



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

COMPLIANCE AUDIT REPORT FOR FINANCIAL YEAR 2022/23

BUGWERI DISTRICT LOCAL GOVERNMENT

APRIL 2024

TABLE OF CONTENTS

| | |
|---|----|
| EXECUTIVE SUMMARY | vi |
| CHAPTER ONE: INTRODUCTION | 10 |
| 1.1 Background..... | 10 |
| 1.2 Overall Objective..... | 10 |
| 1.3 Audit Scope..... | 10 |
| 1.4 Methodology..... | 11 |
| CHAPTER TWO: KEY FINDINGS AND RECOMMENDATIONS | 12 |
| 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..... | 12 |
| 2.1.1 Procurement Structure of the Entity | 12 |
| 2.1.2 Non-implementation of 67% of the previous audit recommendations | 13 |
| 2.1.3 Failure to report on procurements conducted at the Town Councils and Sub Counties to the District Local Government. | 14 |
| 2.1.4 Failure by Internal Audit to conduct comprehensive audit of the entire procurement function in the Financial Year under review..... | 14 |
| 2.1.5 Over absorption of the procurement plan by 51% of the total plan value..... | 15 |
| 2.1.6 Failure to provide statements of requirements to the Procurement and Disposal Unit at initiation in ten of the sampled procurements | 16 |
| 2.1.7 Retrospective approval by Contracts Committee | 16 |
| 2.1.8 Approval of inadequate solicitation documents by the Contracts Committee..... | 17 |
| 2.1.9 Unjustified use of the direct procurement method..... | 18 |
| 2.1.10 Passing non-compliant bidders during evaluation | 18 |
| 2.1.11 Bid alteration causing financial loss | 19 |
| 2.1.12 Low bidder participation..... | 20 |
| 2.1.13 Retrospective contract signing..... | 21 |
| 2.1.14 Lack of evidence of accountability of UGX. 220,123,832 for activities carried out Uganda Road Fund..... | 21 |
| 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 |
| 2.2.1 Failure to conduct disposal during FY 2022/2023..... | 23 |
| 2.3 LEVEL OF EFFICIENCY AND EFFECTIVENESS IN CONTRACT IMPLEMENTATION INCLUDING THE APPLICATION OF ENVIRONMENTAL, SOCIAL, HEALTH, AND SAFETY (ESHS) REQUIREMENTS IN THE PROCUREMENT PROCESS..... | 24 |

| | | |
|-------|--|----|
| 2.3.1 | Performance on the procurement for Construction of Igombe Seed School Funding funded by the Uganda Intergovernmental Fiscal Transfer Program (UgIFT) | 24 |
| 2.3.2 | Failure to utilize a procured item | 26 |
| 2.3.3 | Poor record keeping | 27 |
| 2.3.4 | Physical Verification on Implementation of works projects carried out | 30 |
| 3. | CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY | 36 |
| a. | Overall Compliance Audit Conclusion | 36 |
| b. | Entity's Risk Assessment..... | 36 |
| c. | Entity's Performance | 36 |
| d. | Recommended Action Plan..... | 38 |

LIST OF TABLES

| | |
|--|----|
| Table 1: Distribution of the transaction population and sample | 10 |
| Table 2: List of Contracts Committee Members | 12 |
| Table 3: Composition of the Procurement and Disposal Unit | 13 |
| Table 4: Implementation of previous audit recommendations | 13 |
| Table 5: Procurement plan Implementation..... | 15 |
| Table 6: Procurements with inadequate solicitation document | 17 |
| Table 7: Passing non-compliant bidders during evaluation stage..... | 18 |
| Table 8: Showing irregularities at evaluation | 19 |
| Table 9: procurements with low bidder participation | 20 |
| Table 10: Force account accountability | 21 |
| Table 12: Contract Summary | 24 |
| Table 13: Indicating procurements without contract management records..... | 27 |
| Table 14: Risk rating criteria | 36 |
| Table 15: Showing summary of risk assessment of Bugweri DLG..... | 36 |
| Table 16: Weighted risk assessment of Bugweri DLG..... | 36 |
| Table 17: Recommended Action Plan | 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 Bugweri District Local Government that covered a representative sample of 11 procurement transactions worth UGX. 3,727,938,853 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 Bugweri 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 Bugweri District Local Government for the Financial Year 2022/23 was **Moderately Satisfactory** with overall weighted average risk rating of **65.1%** as detailed in chapter 3 of the report.

