



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

**COMPLIANCE AUDIT REPORT FOR FINANCIAL YEAR  
2022/23**

**BUTEBO DISTRICT LOCAL GOVERNMENT**

**JANUARY 2024**

## TABLE OF CONTENTS

<i>EXECUTIVE SUMMARY</i> .....	v
<i>CHAPTER ONE: INTRODUCTION</i> .....	8
1.1 Background .....	8
1.2 Overall Objective .....	8
1.3 Audit Scope .....	8
1.4 Methodology .....	9
1.5 Procurement Structure of the Entity.....	9
1.5.3 Staffing of the Procurement and Disposal Unit.....	10
<i>CHAPTER TWO: KEY FINDINGS AND RECOMMENDATIONS</i> .....	11
2.1 COMPLIANCE BY THE ENTITY WITH GENERAL PROVISIONS OF THE PPDA ACT, 2003 AND LOCAL GOVERNMENTS (PPDA) REGULATIONS 2006 WITH REGARD TO THE PERFORMANCE OF THE PROCUREMENT STRUCTURES AND CONDUCT OF PROCUREMENT PROCESSES. ....	11
2.2 COMPLIANCE OF THE ENTITY'S DISPOSAL PROCESS WITH THE PROVISIONS OF THE PPDA ACT, 2003 AS AMENDED AND LOCAL GOVERNMENTS (PPDA) REGULATION 2006.....	23
2.3 EFFICIENCY AND EFFECTIVENESS IN CONTRACT IMPLEMENTATION INCLUDING THE APPLICATION OF ENVIRONMENTAL, SOCIAL, HEALTH, AND SAFETY (ESHS) REQUIREMENTS IN THE PROCUREMENT PROCESS. 24	
3. <i>CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY</i> .....	37
3.1 Overall Compliance Audit Conclusion .....	37
3.2 Entity's Risk Assessment.....	37
3.3 Entity's Performance.....	37
3.4 Recommended Action Plan.....	39

## LIST OF TABLES

Table 1: Distribution of the transaction population and sample .....	8
Table 2: List of Contracts Committee Members .....	10
Table 3: Composition of the Procurement and Disposal Unit .....	10
Table 4: Implementation of previous audit recommendations for FY2020/2021 .....	11
Table 5: Procurement plan Implementation.....	14
Table 6: Procurements with inadequate solicitation document.....	15
Table 7: Procurements with low bidder participation.....	16
Table 8: Use of Force on Account Mechanism carried out under URF in FY 2022- 2023.....	19
Table 9: Procurements for which irregularities at evaluation were noted.....	21
Table 10: Showing items due for disposal.....	23
Table 11: Procurements for with no provisions for environmental and crosscutting issues.....	25
Table 12: Procurements with missing records .....	26
Table 13: Issues noted during physical verification.....	32
Table 14: Risk rating criteria .....	37
Table 15: Showing summary of risk assessment of Butebo DLG.....	37
Table 16: Weighted risk assessment of Butebo DLG.....	37
Table 17: Recommended Action Plan .....	39

## Table of Figures

Figure 1: Showing graphical representation of the Entity's risk assessment by number.....	38
Figure 2: Showing graphical representation of the Entity's risk assessment by value.....	38

## ACRONYMS

AO	Accounting Officer
BEB	Best Evaluated Bidder
CC	Contracts Committee
EC	Evaluation Committee
FY	Financial Year
HC	Health Center
LG	Local Government
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
SRVCS	Services
SPLS	Supplies
UGX	Uganda Shillings
VAT	Value Added Tax

## EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal compliance audit of Butebo District Local Government that covered a representative sample of 11 procurement transactions worth UGX. 916,313,082 under the Financial Year 2022/23.

The overall objective of the procurement and disposal compliance audit was to assess and establish the degree of compliance of Butebo District Local Government's procurement system and processes with the provisions of the PPDA Act, 2003 and the Local Governments (PPDA) Regulations, 2006 and assess the level of procurement performance over the audit period.

From the findings of the procurement and disposal compliance audit exercise, the performance of Butebo District Local Government for the Financial Year 2022/23 was **Unsatisfactory** with overall weighted average risk rating of **81.8%** as detailed in chapter 3 of the report.

### **The following issues that led to the unsatisfactory performance included:**

1. The Entity's Contracts Committee had only 4 members whose term of office had expired in November 2023 and there was no evidence of any efforts by the Accounting Officer to have a fully constituted committee approved by the Permanent secretary / Secretary to the Treasury, Ministry of Finance, Planning and Economic Development contrary to the provisions of Section 27 of the PPDA Act, 2003 and Regulation 15 of the Local Governments (PPDA) Regulations 2006;
2. Failure by the Internal Audit to conduct comprehensive audit of the entire procurement function of the Entity during the financial year as the prepared audit report for the four quarters indicated that the Internal Audit Unit mainly focused on verifying deliveries, invoices and payments these were not thorough and comprehensive enough to systematically cover the entire procurement process and the Entity's procurement structures and systems;
3. Failure to implement 64.7% of the previous audit recommendations for the Financial Year 2020-2021. Out of 17 recommendations made, only 11 recommendations representing 63.7% were not implemented and 7 representing 36.1 % were partially implemented;
4. Failure to implement 7.3% of the Entity's procurement for the Financial Year 2022/2023 which denied service delivery to the intended beneficiaries worth UGX 146,940,461;
5. Approval of inadequate solicitation documents by the Contracts Committee in three procurement action files worth UGX.214,446,346. The documents approved by the Contracts Committee and issued to bidders had vague statement of requirements and inappropriate evaluation criteria contrary to Regulation 48 (2) and (4) of the Local Governments PPDA Regulations 2006;
6. Low bidder participation as the Entity failed to obtain adequate competition in four procurements worth UGX. 441,502,372. An average of 2 bids was obtained in each procurement contrary to Section 46 of the PPDA Act, 2003 that requires the Entity to conduct procurements in a manner that maximizes competition and achieves value for money;
7. Failure to account for procurements carried out under Uganda Road Fund budget for FY2022-2023 worth UGX. 263,161,019 that casts doubt on the transparency and accountability for works undertaken using force account and could compromise the achievement of value for money and could be an indicator of fraud and embezzlement of public funds thus no accountability;
8. Failure to conduct disposal during FY 2022/2023 following the Entity's Board of survey report for the Financial Year 2022/2023 dated 28<sup>th</sup> August 2023 that indicated items due for disposal and their delay risked further depreciation of the items;

9. Failure to adhere to the Environmental, Social, Health and Safety (ESHS) requirements during contract execution. This was observed by the Authority on 20<sup>th</sup> October 2023 during physical verification exercise on four procurements worth UGX. 411,825,386. These projects did not adhere to Environmental, Social, Health and Safety (ESHS) issues such as failure to hoard sites, ensure personnel protection equipment, planting of trees, lack of signage, and sensitization on HIV/AIDS & COVID-19 requirements during contract execution of the works projects;
10. Poor record keeping was evidenced by missing records such as contract management reports and payment records in 11 contracts entered into by the Entity worth UGX. 916,313,082 contrary to Regulation 119 (1) of the LG PPDA Regulations, 2006 and;
11. Defects noted during physical verification conducted by the Authority on four works projects worth UGX. 411,825,385 on 20<sup>th</sup> October 2023 that these projects had defects that necessitated management's attention.

**Key Recommendations made:**

1. The Accounting Officer should;
  - i. Ensure that the Contracts Committee is fully constituted and inducted in accordance with Section 26 (1) (a) and 27 (1) of the PPDA Act, 2003 as amended.
  - ii. Task the Internal Audit Department to conduct comprehensive audit on the procurement and disposal process of the Entity on a quarterly so as to improve and strengthen internal systems and controls.
  - iii. With support from Internal Audit should come up with a strong mechanism and task force that will ensure that all audit recommendations are regularly monitored and implemented so as to improve the Entity's performance. This could include sharing them with Internal Audit, training, including them among the key performance indicators, and discussing them in top management meetings, among others.
  - iv. Always disseminate audit reports and recommendations during Top Management meetings of the District to enable discussion and adoption of strategies on how to implement the recommendations for continuous process improvements.
  - v. Along with Management should regularly carry out a review and update of the implementation of the procurement plan in accordance with Section 58 (4) of the PPDA Act, 2003 as amended to ensure improved performance.
  - vi. Address irregularities in the procurement process such as poor-quality bidding documents, irregularities at evaluation and failure to fully pay providers in order to increase the Entity's attractiveness to potential bidders.
  - vii. Strengthen contracts management in the Entity and ensure that in future the Contractors fulfill their contractual obligations including adhering to the implementation of Gender Equality and Social Inclusion (GESI), and Environmental, Social, Health and Safety (ESHS) requirements including provision of personal protective gear to workers, employment contracts, HIV and Aids awareness, among others.
  - viii. Ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 122-133 of the LG (PPDA) Regulations, 2006.
  - ix. Direct the Finance Department to always share copies of payments records with the Procurement and Disposal Unit in order for procurement action files to be closed off.

2. The Contracts Committee should: -
  - i. Ensure that the bidding documents approved are of appropriate quality in terms of having well defined specifications, evaluation criteria and contract terms and conditions in a manner that promotes competition in accordance with Regulation 48 of the LG (PPDA) Regulations, 2006.
  - ii. Ensure that the principles of fairness and transparency are observed in the evaluation process in accordance with Section 45 of the PPDA Act, 2003 before approving the evaluation reports.
3. The Authority cautions the Accounting Officer and District Engineer for failure to submit or produce records and submit accountability of unaccounted funds under force on account mechanism worth UGX. 263,161,019 contrary to Section 95 (1) (a) & (b) of the PPDA Act as Amended 2021. Failure by the Accounting Officer and District Engineer to recover accountability of UGX. 263,161,019 requires the Accounting Officer and District Engineer and to provide these records and accountabilities within one week of receipt of this report. Failure to comply with this by the Entity shall leave the Authority with no choice but to recommend for investigations in to this matter by the Criminal Investigation Department.
4. The Head, Procurement and Disposal Unit should ensure that Evaluation Committees adhere to the set evaluation criteria in the solicitation document in accordance with Section 71 (3) of the PPDA Act, 2003.
5. Heads of User Departments should charge all Contract Supervisors to submit progress reports/contract management reports and all contract implementation documentation in accordance with the Local Governments (PPDA) Regulations, 2006.

Butebo District Local Government should implement the recommended action plan on pages 38 and 39.

## CHAPTER ONE: INTRODUCTION

### 1.1 Background

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal compliance audit of Butebo District Local Government that covered a representative sample of 11 procurement transactions worth UGX. 916,312,582 under the Financial Year 2022/23. The audit involved a review of the procurement structures, procurement and asset disposal processes, as well as contract performance following the provisions of the Public Procurement and Disposal of Assets Act 2003 and Local Governments (PPDA) Regulations 2006.

