Section 8 (1) (j) (iii) of PPDA Act Cap 205, the Authority instituted an audit into the matter.

### **The following exceptions were noted:**

1. There was a failure to date the confirmation of availability of funds by the Accounting Officer in the procurement of a mini server worth UGX 39,965,000, the Accounting Officer did not indicate the date while confirming availability of funds. This hampers the audit trail and makes it hard to ascertain whether delays in the procurement processes are as a result of this.
2. The funds availability section was not completed by User Department in the procurement of three motor vehicles for Uganda Land Commission worth UGX 815,000,000, the availability of funds section of the requisition was left blank. The funds availability section acts as the budget tracker for any particular procurement transaction and therefore failure to fill the budget tracker deprives the Accounting Officer of vital information on funds availability while confirming availability of funds.
3. There was a failure by the Accounting Officer to appoint a Contract Manager in the procurement of assorted office equipment worth UGX 194,440,400. This hinders effective monitoring of contract execution/ performance thus affecting service delivery.
4. There was a delay in the delivery of items in two procurements worth UGX 854,965,000 whereby in the procurement of a mini server worth UGX 39,965,000, the LPO was dated 21st June 2023, however the supplies were delivered on 26th July 2023, one month later, and in the procurement of three motor vehicles for Uganda Land Commission worth UGX 815,000,000 where delivery was made five months later. Delayed delivery of supplies /completion of services and works by providers leads to delayed service delivery to the intended beneficiaries.

In light of the above, the Authority recommends the following:

1. The Accounting Officer should clearly fill, sign and date the confirmation of availability of funds on the procurement initiation forms in accordance with Regulation 4 (3) of the PPDA (Rules and Methods for Procurement of Supplies Works and Non-Consultancy Services) Regulations, 2023.
2. User Departments should always indicate the amount of funds available at initiation from their budget allocation prior to confirmation of funding by the Accounting Officer in accordance with Regulation 4 (2) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services), 2023.

3. The Accounting Officer should prevail over Heads of User Departments to ensure that Contract Managers are nominated and appointed and carry out their functions in accordance with Regulation 50 (1) of the PPDA (Contracts) Regulations, 2023.
4. The Accounting Officer should prevail over Contract Managers to ensure that contract supervision is effectively carried out to ensure that terms and conditions of the contract are met as required under Regulation 52 (1) of the PPDA (Contracts) Regulations, 2023.

## 1.0 SUMMARY OF FACTS

### Brief facts

#### 1.1 Procurement of The Mini Server for Uganda Land Commission

- i. On 24<sup>th</sup> April 2023, the procurement for the mini server for Uganda Land Commission was initiated by the user, Mr. Okado Collins, the Information and Communication Technology (ICT) Officer. The request was confirmed by Ms. Esther Nyakato, the Senior Assistant Secretary (SAS) on the same date, and availability of funding was confirmed by the Accounting Officer with an estimate of UGX 40,000,000. The initiation form indicated that the mini server was required as soon as possible by the Entity.
- ii. On 24<sup>th</sup> April 2023, the ICT Officer wrote a memo to the Accounting Officer requesting for the approval of the procurement of the ProLiant ML350 Gen 10 mini server.
- iii. On 22<sup>nd</sup> May 2023, the Contracts Committee approved the method of procurement as Request for Quotations, the bidding document and the members of the Evaluation Committee. The list of shortlisted suppliers included; TMT Technologies Ltd, Tekimann Investments Limited, and Nabb Supplies (U) Limited.
- iv. On 22<sup>nd</sup> May 2023, all the three shortlisted bidders were issued the bidding documents.
- v. On 29<sup>th</sup> May 2023, the bidders submitted their bids to the Entity and a bid opening session witnessed by Mr. Ibrahim Kalemba Nsubuga, the Head Procurement and Disposal Unit and Ms. Awino Naomi, the Secretary Contracts Committee was carried out on the same date. The following were the bid prices read out at the bid opening as indicated in Table 1 below:

*Table 1: Table showing bid prices*

<b>BIDDER NAME</b>	<b>BID PRICE READ OUT (UGX)</b>
Nabb Supplies (U) Limited	39,965,000
TMT Technologies Ltd	45,999,940
Tekimann Investments Limited	43,249,360

- vi. On 29<sup>th</sup> May 2023, the evaluation process was started and completed. The Best Evaluated Bidder was Nabb Supplies (U) Limited.
- vii. On 29<sup>th</sup> May 2023, the Contracts Committee approved the evaluation report and award of contract for the mini server for Uganda Land Commission to Nabb Supplies (U) Limited at a cost of UGX 39,965,000.