The following issues were noted:

1. Failure to implement 67% of the previous audit recommendations. The Entity was issued its previous audit report for the Financial Year 2019/20 in July 2021. Out of the six recommendations made, only two recommendations representing 33% were implemented fully while four recommendations representing 67% were either partially or not implemented at all;
2. Failure to report on procurements conducted at the Town Councils and Sub Counties to the District Local Government and subsequently there was no evidence of delegation of this function to the User Departments;
3. Failure by Internal Audit department of the Entity to conduct a comprehensive audit of the entire procurement function in the Financial Year under review. The executed audits did not cover the entire procurement process as the audit focused only on contract management such as doing verification of deliveries and site inspections to ensure that procured supplies, service output or works were compliant with the Entity's requirements;
4. Over absorption of the procurement plan by 51% of the total plan value. The procurement plan implementation had an overrun of 51% worth UGX 1,720,113,936 which puts the Entity at risk of domestic arrears or mischarges and could compromise the principle of transparency and accountability of public funds;
5. Failure to provide statements of requirements to the Procurement and Disposal Unit at initiation was evident in 10 of the sampled procurements worth UGX. 837,534,588 contrary to Regulation 65 (1) (a) of the Local Governments (PPDA) Regulations, 2006;
6. Retrospective approval of the procurement, bidding document and evaluation committee by Contracts Committee was evident in the procurement for the supply of 162 three-seater desks worth UGX 29,970,000. The Contracts Committee retrospectively made approvals on 16th June 2023 long after the initiation of the procurement of the on 26th May 2023 and execution of the procurement. contrary to Section 17 (1) of the PPDA Local Government Regulations, 2006;
7. Approval of inadequate solicitation documents which lacked the form for Beneficial Ownership information by the Contracts Committee in 10 procurement action files worth UGX. 837,534,588 contrary to Circular No. 1 of 2021 and further to note, the Entity failed to incorporate Local content and reservation schemes whereas they were applicable to four procurements worth UGX 531,709,776;
8. There was unjustified use of the direct procurement method in the procurement of 162 three-seater desks worth UGX 29,970,000, where the Entity directly engaged M/s

Nakweson Ltd without justification contrary to Regulation 40 (4) of the LGs (PPDA) Regulations, 2006;

9. Irregularities at evaluation such as passing non-compliant bidders who had not stated bid validity, had not attached the required documents such as evidence of past experience but were awarded contracts were evident in two procurements worth UGX 126,799, contrary Regulation 73 (1) (2) and (3) of the Local Governments (PPDA) Regulations, 2006;
10. The Procurement and Disposal Unit, the Evaluation Committee and the Contracts Committee acted unethically and illegally by fraudulently altering the figures quoted by the providers in two procurements worth UGX 369,248,423 causing financial loss of UGX 35,298,423, after recommending contract award at higher prices in contravention of the Ethical Code of conduct of the PPDA Act, 2003;
11. There was low bidder participation in two procurements worth UGX 76,678,170 where the Entity received on average 1.5 bids which was less than three bids 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;
12. Retrospective contract signing in the procurement of 162 three-seater desks worth UGX. 29,970,000 as the contract was signed on 3rd June 2023 prior to raising the requisition for the same on 16th June 2023 contrary to Section 86 (2) of the PPDA Local Government Regulations, 2006;
13. Lack of evidence of documentation and accountability of UGX. 220,123,832 for activities carried out Uganda Road Fund which include Scope of works to be undertaken per road in terms of location, distance, nature of works and BOQs, Personnel involved in the works, Equipment to be used in the works, Detailed work programme for the execution of each of the works to be undertaken and several others;
14. There was failure to dispose obsolete items due for disposal which inhibits achievement of value for money as funds are held up in assets and also lost through depreciation contrary to Regulation 122 (2) of the Local Governments (PPDA) Regulations 2006;
15. There was failure to adhere to Environmental, Social, Health and Safety (ESHS) requirements in the procurement of Construction of Igombe Seed School under Uganda Intergovernmental Fiscal Transfer Program (UgIFT) worth UGX 2,890,404,265 such as site hoarding, provision of personal protective equipment, and failure to heed to the Entity's Guidance on rectifying anomalies by the Contractor despite constant reminders that arose during site meetings;
16. The Authority noted failure to utilize a coffee milling machine procured by the Entity in FY 2019/2020. At the time of the compliance audit, the machine was still grounded since it's purchase and had never been utilized by the community. Therefore, value for money was not achieved;
17. Poor record keeping was evident in seven procurements worth UGX 3,644,003,709 which lacked contract implementation plans progress reports, evidence of delivery, supervision reports and completion certificates and reports contrary to Regulation 119 (1) of the Local Governments (PPDA) Regulations, 2006. Contract management documentation; and
18. Anomalies relating to shoddy works such as incomplete structures, cracked floors were observed by the Authority in the execution of three projects worth UGX. 2,996,429,784, which required immediate attention of management.