### 1.2 Overall Objective

The overall objective of the compliance audit was to assess and establish the degree of compliance of Butebo District Local Government's procurement system, process and disposal process with the provisions of the PPDA Act, 2003 and the Local Governments (PPDA) Regulations, 2006.

The specific objectives of the compliance audit were:

- i. To establish the level of compliance by the entity with general provisions of the PPDA Act, 2003 and Local Governments (PPDA) Regulations 2006 with regard to the performance of the procurement structures and conduct of procurement processes;
- ii. To establish the level of compliance of the Entity's disposal process with the provisions of the PPDA Act, 2003 as amended and Local Governments (PPDA) Regulation 2006; and
- iii. 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.

### 1.3 Audit Scope

The audit involved a review of the procurement process, disposal process, general compliance issues and contract implementation on sample basis. The compliance audit covered a representative sample of 11 procurement transactions worth UGX. 916,313,082 under the Financial Year 2022/23. The list of sampled transactions is contained in Annex 2. Figure 1 below details the distribution of the transaction population and sample: -

**Table 1: Distribution of the transaction population and sample**

Procurement method	Popn Value(UGX)	Sample Value (UGX)	% Value	Popn no	Sample no	% no
Open National bidding	791,399,682	791,399,683	100	6	6	100
Selective National bidding	170,754,894	77,132,402	44.2	9	4	75
Direct Procurement	47,780,000	47,780,000	100	1	1	100
<b>Total</b>	<b>1,009,934,576</b>	<b>916,313,082</b>	<b>90.7</b>	<b>16</b>	<b>11</b>	<b>68.7</b>

The above information was picked from the Entity's quarterly reports throughout the Financial Year under review.

#### **1.4 Methodology**

The auditors examined records and documents for each sampled procurement transaction and/or disposal and obtained the relevant evidence to derive audit conclusions. This involved a review of the Entity's procurement and disposal planning, initiation, bidding, evaluation, contract placement and processes. At the end of the document review, physical verification was undertaken on selected projects to ascertain the level of contractual delivery and fitness for purpose.

During the audit, the auditors held interviews with the staff from the Procurement and Disposal Unit (PDU) and User Departments that were necessary in obtaining crucial qualitative information about the internal control systems and processes in place.

A debrief meeting to clear all pending issues that arose during the audit was held with the Entity management and staff on **24<sup>th</sup> October 2023** before the auditors could embark on preparation of the management letter. The auditors prepared the management letter, which was sent to the Entity on **4<sup>th</sup> December 2023** with a request to submit a management response by **13<sup>th</sup> December 2023**. However, Management responses were later submitted on **3<sup>rd</sup> January 2024**.

On completion of data collection and before writing the report, the Regional Manager reviewed the working papers for completeness. The working papers contain detailed chronology of findings on each of the sampled transactions. The audit report presents the key findings and conclusions arising from the audit.

#### **1.5 Procurement Structure of the Entity**

The key players in the procurement structure at Butebo District Local Government included the Chief Administration Officer as Accounting Officer, the Contracts Committee (CC), the Procurement and Disposal Unit (PDU) and the User Departments.

##### **1.5.1 Accounting Officer**

Section 26 of the PPDA Act 2003 gives the Accounting Officer the overall responsibility for the successful execution of procurement, disposal and contract management in the Procuring and Disposing Entity. The Chief Administrative Officer; Ms. Florence Nabukwasi was designated as the Accounting Officer of the Entity during the Financial Year 2022-2023.

##### **1.5.2 Composition of the Contracts Committee**

The audit team observed that at the time of the audit, the Entity's Contracts Committee had only 4 members whose term of office had expired in November 2023 and there was no evidence of any efforts by the Accounting Officer to have a fully established committee approved by the PS/ST MoFPED contrary to the provisions of Section 27 of the PPDA Act, 2003 and Regulation 15 of the Local Governments (PPDA) Regulations 2006. The details of the Contracts Committee composition are indicated in Table 2 below: -

**Table 2: List of Contracts Committee Members**

S/N	Name	Position	Job Title	Date of appointment	Date of Expiry of Tenure	Term being served
1.	Mr. Paul Nelson Shuaneh	Chairperson	Promoted to Deputy CAO	30 <sup>th</sup> October 2020	1 <sup>st</sup> November 2023	3 years
2.	Mr. Musa Taleng	Chairperson	Senior Community Development Officer	30 <sup>th</sup> October 2020	1 <sup>st</sup> November 2023	3 years
3.	Ms. Jacinta Ikesa	Member	Ag. District Planner	30 <sup>th</sup> October 2020	1 <sup>st</sup> November 2023	3 years
4..	Ms. Josephine Kaanyi	Member	Ag. Education Officer	30 <sup>th</sup> October 2020	1 <sup>st</sup> November 2023	3 years
5.	Mr. Peter Mukonge	Member	Retired	30 <sup>th</sup> October 2020	1 <sup>st</sup> November 2023	3 years

**Implication**

Any transactions handled by this Contracts Committee would be null and void due to expiry of their tenure of service contrary to Section 26 (1) (a) and 27 (1) of the PPDA Act ,2003 as amended.

**Management Response**

*Management noted the anomaly and stated that the Entity through the Accounting Officer had submitted the names to PSSST awaiting approval for fully constituted Contracts Committee. The delay is beyond the control of the Entity as follow up letters were addressed to the PSSST awaiting approval.*

**Recommendation**

The Accounting Officer should ensure that the Contracts Committee is fully constituted in Section 26 (1) (a) and 27 (1) of the PPDA Act ,2003 as amended.

**1.5.3 Staffing of the Procurement and Disposal Unit**

The Authority noted that the Procurement and Disposal Unit was fully constituted with a Senior Procurement Officer (Head Procurement and Disposal Unit) and a Procurement Officer as shown in Table 3 below: -

**Table 3: Composition of the Procurement and Disposal Unit**

No	Name	Qualification	Position in PDU	Year in service
1.	Joseph Maruk	Senior Procurement Officer	Postgraduate Diploma in Procurement and Supply Chain	8
2.	Abel Lochoro	Procurement Officer	Bachelor's degree	2

## CHAPTER TWO: KEY FINDINGS AND RECOMMENDATIONS

### 2.1 COMPLIANCE BY THE ENTITY WITH GENERAL PROVISIONS OF THE PPDA ACT, 2003 AND LOCAL GOVERNMENTS (PPDA) REGULATIONS 2006 WITH REGARD TO THE PERFORMANCE OF THE PROCUREMENT STRUCTURES AND CONDUCT OF PROCUREMENT PROCESSES.

#### 2.1.1 Failure by the Internal Audit to audit the procurement function of the Entity during the financial year

The Authority observed that the Internal Audit Unit did not audit procurement process and the Entity's procurement structures and systems. The Internal Audit Department only participated in verification of deliverables at the time of delivery and payment.

##### **Implication**

The internal mechanism to detect, prevent and propose corrective action is not in-built in the processes of the Entity which hinders continuous process and system improvement.

##### **Management Response**

*The Internal Audit department had always carried out comprehensive audits of the procurement function however, the report was not available at the time of the audit and a copy of the internal audit report was hereby attached for verification.*

##### **Authority's Comments**

The Authority noted the Entity's response as unsatisfactory since the internal audit reports submitted to the Authority that did not indicate any comprehensive review of the entire procurements processes carried.

##### **Recommendation**

The Accounting Officer should task the Internal Audit Department to conduct comprehensive audit on the procurement and disposal process of the Entity on a quarterly so as to improve and strengthen internal systems and controls.

#### 2.1.2 Failure to implement 63.8% of the previous audit recommendations

The Authority noted that the Entity had been issued its previous compliance inspection report for the Financial Year 2020-2021. Out of 17 recommendations made, only 11 recommendations representing 63.8% of the total recommendations were not implemented and 7 representing 36.1 % were partially implemented as detailed in the Table 4 below: -

**Table 4: Implementation of previous audit recommendations for FY2020/2021**

No.	Recommendation	Status
1.	The Accounting Officer should ensure that the Procurement and Disposal Unit is adequately facilitated with a sufficient budget to enable the unit to conduct its activities effectively in accordance with Section 26 (1) (c) of the PPDA Act, 2003 as amended.	Not implemented
2.	Accounting Officer should ensure that all members of the CC are approved by the Permanent Secretary/Secretary to Treasury and that the Committee is fully constituted in accordance with Section 26 (1) (b) of the PPDA Act, 2003 as amended.	Not implemented

No.	Recommendation	Status
3.	The Accounting Officer and Management should ensure that the procurement plan is fully executed and, in the event, that this is not possible, regular review and updating of the procurement plan should be done to exclude unimplemented procurements in accordance with Section 58 (4) of the PPDA Act, 2003 as amended to ensure improved performance.	Not implemented
4.	i. The Accounting Officer should with immediate effect ensure that the entity's two vehicles in the garage are towed back to the District premises for safe custody and avoidance of vandalization. ii. The Accounting Officer should ensure that all government assets under the Entity's custody are well maintained and are fully utilized for the purposes for which they were acquired by the Entity and those that are cleared for disposal should be disposed off in line with the provisions in the PPDA 2003 amended. .	Not implemented
5.	The Accounting Officer is advised to seek Authority to dispose of the said assets from Palisa DLG the mother District and in the event that the log books cannot be traced, then a formal procedure of recovery of log books should be followed up with Ministry of Works and Transport and Uganda Revenue Authority. ii. The assets of the Entity should be reviewed and disposed of following the methods recommended under Regulations 122-133 of the LG (PPDA) Regulations, 2006.	Not Implemented
6.	The Accounting Officer should ensure that all procurement activities to be conducted at the Lower Local Governments are done under formal delegation in line with Regulation 29 of the Local Governments (PPDA) Regulations, 2006 or else should be handled through the Procurement and Disposal Unit. •The Accounting Officer should caution the Heads of User Departments for failure to report micro procurements to the Head Procurement and Disposal Unit and to the Contracts Committee in accordance with Section 42 (8) of the PPDA Act, 2003 as amended	Partially implemented
7.	The Accounting Officer should ensure that the Internal Auditor reviews the procurement and disposal procedures of the Entity in accordance with Regulation 28 of the Local Governments (PPDA) Regulations, 2006.	Partially implemented
8.	The Accounting Officer should ensure that all procurements are undertaken in a manner that enhances efficiency as required by Section 43 of Law Revision (Reprint of the PPDA Act, 2003) as amended.	Partially implemented
9.	The Accounting Officer should task the Contracts Committee to ensure that thorough scrutiny of the bidding documents is done before they are approved for issue to bidders	Partially implemented