- viii. On 30<sup>th</sup> May 2023, the Notice of Best Evaluated Bidder was displayed for a period of 5 working days from 30<sup>th</sup> May 2023 to 5<sup>th</sup> June 2023.
- ix. On 30<sup>th</sup> May 2023, the Accounting Officer appointed Mr. Collins Okado, the ICT Officer as the Contract Manager for this procurement.
- x. On 21<sup>st</sup> June 2023, a Local Purchase Order was generated by the Entity, contracting Nabb Supplies (U) Limited.
- xi. On 26<sup>th</sup> June 2023, Nabb Supplies (U) Limited delivered the minicomputer server along with their invoice for UGX 39,965,000.
- xii. On 26<sup>th</sup> June 2023, the Entity received the mini server in their stores, which was evidenced by a Goods Received Note (No. 306). It was signed by Mr. Simon B. K, the Acting Inventory Officer, Mr. Collins Okado the Information and Communication Technology Officer and Contract Manager for this procurement, and the Managing Director of Nabb Supplies (U) Limited, Mr. Humphrey Musiitwa.

**1.2 Procurement of Three Motor Vehicles (Lot 1- Double Cabin Pickups) For Uganda Land Commission**

- i. On 4<sup>th</sup> April 2023, the Entity initiated the procurement of three motor vehicles for Uganda Land Commission at UGX 900,000,000 with Lot 1, for two Double Cabin Pickups of engine capacity not exceeding 2500cc with an estimate of UGX 500,000,000, and Lot 2 for the Minivan of engine capacity not exceeding 4800cc with an estimate of UGX 400,000,000.
- ii. On 12<sup>th</sup> April 2023, the Contracts Committee approved the Open Domestic Bidding method, the bidding document and the Evaluation Committee. According to Form 8, the following were the members of the Evaluation Committee as indicated in Table 2 below:

*Table 2: Evaluation Committee*

No	Name	Position	Reason for selection
1.	Eng. Agaba Edwin	Senior Mechanical Engineer Ministry of Works and Transport	Representative of User Department
2.	Ms. Esther Nyakato	Senior Assistant Secretary	Representative of User Department
3.	Mr. Walter Jokkene	Principal Finance Officer	Representative of User Department
4.	Mr. Ibrahim Kalemba Nsubuga	Procurement Officer	Technical Knowledge

- iii. Between 25<sup>th</sup> April and 5<sup>th</sup> May 2023, solicitation documents were issued with a bid closing deadline of 11<sup>th</sup> May 2023 to the following bidders:
  - 1. Maybach Motors Ltd
  - 2. Motorcare (U) Ltd
  - 3. Sumabolt Logistics Limited
  - 4. Mac East Africa Ltd
  - 5. Victoria Motors
  - 6. CFAO Motors

- iv. On 11<sup>th</sup> May 2023, bids were received and opened from the following bidders as indicated in Table 3 below:

*Table 3: Record of bid opening*

No	Bidder	Lot 1 (UGX)	Lot 2 (UGX)	Bid Amount (UGX)
1.	Maybach Motors Ltd	450,000,000	395,000,000	845,000,000
2.	Motorcare (U) Ltd	430,530,360	-	430,530,360
3.	Sumabolt Logistics Limited	420,000,000	-	420,000,000
4.	Mac East Africa Ltd	337,500,000	-	337,500,000
5.	Victoria Motors	336,979,324	-	336,979,324