Key Recommendations made:

1. The Accounting Officer should;
 - i. Come up with a strong mechanism that will ensure that all audit recommendations are regularly monitored and implemented so as to improve the Entity's performance. This could include forming a task force to handle implementation, sharing them with Internal

- Audit, training, including them among the key performance indicators for staff, and discussing them in top management meetings, among others;
- ii. Task Division Heads to provide accountability and monetary value for all the procurements that were handled at the Divisions within two weeks of receipt of the audit report;
 - iii. Ensure that the Internal Auditor conducts periodic comprehensive reviews of the procurement procedures of the Entity in accordance with Regulation 27 of the Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023;
 - iv. Regularly carry out a review of the implementation of the procurement plan and update the procurement plan in accordance with Section 58 (4) of the PPDA Act, 2003 as amended to ensure a true reflection of the Entity's performance;
 - v. Ensure, user departments attach relevant requirements to the requisition Form 5 that include a clear indication of the supplies, works and or non-consultancy required in accordance with Regulation 3 (2) (a) Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023;
 - vi. Ensure that the Contracts Committee plays its role with the utmost ethical tendencies and in accordance with Section 10 of the PPDA (Procuring and Disposing Entities) Regulations, 2023;
 - vii. Task the Contracts Committee to show cause why disciplinary action should not be taken against them for unethical tendencies;
 - viii. Task the Evaluation Committee members to show cause why disciplinary action should not be taken against them for violating the set evaluation criteria and the Head of Procurement and Disposal Unit should ensure that all evaluations are conducted in line with the criteria set in the bidding document in accordance with Regulation 5 (1) and (2) and (3) of the PPDA (Evaluations) Regulations, 2023;
 - ix. Task the Procurement and Disposal Unit, Evaluation Committee and the Contracts Committee to show cause why they should not held liable to recover UGX. 35,298,423 that was lost fraudulently due to their unethical actions and subsequently report to the Authority on the progress two weeks after receipt of the report;
 - x. Ensure that procurement and disposal activities are conducted in a manner that promotes transparency, accountability and fairness as well that which maximizes completion to achieve value for money in accordance with Sections 45 and 46 of the PPDA Act 2003 as amended;
 - xi. Ensure that works undertaken using force account mechanism are implemented in accordance with circular No. 3 of 2012 to Local Governments on use of force account mechanism;
 - xii. Provide full accountability of funds worth UGX. 220,123,832 that were spent under for on account or else recover that money from the Force Account Supervisor and Manager;
 - xiii. Ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 2 of the PPDA (Disposal of Public Assets) Regulations, 2023;
 - xiv. 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 provision of personal protective gear to workers, employment contracts, HIV and Aids awareness, among others;
 - xv. Ensure that all Government assets under the Entity's custody are well handled, maintained and are fully utilized for the purposes for which they were acquired by the Entity;

- xvi. Prevail over the User Departments to nominate contract supervisors and report any deviations from the terms of the contract by the contractor in accordance with Regulation 51 and 52 (1) (a) and (b) of the PPDA (Contracts) Regulations, 2023;
 - xvii. Ensure that the providers perform the contract in accordance with the terms and conditions specified in the contract in accordance with Regulation 52 (3) (a) of the PPDA (Contracts) Regulations, 2023; and
 - xviii. The Contractor Manager comes up with a snag list that should be issued to the contractor to put right.
2. The Head Procurement and Disposal Unit should;
- i. Ensure that the solicitation documents prepared, define the requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity and have the most appropriate evaluation methodology and criteria in accordance with Regulations 5(1) & (2) of the PPDA (Evaluations) Regulations, 2023;
 - ii. Ensure that all procurement and disposal are conducted in such a manner as to maximize competition and achieve value for money irrespective of the method of procurement used or the nature of the supplies works, or services to be procured in accordance with Regulation 6 PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;
 - iii. Ensure that all bidders shortlisted for a particular procurement are formally invited in accordance with Regulation 51 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 and evidence of invitation recorded in accordance with Regulation 53 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;
 - iv. Aggregate procurements and use the open bidding method which may attracts more firms to participate in the bidding process to avoid collusion; and
3. User Departments should charge all Contract Supervisors to submit progress reports/contract management reports and all contract implementation documentation in accordance with Regulation 52(3) the PPDA (Contracts) Regulations, 2023;

Bugweri District Local Government should implement the recommended action plan on pages 38 to 40

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal compliance audit of Bugweri District Local Government that covered a representative sample of 11 procurement transactions worth UGX. 3,727,938,853 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 Bugweri 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 inspection 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 under the Financial Year 2022/23. The list of sampled transactions is contained in Annex 2. Table 1 below details the distribution of the transaction population and sample: -