No.	Recommendation	Status
10.	The Heads of User department should ensure that all initiated procurement requirements have specifications, appropriate terms of reference or bills of quantities from the onset in accordance with Regulation 26 (1) (c) of the Local Governments (PPDA) Regulations, 2006.	Not implemented
11.	<ul style="list-style-type: none"> <li>•The Accounting Officer should investigate the causes of low bidder participation leading to reduced competition in the Entity, thus affecting value for money and also formulate strategies to increase the procurement attractiveness in order to build confidence of bidders.</li> <li>•Head Procurement and Disposal Unit should ensure that all bidders shortlisted for a particular procurement are formally invited in accordance with Regulation 66 (1) of the Local Government (Public Procurement and Disposal of Public Assets) Regulations, 2006 and evidence of invitation recorded in accordance with Regulation 66 (4) of the LG (PPDA) Regulations, 2006.</li> </ul>	Not implemented
12.	<ul style="list-style-type: none"> <li>•Evaluation Committees should ensure that evaluations are conducted according to the criteria set in the bidding document in accordance with Section 71 (3) of the PPDA Act, 2003 as amended.</li> <li>•The Contracts Committee should ensure that the principles of fairness and transparency are observed in the evaluation process in accordance with Section 45 of the PPDA Act, 2003 as amended before approving the evaluation reports.</li> <li>• The Accounting Officer should seek support from the Authority to ensure capacity building for members of Contracts Committee is carried out</li> </ul>	Partially implemented
13.	The Head, Procurement and Disposal Unit should ensure that performance securities are always attained by the Entity in case they are stipulated in the contract. A copy of the security should be kept on the action file.	Not Implemented
14.	The Contract managers should always ensure that the contractor fulfil their contractual obligations in time such as submitting of performance security.	Not Implemented
15.	<ul style="list-style-type: none"> <li>•The Accounting Officer should caution the contract supervisors for failure to ensure completion of the contract within the contractual period.</li> <li>•The Accounting Officer should ensure that procurements are undertaken in a manner that enhances efficiency as required by Section 43 of the PPDA Act 2003as amended.</li> </ul>	Partially implemented
16.	The Accounting Officer should task the Contract Supervisor to seriously engage the Contractor and ensure that the Contractor expedites contract implementation within the period of contract extension granted to ensure the works are completed.	Partially implemented
17.	The Accounting Officer should investigate the cause of this delay in execution of the contract whose findings will inform the decision of whether to submit the contractor to	Not implemented

No.	Recommendation	Status
	PPDA for black listing, tendering out the remaining works through direct procurement with the same provider or another contractor through a competitive bidding process	

### **Implication**

Failure to fully implement previous audit recommendations affects performance of the procurement function and is an indicator of a weak implementation mechanism by the Entity.

### **Management Response**

*Management has taken note of this anomaly and going forward the Entity shall implement the Authority's recommendations for continuous improvement.*

### **Recommendations**

1. The Accounting Officer with support from Internal Audit should come up with a strong mechanism and task force that will ensure that all audit recommendations are regularly monitored and implemented so as to improve the Entity's performance. This could include sharing them with Internal Audit, training, including them among the key performance indicators, and discussing them in top management meetings, among others.
2. The Accounting Officer should always disseminate audit reports and recommendations during Top Management meetings of the District to enable discussion and adoption of strategies on how to implement the recommendations for continuous process improvements.

### **2.1.3 Failure to implement 7.3% of the Entity's procurement plan**

Table 5 below summarizes information about the procurement plan, budget, and utilization of funds for the Financial Year 2022/2023. The procurement plan implementation rate was 92.7% while the implementation variance was 7.3% worth UGX 146,940,461.

**Table 5: Procurement plan Implementation**

<b>Analysis of procurement spend</b>	
Total procurement plan value inclusive of VAT (UGX)	2,023,855,899 (Amended on 7 <sup>th</sup> Feb 2023)
Procurement spend value inclusive of VAT (UGX)	1,876,915,338
Procurement plan Absorption Rate	92.7%
Budget variance (UGX)	146,940,561

*Note: The Authority noted that the IFMIS Purchasing Register indicated a procurement expenditure of UGX. 1,876,915,338 for FY 2022-2023 compared to the Entity's submitted quarterly reports to the Authority worth UGX. 1,328,852,191 hence procurements worth UGX. 548,063,147 were not reported.*

### **Implication**

Failure to fully implement the procurement plan activities worth UGX. 145,940,561 denies delivery of services to the intended beneficiaries and also exposes the Entity to risks of

budgetary cuts for subsequent periods due to non-performance thus failure to meet planned objectives.

**Management response**

*Management noted the anomaly and explained that the discrepancy was as a result of budget cuts which affected the execution of the planned procurements. However, Management had noted this and review of procurement work plan shall, going forward be done on quarterly basis in order to remove items that are not implemented by the entity.*

**Recommendation**

The Accounting Officer along with Management should regularly carry out a review and update of the implementation of the procurement plan in accordance with Section 58 (4) of the PPDA Act, 2003 as amended to ensure improved performance.

**2.1.4 Approval of inadequate solicitation documents by the Contracts Committee**

The audit team observed that three procurement action files worth UGX.214,446,346 had inadequate solicitation documents approved by the Contracts Committee and were issued to bidders contrary to Regulation 48 (2) and (4) of the Local Governments PPDA Regulations 2006 as detailed in Table 6 below: -

**Table 6: Procurements with inadequate solicitation documents**

No	Subject of Procurement	Contract Amount (UGX)	Observations
1.	Construction of a 2-classroom block without office at Nalidi P/S Procurement method: Open National Bidding Contractor: Masata Dealers Ltd	67,223,756	<ul style="list-style-type: none"> <li>• Lack of parameters to assess financial strength of bidders. BEB deposited 15,000,000 on the day the statement was issued by the bank</li> <li>• The evaluation criteria did not state the specific years of audited accounts or other financial statements that were required from the bidder. The required Minimum average turnover was not mentioned in the solicitation document.</li> <li>• G36.3 stated that the period between program update was 100,000 days which was unclear and unrealistic to the potential bidders.</li> <li>• G58.1 of the solicitation document was silent on liquidated damages.</li> </ul>

No	Subject of Procurement	Contract Amount (UGX)	Observations
2.	Renovation of a 2 classroom block at Akisim P/S Procurement method: Selective bidding Contractor: Cornerstone Infrastructure Ltd	18,989,500	<ul style="list-style-type: none"> <li>• Scope of works was not attached on solicitation document on file.</li> </ul>
3.	Consultancy services for feasibility design of solar powered piped water supply systems Procurement method: Open bidding Contractor: Terracon Technical Works Ltd	128,233,090	<ul style="list-style-type: none"> <li>• Inappropriate use of Technical Compliance selection methodology in the solicitation which was not suitable for consultancy services.</li> <li>• Irregular sale of bids to bidders at UGX. 100,000 yet the Contracts Committee had approved UGX. 50,000 as the fee payable.</li> </ul>
<b>Total</b>		<b>214,446,346</b>	

### **Implication**

Inadequate solicitation documents with vague statement of requirements and evaluation criteria lead to preparation of non-responsive bids which may not meet the end user needs or requirements thus compromising achievement of value for money.

### **Management Response**

*Management acknowledged the anomaly and noted that going forward Contracts Committee will appropriately scrutinize bidding documents before issuance and the Head Procuring and Disposal Unit (HPDU) shall supervise the bids prepared to all needed items are included before issue to potential bidders.*

### **Recommendation**

The Contracts Committee should ensure that the bidding documents approved are of appropriate quality in terms of having well defined specifications, evaluation criteria and contract terms and conditions in a manner that promotes competition in accordance with Regulation 48 of the LG (PPDA) Regulations, 2006.

#### **2.1.5 Low bidder participation**

The Entity failed to obtain adequate competition in four procurements worth UGX. 441,502,372 as an average of 2 bids was obtained in each procurement contrary to Section 46 of the PPDA Act, 2003 that requires the Entity to conduct procurements in a manner that maximizes competition and achieves value for money. The procurements are listed in the Table 7 below: -

**Table 7: Procurements with low bidder participation**

S/N	Procurement	Amount (UGX)	Bids received	Firms invited
1.	Subject: Fencing of Kanginima Seed Senior School Procurement method: Selective Bidding Contractor: Ripako Ltd	174,859,480	2	Open
2.	Subject: Supply of one Borehole Spare part  Procurement method: Selective Bidding Contractor: Bataka Contractors and Traders Ltd	47,780,000	1	3
3.	Construction of District Administration Block Phase One Procurement method: Open Domestic Domestic Bidding Contractor: Nviolupa Business Access Ltd	199,873,392	1	Open
4.	Subject of Procurement: Renovation of a 2 classroom block at Akisim P/S Procurement method: Selective bidding Contractor: Cornerstone infrastructures Ltd	18,989,500	1	3
<b>Total/average</b>		<b>441,502,372</b>	<b>2</b>	

**Implication**

This could be a sign of bidder collusion, lack of information to bidders and subjective award of tenders due to irregularities at evaluation such as non-adherence to set evaluation criteria.

**Management response**

*Management acknowledged this anomaly that it stated that was beyond the control of the Entity as some of the above-mentioned procurements were advertised. However, the Entity going forward shall increase the number of invited bidders under the selective bidding from 3 to 6 for purposes of increasing competition and the recommendation by the Authority shall be implemented.*

**Recommendation**

The Accounting Officer should address irregularities in the procurement process such as poor-quality bidding documents, failure to invite bidders, irregularities at evaluation and failure to fully pay providers in order to increase the Entity's attractiveness to potential bidders.

**2.1.6 Failure to account for UGX. 263,161,019 meant for procurements carried out under Uganda Road Fund budget**

The Authority noted that the Entity did not submit its URF quarterly progress reports to Uganda Road Fund during FY 2022-2023. The Authority received only accountability worth UGX. 26,950,000 for the following activities: -

- 1) Payment of purchase of murrum for the maintenance of Mukisa Bennego road worth UGX. 7,610,000 (EFT No.4267341) dated 31<sup>st</sup> March 2023.
- 2) Requisition Form for the maintenance of Musika -Benenego road for 32 culverts @ UGX.110.000 totaling to UGX. 3,520,000.
- 3) Requisition Form 19 for maintenance of Musika-Benenego road that included procurement of fuel and lubricants 2550 litres @UGX.5500 totaling to 14,025,00, and labor /allowances worth UGX. 1,795,000.

The works projects above were the only records submitted to the audit team as works conducted using the force account mechanism under the Uganda Road Fund during FY 2022-2023.