- v. The evaluation report dated 12<sup>th</sup> May 2023 indicated that the Best Evaluated Bidder for the procurement of two Double Cabin Pickups for Uganda Land Commission (lot 1), was Sumabolt Logistics Limited with a total evaluated price of UGX 420,000,000 and supply of one Minivan for the Uganda Land Commission (Lot 2) was Maybach Motors Uganda Limited with a total evaluated price of UGX 395,000,000.
- vi. Mac East Africa Limited and Victoria Motors were eliminated at the technical stage of the evaluation for non-compliance to the technical requirements.
- vii. On 15<sup>th</sup> May 2023, the Contracts Committee awarded the contract for the procurement of two Double Cabin Pickups for Uganda Land Commission (Lot 1) to Sumabolt Logistics Limited at UGX 420,000,000 and the supply of one Minivan for the Uganda Land Commission (Lot 2) to Maybach Motors Uganda Limited at UGX 395,000,000.
- viii. The Notice of Best Evaluated Bidder for both lots was displayed for a period of ten days from 15<sup>th</sup> to 26<sup>th</sup> May 2023.
- ix. On 13<sup>th</sup> June 2023, the Entity signed contracts with Sumabolt Logistics Limited for the procurement of two Double Cabin Pickups for Uganda Land Commission (Lot 1) worth UGX 420,000,000 and Maybach Motors Limited for the supply of one Minivan for the Uganda Land Commission (Lot 2) worth UGX 395,000,000. On the same date, Ms. Nyakato Esther Alinda was appointed as the Contract Manager.
- x. On 14<sup>th</sup> June 2023, a Local Purchase Order No. 71 was placed with Maybach Motors Uganda Limited for the supply of one Minivan for the Uganda Land Commission (Lot 2) worth UGX 395,000,000. Similarly, a Local Purchase Order No. 72 was placed with Sumabolt Logistics Limited for the procurement of two Double Cabin Pickups for Uganda Land Commission (Lot 1) worth UGX 420,000,000.
- xi. On 10<sup>th</sup> July 2023, the Entity made payments worth UGX 420,000,000 to Sumabolt Logistics Ltd (Voucher No. 6454637, EFT No. 6454637) and UGX 395,000,000 to Maybach Motors Uganda Limited (Voucher No. 6461604, EFT No. 6461604) respectively.

- xii. On 21<sup>st</sup> July 2023, the two Double Cabin Pickups were delivered by Sumabolt Logistics Ltd and received by Uganda Land Commission as evidenced by Goods Received Note (GRN) No. 402.
- xiii. On 7<sup>th</sup> February 2024, the Minivan was delivered at the stores of Uganda Land Commission as evidenced by the delivery note from Maybach Motors Limited, stamped and received by Mr. Simon B.K.

### 1.3 Procurement of Assorted Office Equipment

- i. On 3<sup>rd</sup> April 2023, the Entity initiated the procurement of assorted ICT equipment at UGX 194,600,000.
- ii. On 5<sup>th</sup> April 2023, the Contracts Committee approved the Restricted Domestic Bidding Method, the bidding document, the shortlist of providers and Evaluation Committee as shown in Tables 4 and 5 below:

*Table 4: Shortlisted providers*

No	Provider	Justification for Selection
1.	Limsue Global Investments Limited	Prequalified with ULC
2.	MAT IT Solutions Ltd	
3.	NABB Supplies (U) Ltd	

*Table 5: Evaluation Committee*

No	Name	Position	Reason for Selection
1.	Mr. Collins Okado	Information and Communication Technology Officer	Representative of User Department
2.	Ms. Esther Nyakato	Senior Assistant Secretary	Representative of User Department
3.	Mr. Ibrahim Kalemba Nsubuga	Head Procurement and Disposal Unit	Technical Knowledge

- iii. Between 6<sup>th</sup> and 7<sup>th</sup> April 2023, solicitation documents were issued out to the three bidders with a bid closing deadline of 21<sup>st</sup> April 2023 to the shortlisted bidders.
- iv. On 21<sup>st</sup> April 2023, bids were received and opened from the following bidders as shown in Table 6 below:

*Table 6: Record of bid opening*

No	Bidder	Bid Amount (UGX)
1.	MAT IT Services Ltd	213,108,000
2.	Limsue Global Investments Limited	204,376,000
3.	NABB Supplies (U) Ltd	194,440,400

- v. The evaluation report dated 21<sup>st</sup> April 2023 indicated that the best evaluated bidder for the procurement of assorted office equipment for Uganda Land Commission was NABB Supplies (U) Ltd with a total evaluated price of UGX 194,440,400.