Table 1: Distribution of the transaction population and sample

| Procurement method | Population Value (UGX) | Sample Value (UGX) | % Value | Pop'n no | Samp le no | % no |
|----------------------------|------------------------|----------------------|-------------|------------|------------|------------|
| Direct procurement | 174,538,620 | 174,538,620 | 100 | 2 | 2 | 100 |
| Open National bidding | 4,326,526,168 | 3,422,114,041 | 79 | 412 | 5 | 1.2 |
| Selective National bidding | 565,625,509 | 131,286,192 | 23 | 33 | 4 | 12 |
| Total | 5,066,690,297 | 3,727,938,853 | 73.5 | 447 | 11 | 2.4 |

The above information was picked form 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 **23rd August 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 **20th November 2023** with a request to submit a management response by 27th November 2023. However, Management responses were later submitted on **23rd 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.

CHAPTER TWO: KEY FINDINGS AND RECOMMENDATIONS

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 Procurement Structure of the Entity

The key players in the procurement structure at Bugweri 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.

i. 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; Mr. Nelson Kirenda was designated as the Accounting Officer of the Entity during the Financial Year 2022-2023.

ii. Composition of the Contracts Committee

During the audit period under review, the Entity's Contracts Committee was not fully constituted as it had only four members contrary to Section 27 of the PPDA Act, 2003 and Regulation 15 of the Local Governments (PPDA) Regulations 2006 that require the Chief Administrative Officer to nominate five members among the public officers of the Procuring and Disposing Entity for approval by the Permanent Secretary /Secretary to the Treasury. The details of the Contracts Committee composition are indicated in Table 2 below: -

Table 2: List of Contracts Committee Members

| No | Name | Title | Position on the Committee | Date of appointment | Tenure in Office |
|----|--------------------------|-------------|----------------------------|---------------------------------|------------------------|
| 1. | Dr. Muhamudu Kalange | Chairperson | Senior Veterinary Officer | 31 st March, 2022 | 1 st tenure |
| 2. | Dr. Timothy Bagoole | Member | Veterinary Officer | 24 th November, 2021 | 1 st tenure |
| 3. | Dr. Peter Muwereza | Member | Senior | 24 th November, 2021 | 1 st tenure |
| 4. | Mr. Arajab Kamyia | Member | Senior Land Officer | 24 th November, 2021 | 1 st tenure |
| 5. | Ms. Sarah Najjuma Namayo | Member | Senior Environment Officer | 24 th November, 2021 | 1 st tenure |

iii. 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. | Ms. Margaret Kwebwawera | Senior Procurement Officer. | Diploma in Business Studies, Bachelor's degree in Business Studies, Post graduate Diploma in procurement and supply chain management. | 6 years |
| 2. | Mr. Ivan Kaunda | Procurement Officer | Bachelor's Degree in procurement and Logistics management and Post graduate Diploma procurement and supply chain management | 2 years |

2.1.2 Non-implementation of 67% of the previous audit recommendations

The Authority noted that the Entity was issued its previous audit report for the Financial Year 2019/20 in July 2021. Out of the six recommendations made, only two representing 33% were implemented fully while the remaining four recommendations representing 67% were either partially or not implemented at all as detailed in the table 4 below:

Table 4: Implementation of previous audit recommendations

| No | Recommendation | Status |
|----|---|-----------------------|
| 1. | The Accounting Officer should ensure that all PPDA recommendations are implemented so as to improve the Entity's performance. | Partially Implemented |
| 2. | The Accounting Officer should task Division Heads to provide accountability and monetary value for all the procurements that were handled at the Divisions and not reported to the District and subsequently the Authority. | Not Implemented |
| 3. | User Departments should recommend a statement of requirements to the Procurement and Disposal Unit for all procurement requirements they initiate | Not Implemented |
| 4. | The Head Procurement and Disposal Unit should ensure that the solicitation documents prepared, define the requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity and have the most appropriate evaluation methodology and criteria in accordance with Regulations 48(2) & 48(4) of the Local Governments (PPDA) Regulations, 2006. | Partially Implemented |

Implication

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

Management Response

- *Management wrote to the relevant Town Clerks, Sub-County Chiefs and Heads of Department to give detailed accountabilities for the funds received by them they are now responding.*
- *The user Departments were tasked to submit their statement of requirements to the Procurement and Disposal Unit with all the details i.e. procurement requisition form one, specification and the bills of quantities and terms of reference*

- *The Head Procurement and Disposal Unit was cautioned to come up with detailed solicitation documents having all the evaluation and criteria.*

Recommendation

The Accounting Officer with support from Internal Audit should come up with a strong mechanism that will ensure that all audit recommendations are regularly monitored and implemented so as to improve the Entity's performance. This could include forming a task force to handle implementation, sharing them with Internal Audit, training, including them among the key performance indicators for staff, and discussing them in top management meetings, among others.