The Authority observed that at the time of the audit, the Entity was unable to avail the Entity's work plan/budget, quarterly reports submitted to the Uganda Road Fund during the financial year under review, and most of the required actual accountabilities provided to the Authority as indicated in Table 8 below:-

**Table 8: Use of Force on Account Mechanism carried out under URF in FY 2022-2023**

No.	Particulars	Value (UGX)
1.	Budget	313,850,511
2.	Total release; Quarterly releases	Quarter One: 41,680,989 Quarter Two: 84,339,277 Quarter Three: 89,696,582 Quarter Four: 49,394,171  Total actual release: 290,111,019 (92.4%)
3.	Amount not released.	23,739,492
4.	Total actual expenditure for all quarters FY2022/2023 as per reports and accountabilities provided to the audit team in the Entity's URF file for FY2022-2023.	Only procurements worth UGX. 26,950,000 were availed to the audit team hence the rest is considered missing records. Hence lack of accountability of UGX. 263,161,019.
5.	% expenditure of total amount released	8%
6.	Variance between amount released and the amount accounted for	263,161,019.
7.	% of unaccounted for funds	90.7%

The Authority noted that the following records were missing in the procurement action files such as: -

- 1) Accountability of funds worth UGX. 263,161,019
- 2) The budget /workplan for FY 2022-2023

- 3) The quarterly reports
- 4) Scope of works to be undertaken.
- 5) Estimated unit price and budget for the works.
- 6) List, specifications and quantities of supplies for the works to be undertaken.
- 7) Estimated duration of the works to be executed.
- 8) Personnel involved in the works
- 9) Equipment to be used in the works.
- 10) Detailed work programme for the execution of each of the works to be undertaken.
- 11) Works management plan
- 12) Daily worksheets to indicate the works executed.
- 13) Periodic progress reports.
- 14) Final report at the completion of the assignment including daily worksheets.
- 15) Schedule of allowances.
- 16) Powers of the force account supervisor.
- 17) Evidence of verification of works undertaken.
- 18) Performance and completion certificates in relation to the works executed.

Therefore because of lack of the above documentations, the audit team could not ascertain how funds were spent by the Entity during the financial year under review.

#### **Implications**

- This casts doubt on the transparency and accountability for works undertaken using force account and could compromise the achievement of value for money.
- This could be an indicator of fraud and embezzlement of public funds thus no accountability.

#### **Management Response**

*Management acknowledged this anomaly and indicated that during time of audit, documents were with Auditor General, however Force on account documentation and reports for expenditure under Uganda Road Funds were submitted for verification.*

#### **Authority's Comments**

*The Authority found the Entity's response as unsatisfactory as only documentation accounting for expenditure worth UGX. 26,950,000 under Uganda Road Fund was submitted and verified. Funds worth UGX. 263,161,019 were not accounted for.*

#### **Recommendation**

The Authority cautions the Accounting Officer and District Engineer for failure to submit or produce records and submit accountability of unaccounted funds under force on account mechanism worth UGX. 263,161,019 contrary to Section 95 (1) (a) & (b) of the PPDA Act as Amended 2021. Failure by the Accounting Officer and District Engineer to recover accountability of UGX. 263,161,019 requires the Accounting Officer and District Engineer and to provide these records and accountabilities within one week of receipt of this report. Failure to comply with this by the Entity shall leave the Authority with no choice but to recommend for investigations in to this matter by the Criminal Investigation Department.

#### **2.1.7 Irregularities during evaluation**

The Authority noted irregularities in the evaluation stage such as failure to follow the evaluation criteria during evaluation of 5 procurement transactions worth UGX. 493,653,368

which was contrary to Regulation 73 (1) (2) and (3) of the Local Governments (PPDA) Regulations, 2006 that provides that detailed evaluation shall be conducted to compare the details of the received bids with the terms, conditions and criteria stated in the bidding documents and that the detailed evaluation shall not be based on any terms, conditions or criteria that was not included in the bidding documents. Table 9 below indicates procurements for which evaluation irregularities were noted: -

**Table 9: Procurements for which irregularities at evaluation were noted**

No.	Subject of the procurement	Contracts Value (UGX)	Observation
1.	Construction of a 2-classroom block without office at Nalidi P/S Procurement method: Open National Bidding Contractor: Masata Dealers Ltd	67,223,756	<ul style="list-style-type: none"> <li>• Code of conduct for contractor's personnel was not signed which automatically annulled it but the Evaluation team considered the BEB compliant on the same</li> <li>• Postpost qualification was not carried out yet it was a requirement in the issued solicitation document.</li> <li>• Two members of the evaluation committee (Okimata Mary – Cashier and Kooli Sam – Ass Engineering Officer) did not sign on the evaluation report. Mr. Galya Muhammed took part in the evaluation yet he was never nominated and approved by the Contracts Committee to take part in the same.</li> </ul>
2.	Renovation of a 2-classroom block at Akisim P/S Procurement method: Selective bidding Contractor: Cornerstone Infrastructures Ltd	18,989,500	<ul style="list-style-type: none"> <li>• Ms. Makata Asa (SEO) was an appointed member of the Evaluation Committee however there was no evidence of her participation and did not take part in evaluation.</li> </ul>
3.	Construction of a 2-classroom block with office at Kabwangasi P/S Procurement method: Open Bidding	79,333,630	The BEB Bao Financial and Contractors Ltd was passed at preliminary and technical

No.	Subject of the procurement	Contracts Value (UGX)	Observation
	Contractor : Bao Financial and Contractors Ltd		<p>evaluation yet it did comply with the following in its bid:</p> <ul style="list-style-type: none"> <li>• Did not state its bid validity period..</li> <li>• Did not submit a bid security</li> <li>• Lacked an environment mitigation certificate.</li> <li>• Did not provide key personnel and their qualifications specifically the Environment and Social Development Officer</li> </ul>
4.	<p>Consultancy services for feasibility design of solar powered piped water supply systems</p> <p>Procurement method: Open bidding</p> <p>Contractor: Terracon Technical Works Ltd.</p>	128,233,090	<p>Terracon Technical Works Ltd (BEB) submitted an insufficient financial proposal which did not include details of the schedule of summary proposal as required in the solicitation document. (Details on preliminary designs, detailed designs) but was scored highly by the evaluation committee which is a sign of connivance between the Evaluation Committee and the bidder.</p> <ul style="list-style-type: none"> <li>• Terracon Technical Works Ltd did not attach any documents to assess the financial capacity of the firm as required by the solicitation document (Bank statements, audited books of accounts) and they were subsequently never evaluated by the Evaluations Committee.</li> </ul>
5.	<p>Subject: Construction of District Administration Block Phase One</p> <p>Procurement method: Open Domestic Bidding</p>	199,873,392	<ul style="list-style-type: none"> <li>• Passing a non-compliant bidder. The BEB submitted an expired PPDA Certificate</li> </ul>

No.	Subject of the procurement	Contracts Value (UGX)	Observation
	Contractor: Nviolupa Business Access Ltd		
<b>Total</b>		<b>493,653,368</b>	

### **Implications**

- This is an indicator of unethical tendencies within the Entity by members which compromises fairness and transparency.
- This may lead to award of contracts to non-compliant bidders which could result in to substandard work and failure to attain value for money.

### **Management response**

*Management acknowledged the above anomaly and noted that these were an oversight by the Entity's Evaluation Committees. The Entity's Accounting Officer going forward has cautioned the HPDU and Evaluation Committee to ensure Evaluation Committees adhere to the set evaluation criteria before recommending award to any provider and subsequently to the Contracts Committee for award of contract.*

### **Recommendations**

1. The Head Procurement and Disposal Unit should ensure that Evaluation Committees adhere to the set evaluation criteria in the solicitation document in accordance with Section 71 (3) of the PPDA Act, 2003.
2. The Contracts Committee should ensure that the principles of fairness and transparency are observed in the evaluation process in accordance with Section 45 of the PPDA Act, 2003 before approving the evaluation reports.

## 2.2 COMPLIANCE OF THE ENTITY'S DISPOSAL PROCESS WITH THE PROVISIONS OF THE PPDA ACT, 2003 AS AMENDED AND LOCAL GOVERNMENTS (PPDA) REGULATION 2006

### 2.2.1 Failure to conduct disposal during FY 2022/2023

The Authority reviewed the Entity's Board of survey report for the Financial Year 2022/2023 dated 28th August 2023 and noted the assets below that were due for disposal:

- 1) Toyota Hilux- LG 0082-40
- 2) Nissan Pickup- UG 1849M
- 3) Ford Pickup- UG 2958R

However, there was no effort by the Entity to ensure that these items were disposed. Table 10 below shows items that are undisposed: -

**Table 10: Showing items due for disposal**



### **Implications**

- Failure to dispose of assets whose use ceased inhibits achievement of value for money as funds are held up in assets and also lost through depreciation of these assets.
- This also exposes the assets to possible theft and vandalism.

### **Management Response**

*Management acknowledged this anomaly and the Entity going forward has embarked on the immediate process of disposal for one vehicle however two belong to the Ministry of Health and the ownership was still under the ministry which has been duly noted to effect the transfer to enable the disposal process or tow the vehicles to their respective yard for disposal to be effected.*

### **Recommendation**

The Accounting Officer should ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 122-133 of the LG (PPDA) Regulations, 2006 and formally write to the Accounting Officers of the respective Entities that donated Vehicles to the District seeking permission and ownership documents to dispose them off or the District hand them over to the donor for further management.

## 2.3 EFFICIENCY AND EFFECTIVENESS IN CONTRACT IMPLEMENTATION INCLUDING THE APPLICATION OF ENVIRONMENTAL, SOCIAL, HEALTH, AND SAFETY (ESHS) REQUIREMENTS IN THE PROCUREMENT PROCESS.

### 2.3.1 Failure to adhere to the Environmental, Social, Health and Safety (ESHS) requirements during contract execution

The Authority on 20<sup>th</sup> October 2023 carried out physical verification exercise on four procurements worth UGX. 411,825,386 were works projects were done during the financial year under review and noted that they all had issues relating to the adherence of Environmental, Social, Health and Safety (ESHS) such as failure to hoard sites, ensure personnel protection equipment, planting of trees, lack of signage, and sensitization on HIV/AIDS & COVID-19 requirements during contract execution of the works projects. The list of projects that were physically inspected are indicated in Table 11 below: -

**Table 11: Procurements for with no provisions for environmental and crosscutting issues**

No	Subject of Procurement	Contract Amount (UGX)
1.	Renovation of a Two classroom block at Akisim Primary School in Education Department	18,989,000
2.	Fencing of Kanginima Seed School	174,859,480
3.	Completion of OPD at Nagwere HC III and ceiling of Kakoro HC III maternity in the Health Department	18,103,514
4.	Construction of District Administration Block 1st Floor Phase I	199,873,392
<b>Total</b>		<b>411,825,386</b>

#### Implications

- Failure to include environment and social mitigation measures in contracts puts the communities where the projects are located at risk of harmful effects of environmental degradation such as climate change, destruction of eco systems, air pollution and depletion of natural resources.
- Failure to ensure social inclusion for disadvantaged groups such as women puts them at risk of being left behind in terms of social and economic progress of society.