- vi. On 14<sup>th</sup> April 2023, the Contracts Committee recommended award of contract to NABB Supplies (U) Ltd at UGX 194,440,400.
- vii. The Notice of Best Evaluated Bidder was displayed from 24<sup>th</sup> April 2023 to 10<sup>th</sup> May 2023.
- viii. On 30<sup>th</sup> May 2023 a Local Purchase Order was placed with NABB Supplies (U) Ltd worth UGX 194,440,400.
- ix. On 23<sup>rd</sup> June 2023, NABB Supplies (U) Ltd delivered the items to Uganda Land Commission as evidenced by Goods Received Note No. 254 on file. This was witnessed by Mr. Collins Okado, the Information and Communications Technology Officer.
- x. On 10<sup>th</sup> July 2023, the Entity made payment worth UGX 194,440,400 to NABB Supplies (U) Ltd.

## 2.0 LAW APPLICABLE

- 2.1 The Public Procurement and Disposal of Public Assets Act Cap 205; and
- 2.2 The Public Procurement and Disposal of Public Assets Regulations, 2023.

## 3.0 OBJECTIVE OF THE AUDIT

- 3.1 The primary objective of the exercise was to provide assurance on full and correct application of the PPDA Act, Cap 205, and Regulations 2023 by Uganda Land Commission in the procurements under review.

## 4.0 METHODOLOGY

- 4.1 The Authority undertook a review of the following documents:
  - The Contracts Committee minutes;
  - Procurement initiation form;
  - The evaluation reports; and
  - Contract and contract management documents.
- 4.2 The Authority interviewed the following ULC staff in Table 7 below for the roles they played in the contracts under review and statements were recorded.

*Table 7: Staff interviewed*

No.	Name	Designation	Role in the contracting process
1.	Mr. Daniel Mugulusi	Accounting Officer	Accounting Officer
2.	Mr. Collins Okado	ICT Officer	Representative of User Department
3.	Mr. Ibrahim Kalemba Nsubuga	Senior Procurement Officer	Technical Knowledge
4.	Mr. Walter Jokkene	Principal Finance Officer	Representative of User Department

However, it should be noted that the Contract Manager for the procurement of three motor vehicles (Lot 1: light vehicle double cabin pickups) for Uganda Land Commission worth UGX 815,000,000, Ms. Esther Nyakato was not available for interviews.

## **5.0 FINDINGS OF THE AUTHORITY**

In an effort to ascertain whether the procurement of a mini server for Uganda Land Commission, procurement of assorted ICT equipment and the procurement of motor vehicles followed the PPDA Law, the Authority noted the following:

### **5.1 Failure to date the confirmation of availability of funds by the Accounting Officer**

In the procurement of a mini server worth UGX 39,965,000, the Accounting Officer did not indicate the date while confirming availability of funds contrary to Regulation 4 of the PPDA (Rules and Methods for Procurement of Supplies Works and Non-Consultancy Services) Regulations, 2014.

#### **Implication**

Failure to date the confirmation of availability of funding by the Accounting Officer hampers the audit trail and makes it hard to ascertain whether delays in the procurement processes are as a result of this.

#### **Management Response**

- *Management takes note of this anomaly however moving forward, this section is being filled to enable tracking of the procurement process.*
- *In an interview with the Accounting Officer, Mr. Daniel Mugulusi, he stated that this was an oversight, however, it was corrected and does not appear in all subsequent procurement processes.*

#### **Recommendation**

The Accounting Officer should clearly fill, sign and date the confirmation of availability of funds on the procurement initiation forms in accordance with Regulation 4 (3) of the PPDA (Rules and Methods for Procurement of Supplies Works and Non-Consultancy Services) Regulations, 2023.

### **5.2 Funds availability section not completed by User Department**

In the procurement of three motor vehicles for Uganda Land Commission worth UGX 815,000,000, the availability of funds section of the requisition was left blank contrary to Regulation 4 (3) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services), 2014.