2.1.3 Failure to report on procurements conducted at the Town Councils and Sub Counties to the District Local Government.

Whereas the Entity entered into framework contracts with providers for supply of different items such as repairs and maintenance and supply of fuel and road construction materials, the Authority noted that Lower Local Governments did not involve the Procurement and Disposal Unit in the procurement process. Consequently, these were not reported to the Authority in the Entity's quarterly reports on procurement and disposal. There was no evidence of delegation of this function to the Users. Further to note, the Entity did not furnish the Authority with the IFMS purchasing register and therefore the Authority could not ascertain the cost of purchases that were handled at the Sub Counties.

Implication

Failure to report procurement transactions conducted by lower local governments comprises transparency and accountability in the Entity which also exposes the Entity to fraud in the procurement process and financial loss to Government.

Management response

- *Management wrote to the Lower Local Governments to report on procurement being implemented by them.*
- *Management recommended that the Entity allocates money for capacity building to train the user departments on the thresholds for procurement methods to rule out the possibility of doing it unaware.*

Authority's response

The Authority noted the Entity's response however finds it unsatisfactory as there was no accountability submitted to the Authority for review on the earlier executed procurements at Lower Government level.

Recommendation

The Authority takes note of your response however, there was no documentation to ascertain the communication and therefore maintains that the Accounting Officer should task the Division Heads to show cause why disciplinary action should not be taken and provide accountability and monetary value for all the procurements that were handled at the Divisions within two weeks of receipt of the audit report.

2.1.4 Failure by Internal Audit to conduct comprehensive audit of the entire procurement function in the Financial Year under review

The Authority observed that the Internal Audit department of the Entity did not conduct a comprehensive audit of the entire procurement function in the Financial Year under review. The executed audits by the Internal Auditors did not cover the entire procurement process as

the audit focused only on contract management such as doing verification of deliveries and site inspections to ensure that procured supplies, service output or works were compliant with the Entity's requirements

Implication

The internal mechanism to detect and correct wrong action is not in-built which hinders improvement.

Management Response

Management tasked the Auditors going forward to do a comprehensive audit that covers the Entire procurement process.

Recommendation

The Accounting Officer should ensure that the Internal Auditor conducts an annual comprehensive review of the procurement procedures of the Entity in accordance with Regulation 27 of the Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023.

2.1.5 Over absorption of the procurement plan by 51% of the total plan value.

Table 5 below summarizes information about the procurement plan, budget, and utilization of funds. The procurement plan implementation had an overrun of 51% worth UGX 1,720,113,936.

Table 5: Procurement plan Implementation

| | |
|---|---------------|
| Total procurement plan value inclusive VAT (UGX) | 3,351,690,406 |
| Total procurement spend value inclusive VAT (UGX) | 5,071,804,342 |
| Implementation variance (UGX) | 1,720,113,936 |
| Implementation Rate (%) | 151% |

NB: This information was computed based on the quarterly reports submitted by the Entity against its procurement plan.

Implication

The excess expenditure of UGX 1,720,113,936 from the planned procurement budget puts the Entity at risk of domestic arrears or mischarges.

This could also imply that the Entity procured items that were not planned for and not reported at all which could compromise the principle of transparency and accountability of public funds.

Management response

The over expenditure of 1,720,113,936 was due to the improved budgeting system that was new to the heads of department where they found difficulties in mainly allocating the monitoring funds where it had the component of fuel and a procurement component. The Result Based Funding to Health department that was not budgeted for caused the over expenditure on the procurement plan.

Recommendation

The Authority noted the Entity's responses and maintains that the Accounting Officer along with Management should regularly carry out a review of the implementation of the

procurement plan and update the procurement plan in accordance with Section 58 (4) of the PPDA Act, 2003 as amended to ensure a true reflection of the Entity's performance.

2.1.6 Failure to provide statements of requirements to the Procurement and Disposal Unit at initiation in ten of the sampled procurements

The Authority observed that in all ten procurement action files worth UGX. 837,534,588 reviewed, User Departments were not providing statement of requirements to the Procurement and Disposal Unit contrary to Regulation 65 (1) (a) of the Local Governments (PPDA) Regulations, 2006.

Implications

- Failure to recommend statement of requirements by the User Departments may lead to procurement outcomes that do not meet the end Users' requirements.
- Failure to provide clear statements of requirements at initiation hinders the PDU from preparing bidding documents that meet the required quality standards of the items to be purchased.
- It also deters bidders from preparing bids that are realistic, competitive and meet the PDE's needs.

Management Response

Management accepted that the user Departments did not submit the requisition form ones with detailed statements of requirements to the Procurement and Disposal Unit as required at initiation for all the sampled procurements but information was provided at different stages and management took note of this and action has been taken. The Chief Administrative Officer by writing to the Head Departments to start submitting detailed statement of requirements.