#### Management Response

*Management acknowledged the anomaly and going forward the Accounting Officer has cautioned the District Environmental Officer and the District Labor Officer to always ensure that they are involved in the entire procurement process right from planning and initiation, bid document preparation and contract management process so that the ESHS are executed successfully.*

#### **Recommendation**

The Accounting Officer should strengthen contracts management in the Entity and ensure that in future the Contractors fulfill their contractual obligations including adhering to the implementation of Gender Equality and Social Inclusion (GESI), and Environmental, Social, Health and Safety (ESHS) requirements including provision of personal protective gear to workers, employment contracts, HIV and Aids awareness, among others.

### 2.3.2 Missing records

The Authority noted missing contract management reports and records in 11 contracts entered into by the Entity worth UGX. 916,313,082 contrary to Regulation 119 (1) of the LG PPDA Regulations, 2006. as indicated in Table 12 below: -

**Table 12: Procurements with missing records**

No.	Subject of Procurement	Contract Amount (UGX)	Missing records	Response
1.	Construction of a 2-classroom block without office at Nalidi P/S Procurement method: Open National Bidding Contractor: Masata Dealers Ltd	67,223,756	<ul style="list-style-type: none"> <li>• There were no records of issue and receipt on file</li> <li>• Notice of Best Evaluated Bidder.</li> <li>• Contract implementation plan</li> <li>• Contract Management reports</li> <li>• Interim/ Completion Certificate</li> <li>• Payment records.</li> </ul>	<p><i>This project was not implemented.</i></p> <p><b>Authority's Comment</b> There was no Contracts Committee minute cancelling the procurement.</p>
2.	Construction of a 2-classroom block with office at Kabwangasi P/S Procurement method: Open Bidding Contractor: Bao Financial and Contractors Ltd	79,333,630	<ul style="list-style-type: none"> <li>• There were no records of issue and receipt on file</li> <li>• Notice of Best Evaluated Bidder.</li> <li>• Appointment of Contract Manager</li> <li>• Contract management plan</li> <li>• Payment records</li> </ul>	<p><i>This project was not implemented.</i></p> <p><b>Authority's Comment</b> There was no Contracts Committee minute cancelling the procurement. Thus query was maintained.</p>
3.	Consultancy Services for Feasibility studies and design of piped water supply system	128,233,090	<ul style="list-style-type: none"> <li>• Notice of Best Evaluated Bidder</li> <li>• Appointment of a contract manager.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Best Evaluated Bidder was published and it was available for verification.</i></li> <li>• <i>Contract manger was appointed</i></li> </ul>

No.	Subject of Procurement	Contract Amount (UGX)	Missing records	Response
	Procurement method: Open Domestic Bidding  Contractor: Terracon Technical Works Ltd.		<ul style="list-style-type: none"> <li>• Performance Security of 10% GCC 45.1.</li> <li>• Contract implementation plan.</li> <li>• Payment records as per GC25.1 payment schedule when inception reports are done and submitted and produced to the district and 10% upon submission and approval of final designs.</li> </ul>	<p><i>and here copy for verification</i></p> <ul style="list-style-type: none"> <li>• <i>Payments were done after submission of final designs by the contractor to the district.</i></li> </ul> <p><b>Authority's comments</b> The Entity's response was unsatisfactory as no such records were availed for verification.</p>
4.	Construction of District Administration Block Phase One  Procurement method: Open Domestic Bidding  Contractor: Nviolupa Business Access Ltd	199,873,392	<ul style="list-style-type: none"> <li>• Notice of Best Evaluated Bidder.</li> <li>• GCC.1 Required a performance security of 10% of the contract amount and Environment Security.</li> <li>• Appointment of a contract manager.</li> <li>• Contract implementation plan.</li> <li>• Contract management reports</li> <li>• Completion and handover certificates are not on file.</li> <li>• Payment records</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Best Evaluated Bidder was published and it was available for verification.</i></li> <li>• <i>Performance security was not brought by the contractor but project was executed satisfactory.</i></li> <li>• <i>Completion certificates were prepared by the District Engineer and here attached for verification.</i></li> <li>• <i>Payment records were available for verification.</i></li> </ul> <p><b>Authority's comments</b> The Entity's response was unsatisfactory as no</p>

No.	Subject of Procurement	Contract Amount (UGX)	Missing records	Response
				such records were availed for verification.
5.	Renovation of a 2 classroom block at Akisim Primary School in Education Department  Procurement method: Selective bidding  Contractor: Cornerstone infrastructures Ltd	18,989,500	<ul style="list-style-type: none"> <li>• Notice of Best Evaluated Bidder.</li> <li>• Contract document</li> <li>• Program for works</li> <li>• Contract supervisor nomination and approval by AO.</li> <li>• Contract implementation plan</li> <li>• Contract management reports</li> <li>• Completion certificates.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Best Evaluated Bidder was published and it was available for verification.</i></li> <li>• <i>Contract document available for verification.</i></li> <li>• <i>Completion certificates were prepared by the District Engineer and here attached for verification.</i></li> <li>• <i>Contract manager was nominated and approved by the AO here attached for verification.</i></li> </ul> <p><b>Authority's comments</b> The Entity's response was unsatisfactory as no such records were availed for verification.</p>
6.	Subject: Fencing of Kanginima Seed Senior School Procurement method: Selective Bidding Contractor: Ripako Ltd	174,859,480	<ul style="list-style-type: none"> <li>• Lack of Performance Security of 5% of the contract under GCC.61.1 for the contract</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Performance security was not brought by the contractor but project was executed satisfactory.</i></li> <li>• <i>Completion certificates were prepared by the</i></li> </ul>

No.	Subject of Procurement	Contract Amount (UGX)	Missing records	Response
			<p>signed on 27<sup>th</sup> March 2023.</p> <ul style="list-style-type: none"> <li>• There is no evidence of appointment of Contract Supervisor.</li> <li>• Contract implementation plan.</li> <li>• Contract Management reports.</li> <li>• Interim/ Completion Certificate.</li> <li>• Payment records.</li> </ul>	<p><i>District Engineer and here attached for verification.</i></p> <ul style="list-style-type: none"> <li>• <i>Payment records are available for verification</i></li> <li>• <i>Contract manager was appointed and here attached for verification.</i></li> </ul> <p><b>Authority's comments</b> The Entity's response was unsatisfactory as no such records were availed for verification.</p>
7.	<p>Subject: Supply of one Borehole Spare part</p> <p>Procurement method: Selective Bidding Contractor: Bataka Contractors and Traders Ltd</p>	47,780,000	<ul style="list-style-type: none"> <li>• Appointment of Contract Manager</li> <li>• Contract management plan</li> <li>• Delivery notes</li> <li>• Payment records</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Contract manager was appointed and here attached for verification</i></li> <li>• <i>Delivery note here attached for verification.</i></li> <li>• <i>Payment records are available for verification.</i></li> </ul> <p><b>Authority's comments</b> The Entity's response was unsatisfactory as no such records were availed for verification.</p>

No.	Subject of Procurement	Contract Amount (UGX)	Missing records	Response
8.	Supply of three solar Street lights to Butebo H/C IV, 1 solar system to Kanyum and another to Kachuru H/C II Procurement method: Selective Domestic Bidding Contractor: Mt Garizim General Enterprise (U) Ltd	24,983,000	<ul style="list-style-type: none"> <li>• Appointment of Contract Manager</li> <li>• Contract management plan</li> <li>• Delivery notes</li> <li>• Payment records</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Contract manager was appointed and here attached for verification</i></li> <li>• <i>Delivery note here attached for verification</i></li> <li>• <i>Payment records were available for verification.</i></li> </ul> <p><b>Authority's comments</b> The Entity's response was unsatisfactory as no such records were available for verification.</p>
9.	Borehole Sighting, Hydrological Surveys, drilling, Pump testing Procurement method: Open Bidding Contractor: Icon Projects Ltd	143,433,720	<ul style="list-style-type: none"> <li>• Contract management reports</li> <li>• Completion and handover certificates are not on file.</li> <li>• Payment records</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Contract manager was appointed and here attached for verification</i></li> <li>• <i>Payment records were available for verification</i></li> <li>• <i>Completion certificates were available for verification</i></li> </ul> <p><b>Authority's Comment</b> The Entity's response was unsatisfactory as no such records were available for verification.</p>
10.	Completion of OPD at Nagwere HC III and ceiling of Kakoro HC III maternity in the	18,103,514	<ul style="list-style-type: none"> <li>• Appointment of a contract manager.</li> <li>• Contract implementation plan.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Contract manager was appointed and here attached for verification</i></li> </ul>

No.	Subject of Procurement	Contract Amount (UGX)	Missing records	Response
	Health D Procurement method: Selective Domestic Bidding Contractor: Kabwangasi General Traders Ltd		<ul style="list-style-type: none"> <li>• Contract management reports</li> <li>• Completion and handover certificates are not on file.</li> <li>• Payment records</li> </ul>	<p style="text-align: right;"><i>verification</i></p> <ul style="list-style-type: none"> <li>• <i>Payment records were available for verification</i></li> <li>• <i>Completion certificates are available for verification.</i></li> </ul> <p><b>Authority's comments</b> The Entity's response was unsatisfactory as no such records were availed for verification.</p>
11.	Supply of a projector, a laptop computer, photocopier ,5 fans and router to support internet in the health department Procurement method: Selective Domestic Bidding Contractor: Three General Enterprise Ltd	13,500,000	<ul style="list-style-type: none"> <li>• Appointment of a contract manager.</li> <li>• Contract implementation plan.</li> <li>• Delivery notes.</li> <li>• Payment records</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Delivery note available for verification</i></li> <li>• <i>Contractor was not paid because they had issues with their bank details however district tried their part of paying them.</i></li> </ul> <p><b>Authority's comments</b> The Entity's response was unsatisfactory as no such records were availed for verification..</p>
<b>Total</b>		<b>916,313,082</b>		

### Implication

Lack of contract management reports/progress reports and other records casts doubt on whether contracts were executed in accordance with contractual requirements and terms and conditions.