#### **Implication**

The funds availability section acts as the budget tracker for any particular procurement transaction and therefore failure to fill the budget tracker deprives the Accounting Officer of vital information on funds availability while confirming availability of funds.

#### **Management Response**

- *Management takes note of this anomaly however moving forward, this section is being filled to enable tracking of the procurement process.*
- *The representative of the User Department for the procurement of three motor vehicles for Uganda Land Commission worth UGX 815,000,000, Ms. Esther Nyakato was not available for interviews.*

#### **Recommendation**

User Departments should always indicate the amount of funds available at initiation from their budget allocation prior to confirmation of funding by the Accounting Officer in accordance

with Regulation 4 (2) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services), 2023.

### 5.3 Failure to appoint a Contract Manager

In the procurement of assorted office equipment worth UGX 194,440,400, there was failure by the Accounting Officer to appoint a Contract Manager contrary to Regulation 52 of the PPDA (Contracts) Regulations, 2014.

#### Implication

This hinders effective monitoring of contract execution/ performance thus affecting service delivery.

#### Management Response

- *Management takes note of the oversight. This will be implemented on future contracts.*
- *In an interview with the Accounting Officer, Mr. Daniel Mugulusi, he stated that this issue was admitted and corrected immediately and does not occur in all subsequent procurement processes.*

#### Recommendation

The Accounting Officer should prevail over Heads of User Departments to ensure that Contract Managers are nominated and appointed and carry out their functions in accordance with Regulation 50 (1) of the PPDA (Contracts) Regulations, 2023.

### 5.4 Delays in delivery

There was a delay in the delivery of items in two procurements worth UGX 854,965,000 as shown in the Table 7 below:

*Table 7: Delays in delivery*

<b>Procurement details</b>	<b>Findings</b>
Procurement of a mini server worth UGX 39,965,000	The bidding document stated under GCC 12.1 that the items were to be delivered within seven working days from the date of purchase order. The LPO was dated 21 <sup>st</sup> June 2023, however the supplies were delivered on 26 <sup>th</sup> July 2023 as evidenced by GRN 306 on file.
Procurement of three motor vehicles for Uganda Land Commission worth UGX 815,000,000	Whereas delivery was supposed to be two months after contract signature, the contract was signed on 13 <sup>th</sup> June 2023, and delivery was made five months later on 7 <sup>th</sup> February 2024.

#### Implication

Delayed delivery of supplies /completion of services and works by providers leads to delayed service delivery to the intended beneficiaries.

#### Management Response

- *Management takes note of this and moving forward, Contract Managers have been advised to ensure that monitoring and supervision of the contracts is done as per the terms and conditions of the contract.*

- *In an interview with Mr. Collins Okado, the Contract Manager for the Procurement of a mini server worth UGX 39,965,000, he stated that the delivery of the mini server experienced a delay due to the fact that the specific model required was not in stock and had to be sourced from an international supplier. Despite this unforeseen circumstance, the Contract Manager made numerous follow up calls to ensure that the exact server was procured and delivered to the Commission. He also reported that the mini server was still in use and was in good condition.*
- *The Contract Manager for the procurement of three motor vehicles for Uganda Land Commission worth UGX 815,000,000, Ms. Esther Nyakato was not available for interviews.*

### **Recommendation**

The Accounting Officer should prevail over Contract Managers to ensure that contract supervision is effectively carried out to ensure that terms and conditions of the contract are met as required under Regulation 52 (1) of the PPDA (Contracts) Regulations, 2023.

## **6.0 CONCLUSION**

In accordance with Section 10 of the PPDA Act Cap 205 and in light of the above findings the Authority found that whereas there was failure to date the confirmation of availability of funds by the Accounting Officer, failure to complete the funds availability section by User Department, failure to appoint a Contract Manger by the Accounting Officer and delayed delivery by the providers in the procurements of in the procurement of a mini server and Double Cabin Pickup contrary to the provisions of the PPDA Act Cap 205, and Regulations 2023, there was no evidence of corruption and abuse of office in the procurement processes.

The Authority further noted that all the items, i.e., motor vehicles, the mini server and assorted ICT equipment were delivered and received by the Entity.