Recommendation

The Accounting Officer should ensure prior to confirmation of availability of funds during procurement initiation, user departments attach relevant statements of requirements to the requisition Form 1 that include a clear indication of the works, services or supplies required in accordance with Regulation 3 (2) (a) Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023.

2.1.7 Retrospective approval by Contracts Committee

The Contracts Committee retrospectively approved the procurement, the bid document, procurement method and evaluation committee in the procurement to supply of 162 three-seater desks worth UGX 29,970,000. Form 1 was initiated on 16th June 2023 long after the evaluation of the procurement which took place on 26th May 2023 and subsequently contract signed on 6th June 2023 contrary to Section 17 (1) of the PPDA Local Government Regulations, 2006.

Implication

This is an indication of fraudulent practice within the Entity.

Management response

Management stated that the requisition was signed on the 25th May, 2023, procurement method, bidding document, invitation to bid, membership of evaluation Team was all dated 26th May, 2023.

Record of issue of bid document was dated 29th May, 2023

Record of Receipt of bids was dated 30th May, 2023

Record of bid opening 30th May, 2023

Evaluation report was dated 1st June, 2023

Approval of evaluation report was on the 2nd June, 2023

Approval of contract award recommendation was on the 2nd June, 2023

The Accounting Officer issued the acceptance letter on the 2nd of June, 2023

The contractor accepted to supply the desks on the 4th June, 2023

The signing of contract was on the 5th June, 2023. Therefore, looking at that schedule the Contracts Committee did not approve retrospectively. Please documents for verification are attached

Authority's Comment

The Entity did not submit any document relating to the aforementioned observation to the Authority for review.

Recommendations

The Accounting Officer should;

1. Ensure that the Contracts Committee plays its role with the utmost ethical tendencies and in accordance with Regulation 10 of the PPDA (Procuring and Disposing Entities) Regulations, 2023.
2. Task Contracts Committee to show cause why disciplinary action should not be taken against them for unethical tendencies during execution of their role.

2.1.8 Approval of inadequate solicitation documents by the Contracts Committee

The Authority observed that in all ten procurement action files worth UGX. 837,534,588 reviewed, solicitation documents issued to bidders were inadequate and did not have the beneficial ownership form contrary to Circular No. 1 of 2021 which seeks to understand and know the persons behind the dealings of the company for purposes of risk mitigation, fighting corruption, fraud and tax evasion to achieve greater transparency.

Further to note, the Entity failed to incorporate Local content and reservation schemes. Whereas reservation schemes were applicable to four procurements worth UGX 531,709,776, these were not provided for as required under the guideline by the Authority on Local Content i.e. Guideline 1/2018 on Reservation Schemes to promote local content in public procurement. The solicitation documents did not require bidders to provide proposals for subcontracting components of the works amounting to specific percentages of the contract as per the Reservation Guidelines of 2018 as listed in table 6 below;

Table 6: Procurements with inadequate solicitation document

| No | Subject of procurement | Contract Amount (UGX) |
|--------------|--|-----------------------|
| 1. | Partial construction of piped water system at Nondwe rural growth centre | 320,975,047 |
| 2. | Drilling, supply of Borehole parts, casting and Installation of 04 (four) Deep Boreholes | 83,935,144 |
| 3. | Construction of two class room block at Nkombe primary school | 78,526,209 |
| 4. | Procurement and delivery of assorted irrigation equipment and setting up of two Micro scale Irrigation demonstration sites | 48,273,376 |
| Total | | 531,709,776 |

Implication

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

Management response

The Entity did not respond to the above observation by the Authority.

Recommendations

1. The Head Procurement and Disposal Unit should ensure that they use the appropriate standard bidding documents issued by the Authority for each procurement requirement in accordance to Regulations 33 (1), (3) (c) & (d) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
2. The Contracts Committee should ensure that the bidding documents are scrutinized for quality before approval.

2.1.9 Unjustified use of the direct procurement method

In the procurement process for supply of 162 three-seater desks worth UGX 29,970,000, the Entity directly engaged M/s Nakweson Ltd without justification contrary to Regulation 40 (4) of the LGs (PPDA) Regulations, 2006. The Head Procurement and Disposal Unit made a submission to the Contracts Committee for approval of the shortlist of bidders that included only one firm which was insufficient to ensure competition and instead should have recommended selective bidding so as to enhance competition in accordance with Regulation 38 (3) of the LGs (PPDA) Regulations, 2006.

Implication

This contravenes the principles of fairness, competition, fairness, and achievement of value for money

Management response

The Entity did not respond to the above observation by the Authority.