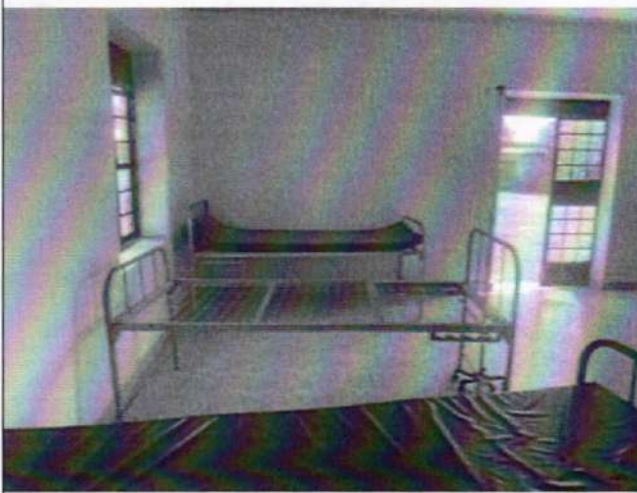

### Recommendations

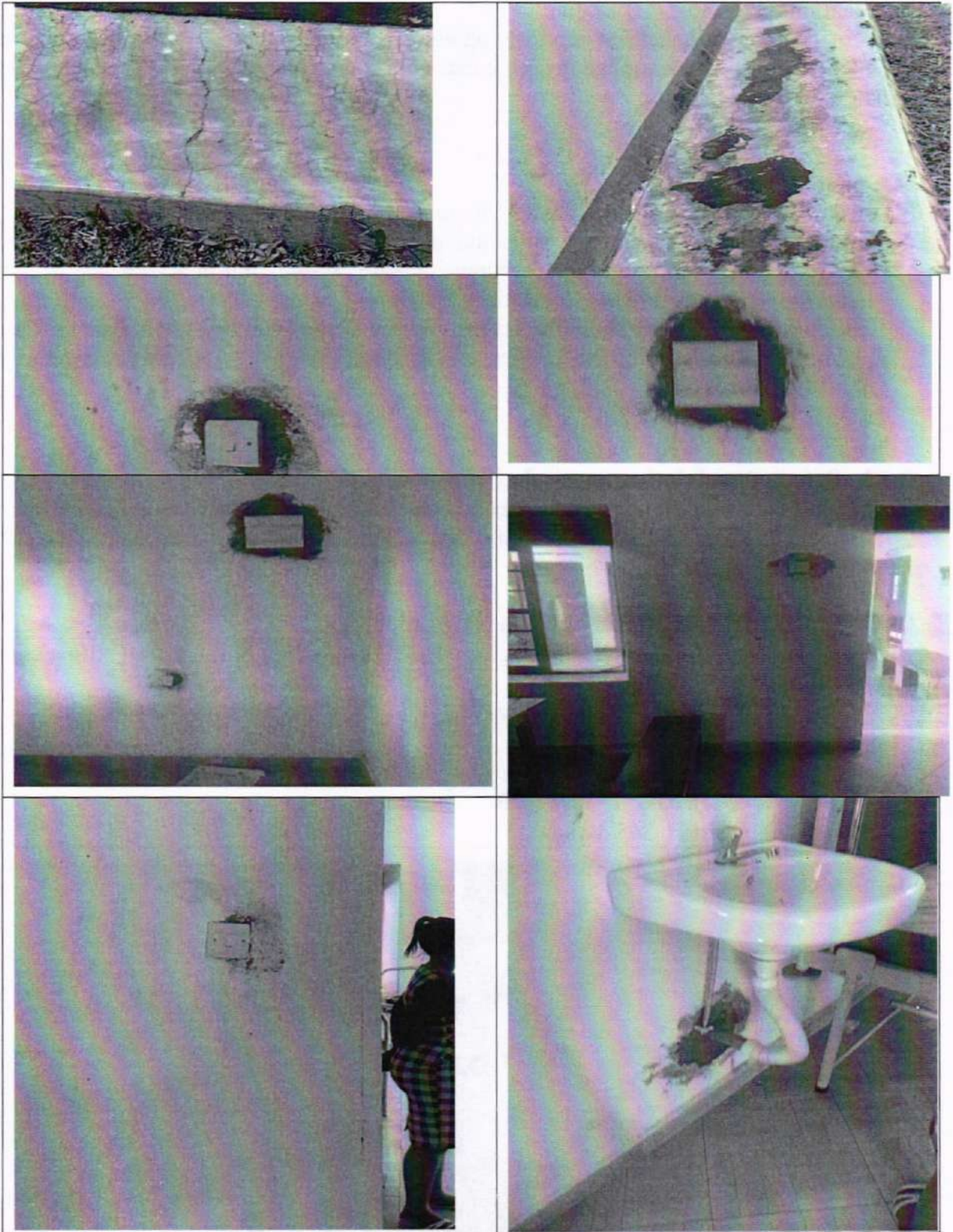
1. Heads of User Departments should charge all Contract Supervisors to submit progress reports/contract management reports and all contract implementation documentation to the Accounting Officer and the Procurement and Disposal Unit in accordance with the Local Governments (PPDA) Regulations, 2006.
2. The Accounting Officer should direct the Finance Department to always share copies of payments records with the Procurement and Disposal Unit in order for procurement action files to be closed off.

### 2.3.3 Defects noted during physical verification

The Authority conducted physical verification on four projects worth UGX. 411,825,385 on 20<sup>th</sup> October 2023 and all these projects had defects that necessitated management's attention as indicated in Table 12 below: -

**Table 13: Issues noted during physical verification**

<p>1. Subject: Completion of OPD at Nagwere HC III and ceiling of Kakoro HC III maternity in the Health Department Contractor: Kabwangasi General Traders Ltd Contract value: UGX. 18,103,514 Contract signing date: 22<sup>nd</sup> April 2023 Contract Completion date: 4<sup>th</sup> July 2023 Defects liability period: 365 days</p>	
	
<p>Observations: 1. Cracked Veranda 2. Shoddy works at finishing for electrical and plumbing works</p>	





2. Subject: Renovation of a Two classroom block at Akisim Primary School in Education Department

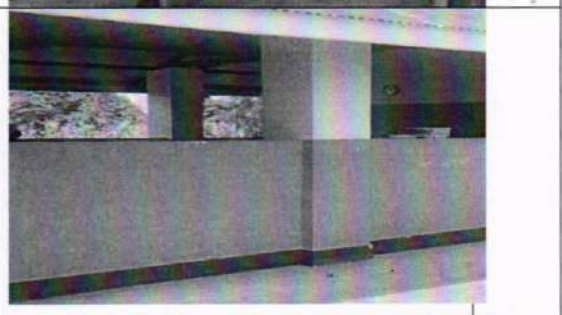
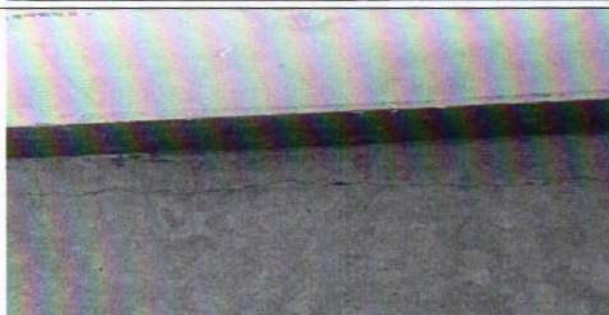
Contractor: Cornerstone Infrastructure Ltd

Contract amount: UGX. 18,989,000

Contract signing date: 22<sup>nd</sup> April 2023

Contract Completion date: 4<sup>th</sup> July 2023

Defects liability period: 365 days



3. Ceiling of Kakoro HC III maternity

Contractor: Kabwangasi General Traders Ltd

Contract value: UGX. 18,103,514

Contract signing date: 22nd April 2023

Contract Completion date: 4th July 2023

Defects liability period: 365 days

Observation: There was no adherence to the ESHS requirements and compliance such as planting trees, signage, sensitization on HIV/COVID-19.



4. Subject: Fencing of Kanginima Seed School

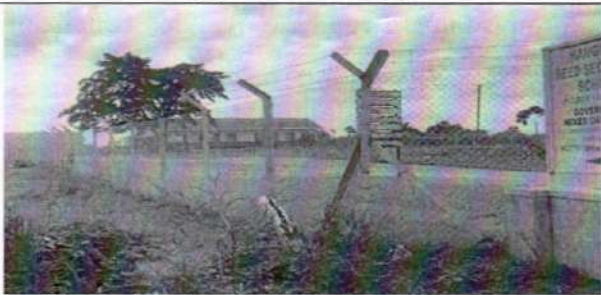
Contractor: Ripako Ltd

Contract amount: UGX. 174,859,480

Contract signing date: 27<sup>th</sup> March 2023

Contract Completion date: 25<sup>th</sup> June 2023

Defects liability period: 365 days



Observation: There was no adherence to the ESHS requirements and compliance such as planting trees, signage, sensitization on HIV/COVID-19.

5. Subject: Construction of District Administration Block 1 st Floor Phase 1

Contractor: Nviolupa Business Access Ltd

Contract amount: UGX. 199,873,392

Contract value: UGX.199,873,392

Contract signing date: 21<sup>st</sup> March 2023

Contract Completion date: 22<sup>nd</sup> June 2023

Defects liability period: 365 days

Observations

- Failure to hoard site which exposes the personnel to risk
- Contractor had no office/store on site
- There was no adherence to the ESHS requirements and compliance such as planting trees, signage, sensitization on HIV/COVID-19.



### **Implication**

Irregularities at contract implementation compromise quality and the intended beneficiaries do not get the desired effects of the services delivered.

### **Management Response**

*Management acknowledged the anomaly and the District Engineer going forward shall follow up with contractors so that defects are rectified since there is still retention one unpaid worth 10% of the contract prices to ensure value for money and status report will be provided to the Authority.*

*Environmental officer shall coordinate with the contractor through project manager to ensure trees are planted.*

### **Recommendation**

The Accounting Officer should task the District Engineer to ensure that the above defects are rectified by the Contractors before retention money can be paid to them, Failure by the Contractors to do so, the Entity should submit them to the Authority for black listing for failure to fulfill contractual obligations.

### 3. CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This section will present graphically the scores per area assessed under different compliance audit sections.

#### 3.1 Overall Compliance Audit Conclusion

The performance of Butebo District Local Government for the Financial Year 2022/23 was unsatisfactory with overall weighted average risk rating of 81.7%.