Recommendation

The Head, Procurement and Disposal Unit should ensure that all procurement and disposal are conducted in such a manner as to maximize competition and achieve value for money irrespective of the method of procurement used or the nature of the works, services or supplies to be procured in accordance with Sections 45 and 46 of the PPDA Act 2003.

2.1.10 Passing non-compliant bidders during evaluation

The Authority observed that in two procurements worth UGX 126,799,585, the Evaluation Committee passed and recommended award to non-compliant bidders in contravention of Regulation 73 (1) (2) and (3) of the Local Governments (PPDA) Regulations, 2006 as indicated in Table 7 below: -

Table 7: Passing non-compliant bidders during evaluation stage

| No. | Subject of procurement | Contract price (UGX) | Observation |
|-----|---|----------------------|--|
| 1. | Subject of Procurement: supply and delivery of irrigation equipment | 48,273,376 | Past experience of the best evaluated bidder was supply of seedlings, maize mill all of which were irrelevant to the procurement but the |

| | | | |
|----|--|--------------------|---|
| | | | Evaluation Committee passed the same |
| 2. | Subject of Procurement: Construction of a 2-classroom block at Nkombe Primary School in Bugweri District | 78,526,209 | The best evaluated bidder did not state bid validity but was passed by the Evaluation Committee |
| | Total | 126,799,585 | |

Implications

- This could be an indicator of unethical tendencies and practices within the Entity that compromise fairness and transparency in the evaluation process leading to the award of contracts to non-compliant bidders and failure to attain value for money.
- Award of non-complaint bidders may risk the Entity into incurring financial loss, substandard works / shoddy works and abandonment of sites.

Management response

The Entity did not respond to the above observation by the Authority.

Recommendation

- The Accounting Officer should task the Evaluation Committee members to show cause why disciplinary action should not be taken against them for the above-mentioned procurements against violating the set evaluation criteria and the Head of Procurement and Disposal Unit should ensure that all evaluations are conducted in line with the criteria set in the bidding document in accordance with Regulation 5 (1) and (2) of the PPDA (Evaluation) Regulations, 2023.

2.1.11 Bid alteration causing financial loss

The Authority observed that in two procurements worth UGX 369,248,423, the Procurement and Disposal Unit, the Evaluation Committee and the Contracts Committee acted unethically by fraudulently altering the bid prices quoted by the providers which led to a financial loss amounting to UGX. 35,298,423 in contravention of the Ethical Code of conduct of the PPDA Act, 2003 as amended as indicated in Table 8 below:

Table 8: Showing irregularities at evaluation

| No. | Subject of Procurement | Contract Amount (UGX) | Observation |
|-----|--|-----------------------|--|
| 1. | Partial construction of piped water system at Nondwe RGC | 320,975,047 | The Best Evaluated Bidder quoted for 294,000,000 according to the bid submission sheet however, the Evaluation team fraudulently attached price schedule sheets that led to the increase in the price to UGX. 320,975,047 causing a financial loss of UGX 26,975,047 |
| 2. | Supply and delivery of irrigation equipment | 48,273,376 | The Best Evaluated Bidder quoted for 39,950,000 according to the bid submission sheet however, the Evaluation team fraudulently attached price schedule sheets that led to the increase in the price to UGX. |

| No. | Subject of Procurement | Contract Amount (UGX) | Observation |
|--------------|------------------------|-----------------------|---|
| | | | 48,273,376 causing a financial loss of UGX. 8,323,376 |
| Total | | 369,248,423 | |

Implications

Unethical tendencies and practices within the Entity that compromise fairness and transparency in the evaluation process leading to the award of contracts to non-compliant bidders and failure to attain value for money.

Management response

The Entity did not respond to the above observation by the Authority.

Recommendations

The Accounting Officer should;

1. Task the Procurement and Disposal Unit, Evaluation Committee and the Contracts Committee to show cause why disciplinary action should not be taken against them and to subsequently recover UGX. 35,298,423 that was lost fraudulently due to their unethical actions. The Entity should report to the Authority on the progress two weeks after receipt of the report.
2. Caution the evaluation committee members for the above-mentioned procurement against violating the set evaluation criteria and the Head of Procurement and Disposal Unit should ensure that all evaluations are conducted in line with the criteria set in the bidding document in accordance with Regulation 5 (1) and (2) of the PPDA (Evaluation) Regulations, 2023.