**Table 14: Risk rating criteria**

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

#### 3.2 Entity's Risk Assessment

The table 13 below shows the Entity's performance per risk category based on the sampled procurements:

**Table 15: Showing summary of risk assessment of Butebo DLG**

Risk Category	Number of Sampled Procurements	%Number	Value (UGX)	% Value
High	6	54.5	668,512,348	73
Medium	5	45.5	247,800,234	27
Low	0	0	0	0
Satisfactory	0	0	0	0
<b>Total</b>	<b>11</b>	<b>100</b>	<b>916,313,082</b>	<b>100</b>

#### 3.3 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 14 below:

**Table 16: Weighted risk assessment of Butebo DLG**

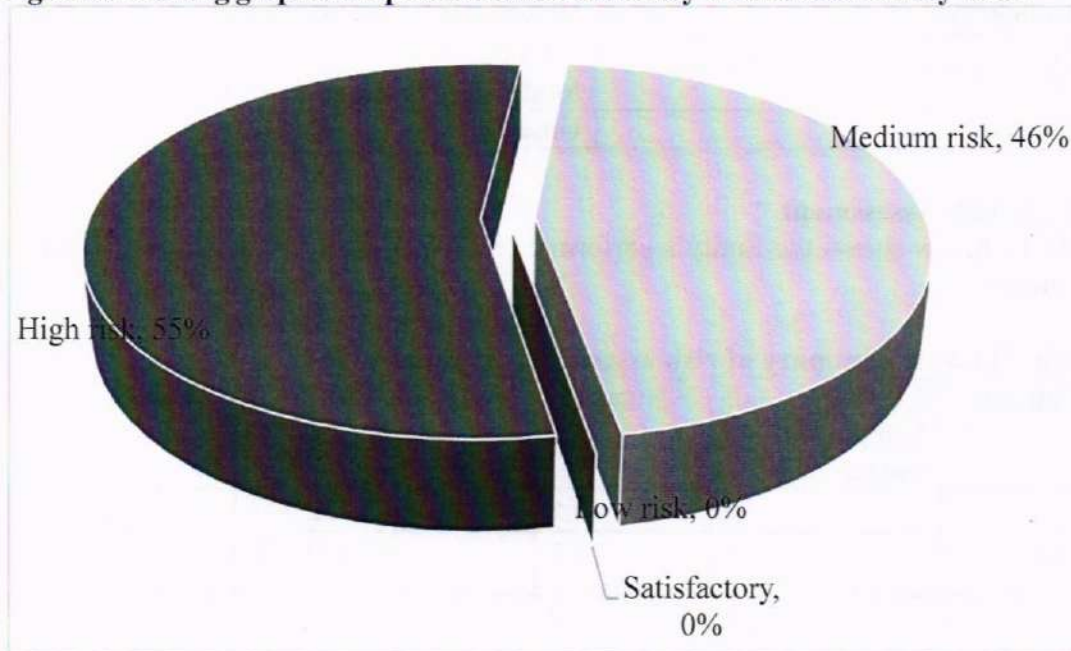
Risk category	Rating (By Number)	Weights	Total weighted Average	Rating (By Value)	Weights	Total weighted Average
High	54.5	0.6	32.7	73	0.6	43.8
Medium	45.5	0.3	13.65	27	0.3	8.1
Low	0	0.1	0	0	0.1	0
Satisfactory	0	0	0	0	0	0
<b>Total</b>	<b>100</b>	<b>1</b>	<b>46.35</b>	<b>100</b>	<b>1</b>	<b>51.9</b>

$$\text{Weighted Average (By no.)} = \sum \text{Weighted Score} \times 100 = \frac{46.35}{60} \times 100 = 77.2 \%$$

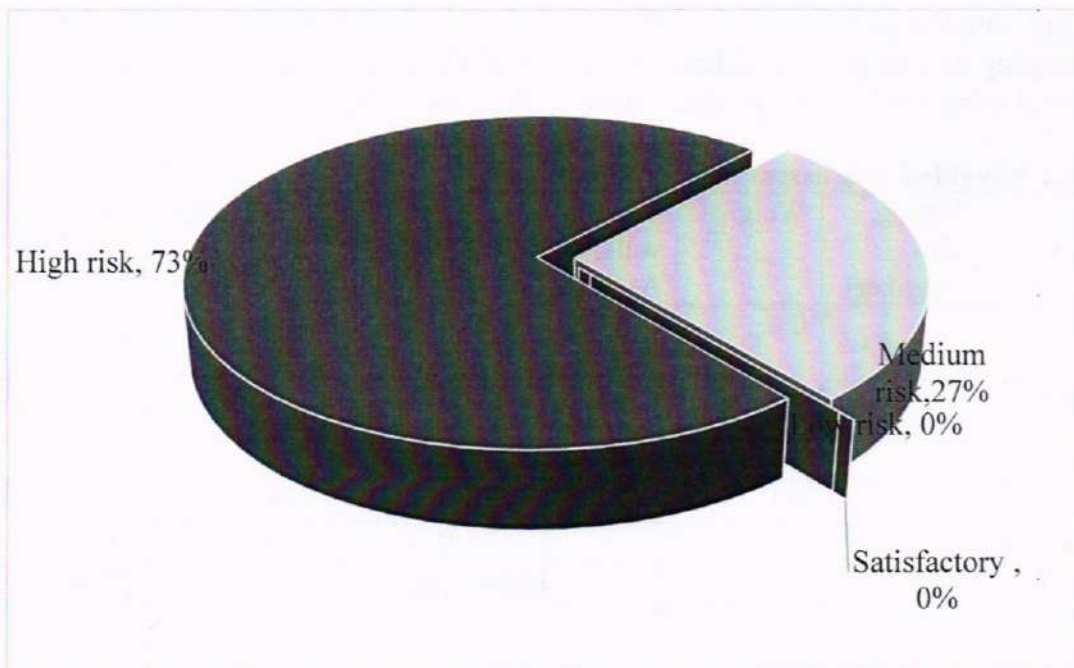
$$\text{Weighted Average (By Value)} = \sum \text{Weighted Score} \times 100 = \frac{51.9}{60} \times 100 = 86.5 \%$$

$$\text{Combined Weighted Average} = \frac{77.2 + 86.5}{2} = 81.8 \%$$

**Figure 3: Showing graphical representation of the Entity's risk assessment by value**



**Figure 2: Showing graphical representation of the Entity's risk assessment by number**



### 3.4 Recommended Action Plan

Butebo District Local Government should implement the following recommendations within the timeframe given in order to improve its performance in Procurement and Disposal.

**Table 17: Recommended Action Plan**

No.	Recommendation	Timeframe
1.	The Accounting Officer should ensure that the Contracts Committee is fully constituted and inducted in accordance with Section 26 (1) (a) and 27 (1) of the PPDA Act ,2003 as amended.	May 2024
2.	The Accounting Officer should task the Internal Audit Department to conduct comprehensive audit on the procurement and disposal process of the Entity on a quarterly basis so as to improve and strengthen internal systems and controls.	May 2024
3.	<p>1. The Accounting Officer with support from Internal Audit should come up with a strong mechanism and task force that will ensure that all audit recommendations are regularly monitored and implemented so as to improve the Entity's performance. This could include sharing them with Internal Audit, training, including them among the key performance indicators, and discussing them in top management meetings, among others.</p> <p>2. The Accounting Officer should always disseminate audit reports and recommendations during Top Management meetings of the District to enable discussion and adoption of strategies on how to implement the recommendations for continuous process improvements.</p>	May 2024
4.	The Accounting Officer along with Management should regularly carry out a review and update of the implementation of the procurement plan in accordance with Section 58 (4) of the PPDA Act, 2003 as amended to ensure improved performance.	May 2024
5.	The Contracts Committee should ensure that the bidding documents approved are of appropriate quality in terms of having well defined specifications, evaluation criteria and contract terms and conditions in a manner that promotes competition in accordance with Regulation 48 of the LG (PPDA) Regulations, 2006.	May 2024
6.	The Accounting Officer should address irregularities in the procurement process such as poor quality bidding documents, failure to invite bidders, irregularities at evaluation and failure to fully pay providers in order to increase the Entity's attractiveness to potential bidders.	May 2024
7.	The Authority cautions the Accounting Officer and District Engineer for failure to submit or produce records and submit accountability of unaccounted funds under force on account mechanism worth UGX. 263,161,019 contrary to Section 95 (1) (a) & (b) of the PPDA Act as Amended 2021. Failure by the Accounting Officer and District Engineer to recover accountability of UGX. 263,161,019 and to provide these records within one	May 2024

	week of receipt of this report by the Entity shall leave the Authority with no choice but to recommend for investigations in to this matter by the Criminal Investigation Department.	
8.	<p>1. The Head Procurement and Disposal Unit should ensure that Evaluation Committees adhere to the set evaluation criteria in the solicitation document in accordance with Section 71 (3) of the PPDA Act, 2003.</p> <p>2. The Contracts Committee should ensure that the principles of fairness and transparency are observed in the evaluation process in accordance with Section 45 of the PPDA Act, 2003 before approving the evaluation reports.</p>	May 2024
9.	The Accounting Officer should ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 122-133 of the LG (PPDA) Regulations, 2006.	May 2024
10.	The Accounting Officer should strengthen contracts management in the Entity and ensure that in future the Contractors fulfill their contractual obligations including adhering to the implementation of Gender Equality and Social Inclusion (GESI), and Environmental, Social, Health and Safety (ESHS) requirements including provision of personal protective gear to workers, employment contracts, HIV and Aids awareness, among others.	May 2024
11.	<p>1. Heads of User Departments should charge all Contract Supervisors to submit progress reports/contract management reports and all contract implementation documentation in accordance with the Local Governments (PPDA) Regulations, 2006.</p> <p>2. The Accounting Officer should direct the Finance Department to always share copies of payments records with the Procurement and Disposal Unit in order for procurement action files to be closed off.</p>	May 2024
12.	The Accounting Officer should task the District Engineer to ensure that all defects identified during physical verification of the selected four projects worth UGX. 411,825,385 as indicated in Section 2.3.3 of this report are rectified before retention money can be paid. The Entity should submit errant contractors to the Authority for black listing in the event that they fail to rectify the defects.	May 2024

**Annex A: Findings and rating on the individual contracts reviewed**

	<b>HIGH RISK CONTRACTS</b>	<b>REASONS FOR HIGH RISK</b>
1.	<p><b>Subject:</b> Consultancy Services for Piped Water Supply system  <b>Reference number:</b> Bute828/Wrks/22-23/Srvcs/00001  <b>Procurement method:</b> Open national bidding  <b>Contractor:</b> Terracon Technical Works (U) Ltd  <b>Contract value:</b> UGX. 128,233,090</p>	<ul style="list-style-type: none"> <li>• Use of inappropriate evaluation method (Technical Compliance selection methodology) which was not suitable for consultancy services.</li> <li>• Bids were irregularly issued out to bidders at a nonrefundable fee of UGX. 100,000 contrary to UGX. 50,000 that had been approved by the Contracts Committee.</li> </ul> <p><b>Evaluation</b>  The BEBTerracon Technical Works Ltd,</p> <ul style="list-style-type: none"> <li>• submitted an insufficient financial proposal which did not include details of the schedule of summary proposal as required in the solicitation document. (Details on preliminary designs, detailed designs) but was scored highly by the evaluation committee.</li> <li>• did not attach any documents to assess the financial capacity of the firm as required by the solicitation document (Bank statements, audited books of accounts) and they were subsequently never evaluated by the Evaluations Committee.</li> </ul> <p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>• Notice of Best Evaluated Bidder</li> <li>• Appointment of a contract manager.</li> <li>• Performance Security</li> <li>• Contract implementation plan.</li> <li>• Payment records.</li> </ul>
2.	<p><b>Subject:</b> Construction of a Two Classroom block without offices at Nalidi  <b>Reference Number:</b> Bute828/Wrks/22-23/00004  <b>Procurement method:</b> Open National bidding  <b>Contractor:</b> Masata Dealers Ltd  <b>Contract value:</b> UGX. 67,223,756</p>	<p><b>Bidding</b></p> <ul style="list-style-type: none"> <li>• Lack of parameters to assess financial strength of bidders. BEB deposited 15,000,000 on the day the statement was issued by the bank</li> <li>• The evaluation criteria required bidders to submit <i>accounts or other financial statements acceptable to the Employer but was silent on the years in reference.</i> No minimum average</li> </ul>

	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
		<p>turnover was stated yet bidders were required to submit information on their turnover.</p> <ul style="list-style-type: none"> <li>• G36.3 stated that <i>the period between program update was 100,000 days</i> which was unrealistic to the potential bidders.</li> <li>• G58.1 of the solicitation document was silent on liquidated damages.</li> </ul> <p><b>Evaluation</b></p> <ul style="list-style-type: none"> <li>• Code of conduct for contractor's personnel was not signed which automatically annulled it but the Evaluation team considered the BEB compliant on the same</li> <li>• No post qualification was carried out yet it was a requirement in the issued solicitation document.</li> <li>• Two members of the evaluation committee (Okimata Mary – Cashier and Kooli Sam – Ass Engineering Officer) did not sign on the evaluation report.</li> <li>• Mr. Galya Muhammed took part in the evaluation yet he was never nominated and approved by the Contracts Committee to take part in the same</li> </ul> <p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>• There was no record of issue and receipt on file</li> <li>• Notice of Best Evaluated Bidder.</li> <li>• Contract implementation plan</li> <li>• Contract Management reports</li> <li>• Interim/ Completion Certificate Payment records</li> </ul>
3.	<p><b>Subject:</b> Construction of a Two classroom block with offices at Kabwangasi Primary School</p> <p><b>Reference Number:</b> Bute828/Wrks/22-23/00002</p> <p><b>Procurement method:</b> Open Bidding  <b>Contractor:</b> Bao Finance &amp; Contractors Ltd</p>	<p><b>Evaluation</b></p>

	<b>HIGH RISK CONTRACTS</b>	<b>REASONS FOR HIGH RISK</b>
	<b>Contract value:</b> UGX. 79,333,630	<p>The BEB Bao Financial and Contractors Ltd (BEB) was irregularly awarded the contract yet it was non compliant on the following requirements;</p> <ul style="list-style-type: none"> <li>• did not state its bid validity.</li> <li>• did not submit a bid security.</li> <li>• Did not submit an Environment mitigation certificate.</li> <li>• Did not provide key personnel specifically Environmental and Social Development Officers.</li> <li>• The evaluation criteria required a bidder to have a turnover of UGX. 200,000,000 which was restrictive yet the the procurement was estimated at UGX. 80,000,000.</li> <li>•</li> </ul> <p><b>Missing documents</b></p> <ul style="list-style-type: none"> <li>• There was no record of issue and receipt on file</li> <li>• Notice of Best Evaluated Bidder.</li> <li>• Appointment of Contract Manager</li> <li>• Contract management plan</li> <li>• Payment records</li> </ul>
4.	<p><b>Subject:</b> Construction of District Administration Block Phase One</p> <p><b>Reference No.</b></p> <p><b>Procurement method:</b> Open National bidding</p> <p><b>Contractor:</b> Nviolupa Business Access Ltd</p> <p><b>Contract value:</b> UGX. 199,873,392</p>	<p><b>Bidding</b></p> <ul style="list-style-type: none"> <li>• Low bidder participation with only one bidder.</li> </ul> <p><b>Evaluation irregularities:</b></p> <ul style="list-style-type: none"> <li>• BEB was non-compliant as it had an expired PPDA Certificate as at 31<sup>st</sup> December 2022.</li> </ul> <p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>• Notice of Best Evaluated Bidder.</li> <li>• Performance security</li> <li>• Appointment of a contract manager.</li> <li>• Contract implementation plan.</li> <li>• Contract management reports</li> <li>• Completion and handover certificates are not on file.</li> <li>• Payment records</li> </ul>
5.	<p><b>Subject:</b> Renovation of a Two classroom block at Akisim Primary School in Education Department</p>	<p><b>Initiation</b></p> <ul style="list-style-type: none"> <li>• Scope of works not attached to the solicitation document on file.</li> </ul>

	<b>HIGH RISK CONTRACTS</b>	<b>REASONS FOR HIGH RISK</b>
	<p><b>Procurement method:</b> Selective bidding method</p> <p><b>Contractor:</b> Cornerstone Infrastructure Ltd</p> <p><b>Contract value:</b> UGX. 18,989,000</p>	<p><b>Bidding</b></p> <ul style="list-style-type: none"> <li>• Low bidder participation with only one bidder participating.</li> </ul> <p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>• Notice of Best Evaluated Bidder.</li> <li>• Contract document</li> <li>• Program for works</li> <li>• Contract supervisor nomination and approval by AO.</li> <li>• Contract implementation plan</li> <li>• Contract management reports</li> <li>• Completion certificates</li> </ul>
6.	<p><b>Subject:</b> Fencing of Kanginima Seed School</p> <p><b>Reference number:</b> Bute828/Spls/22-23/00006</p> <p><b>Procurement method:</b> Selective bidding</p> <p><b>Contractor:</b> Ripako Ltd</p> <p><b>Contract value:</b> UGX:174,859,480</p>	<p><b>Bidding</b></p> <ul style="list-style-type: none"> <li>• Low bidder participation as only two bids were received.</li> </ul> <p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>• No Performance Security of 5% of the contract under GCC.61.1 for the contract signed on 27<sup>th</sup> March 2023.</li> <li>• There was no evidence of appointment of Contract Supervisor.</li> <li>• Contract implementation plan.</li> <li>• Contract Management reports.</li> <li>• Interim/ Completion Certificate.</li> <li>• Payment records.</li> </ul>

No	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
1.	<p><b>Subject:</b> Borehole Sitting, Hydrological Surveys, drilling, Pump testing</p> <p><b>Reference number:</b> Bute828/Wrks/22-23/00001</p> <p><b>Procurement method:</b> Open National bidding</p> <p><b>Contractor:</b> Icon Projects Ltd</p> <p><b>Contract value:</b> UGX. 143,433,720</p>	<p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>• Contract management reports</li> <li>• Completion and handover certificates are not on file.</li> <li>• Payment records</li> </ul>
2.	<p><b>Subject:</b> Completion of OPD at Nagwere HC III and ceiling of Kakoro HC III maternity in the Health Department</p> <p><b>Reference number:</b> Bute828/Wrks/22-23/0005 (iv)</p> <p><b>Procurement method:</b> Selective Bidding</p> <p><b>Contractor:</b> Kabwangasi General Traders Ltd</p> <p><b>Contract value:</b> UGX. 18,103,514</p>	<p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>• Appointment of a contract manager.</li> <li>• Contract implementation plan.</li> <li>• Contract management reports</li> <li>• Completion and handover certificates are not on file.</li> <li>• Payment records</li> </ul>
3.	<p><b>Subject:</b> Supply of three solar Street lights to Butebo H/C iv , 1 solar system to Kanyum and another to Kachuru H/C II</p> <p><b>Reference Number:</b> Bute828/Supls/22-23/00002(ii)</p> <p><b>Procurement method:</b> Selective Bidding</p> <p><b>Contractor:</b> Mt Garizim General Enterprise (U) Ltd</p> <p><b>Contract value:</b> UGX. 24,983,000</p>	<p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>• Appointment of Contract Manager</li> <li>• Contract management plan</li> <li>• Delivery notes</li> <li>• Payment records</li> </ul>
4.	<p><b>Subject:</b> Supply of a projector, a laptop computer, photocopier ,5 fans and</p>	<p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>• Appointment of a contract manager.</li> <li>• Contract implementation plan.</li> </ul>



**ANNEX B: BUTEBO DISTRICT LOCAL GOVERNMENT COMPLIANCE AUDIT EXERCISE FOR FY2022-2023**

S/No	Reference No.	Subject of Procurement	Procurement method	Provider	Contract Value (UGX)	Risk Rating
1.	Bute828/Wrks/22-23/00001	Borehole Sitting, Hydrological Surveys, drilling, Pump testing	Open Bidding	Icon Projects Ltd	143,433,720	Medium
2.	Bute828/Wrks/22-23/Srvcs/00001	Consultancy Services For Piped Water Supply system	Open Bidding	Terracon Technical Works (U) Ltd	128,233,090	High
3.	Bute828/Wrks/22-23/00004	Construction of a Two Classroom block without offices at Nalidi	Open Bidding	Masata Dealers Ltd	67,223,756	High
4.	Bute828/Wrks/22-23/00002	Construction of a Two classroom block with offices at Kabwangasi Primary School	Open Bidding	Bao Finance & Contractors Ltd	79,333,630	High
5.	Bute828/Wrks/22-23/00005(iii)	Renovation of a Two classroom block at Akisim Primary School in Education Department	Selective Bidding	Cornerstone Infrastructure Ltd	18,989,500	High

S/No	Reference No.	Subject of Procurement	Procurement method	Provider	Contract Value (UGX)	Risk Rating
6.	Bute828/Wrks/22-23/0005 (iv)	Completion of OPD at Nagwere HC III and ceiling of Kakoro HC III maternity in the Health Department	Selective Bidding	Kabwangasi General Traders Ltd	18,103,514	Medium
7.	Bute828/Wrks/22-23/00007	Construction of District Administration Block 1 st Floor Phase I	Open National bidding	Nviolupa Business Access Ltd	199,873,392	High
8.	Bute828/Supls/22-23/00002(ii)	Supply of three solar Street lights to Butebo H/C iv , 1 solar system to Kanyum and another to Kachuru H/C II	Selective Bidding	Mt Garizim General Enterprise (U) Ltd	24,983,000	Medium
9.	Bute828/Supls/22-23/00006	Fencing of Kanginima Seed School	Open National bidding	Ripako Ltd	174,859,480	High
10.	Bute828/Supls/22-23/00009	Supply of a projector, a laptop computer, photocopier ,5 fans and router to support internet in the health department	Selective Bidding	Three General Enterprise Ltd	13,500,000	Medium

S/No	Reference No.	Subject of Procurement	Procurement method	Provider	Contract Value (UGX)	Risk Rating
11.	Bute828/Supls/22-23/00005 (ii)	Supply of Borehole parts to water sector	Selective Bidding	Bataka Traders and Contractors Ltd	47,780,000	Medium
<b>TOTAL</b>					<b>916,313,082</b>	