2.1.12 Low bidder participation

The Authority observed that the Entity failed to obtain adequate competition in two procurements worth UGX 76,678,170 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 9 below: -

Table 9: procurements with low bidder participation

| S/N | Procurement | Amount | Bids received | Method used |
|--------------|--|-------------------|-----------------|-------------------|
| 1. | Renovation of District Service Commission Offices | 27,499,310 | 1 | Selective Bidding |
| 2. | Construction works for completion of diagnostic Plant Clinic | 49,178,860 | 2 | Selective Bidding |
| Total | | 76,678,170 | AVG: 1.5 | |

Implications

- This could be a sign of bidder collusion, lack of information to bidders and subjective award of tenders.
- This could also be a sign of possible loss of confidence by bidders in the procurement processes of the Entity due to issues in the Entity such as restrictive requirements introduced after contract award and failure by members of the Evaluation Committees to adhere to the set criteria thus failure to obtain competitive offers.

Management response

The Entity did not respond to the above observation by the Authority.

Recommendations

1. Ensure that all bidders shortlisted for a particular procurement are formally invited in accordance with Regulation 51 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 and evidence of invitation recorded in accordance with Regulation 53 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
2. The Head Procurement and Disposal Unit should consider aggregate procurements and use the open bidding method which may attracts more firms to participate in the bidding process to avoid collusion.

2.1.13 Retrospective contract signing

The Authority observed that in the procurement of 162 three-seater desks worth UGX. 29,970,000, the contract was retrospectively signed on 3rd June 2023 prior to raising the requisition for the same on 16th June 2023 contrary to Section 29 (c) of the PPDA Act, 2003 which provides that the Contracts Committee shall make award decisions in accordance with applicable procurement or disposal procedures as the case may be.

Implication

This is an indication of fraudulent and unethical practice in the Entity since desks had been acquired with any due procurement process followed and the signing of the contract at point was ratification of void dealings.

Management response

The Entity did not respond to the above observation by the Authority.

Recommendation

The Accounting Officer should ensure that procurement and disposal activities are conducted in a manner that promotes transparency, accountability and fairness as well that which maximizes completion to achieve value for money in accordance with Sections 45 and 46 of the PPDA Act 2003 as amended.

2.1.14 Lack of evidence of accountability of UGX. 220,123,832 for activities carried out Uganda Road Fund

The Authority reviewed records of the procurements conducted under the force account mechanism and noted that the inputs such as fuel and road materials were procured following the procurement process. However, the accountabilities provided were inadequate as indicated in Table 10 below: -

Table 10: Force account accountability

| No. | Particulars | Value (UGX) |
|-----|---|--------------------|
| 1. | Total release | 388,836,520 |
| 2. | Total actual expenditure for all quarters FY 2022/2023 as per reports and accountabilities provided | 168,712,688 |
| 3. | Percentage of amount accounted for | 43.4% |
| 4. | Variance between amount released and the amount accounted for | 220,123,832 (56.6) |

The Entity only provided receipts worth UGX. 168,712,688 for materials, fuel and payment of road gangs without specific linkage with particular roads and works done which put the Entity at risk of losing money through unethical tendencies.

Missing documentation;

The documentation below was not provided by the Entity in regard expenditure under force account.

- 1) Scope of works to be undertaken per road in terms of location, distance, nature of works and BOQs.
- 2) List, specifications and quantities of supplies for the works to be undertaken.
- 3) Personnel involved in the works
- 4) Equipment to be used in the works.
- 5) Detailed work programme for the execution of each of the works to be undertaken.
- 6) Works management plan
- 7) Daily worksheets to indicate the works executed.
- 8) Schedule of allowances.
- 9) Powers of the force account supervisor.
- 10) Evidence of verification of works undertaken.
- 11) Evidence of sensitization and engagement of the community.

There was no documentation whatsoever to show that the Entity carried out any form of analysis as a basis to determine overhead costs to be incurred in using the Force Account Mechanism contrary to section 95 A (3) (b) of the PPDA Act, 2003 as amended.

Implications

- The absence of documents to amply ascertain the expenditure is indicator of unethical and fraudulent tendencies in the Entity which resulted in to financial loss to Government worth UGX. 220,123,832 since the intended works were not done and money spent. This also in turn denied services to the intended beneficiaries.
- Inadequate accountability casts doubt on the transparency and accountability for works undertaken using Force Account Mechanism.

Management Response

At the time of audit, not all the documents were availed to the auditors this was because some of the road routine mechanized maintenance activities had not been done to completion.

Authority's comment

The Entity did not attach the aforementioned documents to the Authority for review.

Recommendation

1. The Accounting Officer should;
 - i. Ensure that works undertaken using force account mechanism are implemented in accordance with circular No. 3 of 2012 to Local Governments on use of force account mechanism.
 - ii. Provide full accountability of funds worth UGX. 220,123,832 that were spent under for on account or else recover that money from the Force Account Supervisor and Manager within two weeks of receipt of this report.
 - iii. This will be referred to the Inspectorate of Government for further investigation, recovery the money and subsequent prosecution of the Officers culpable.

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

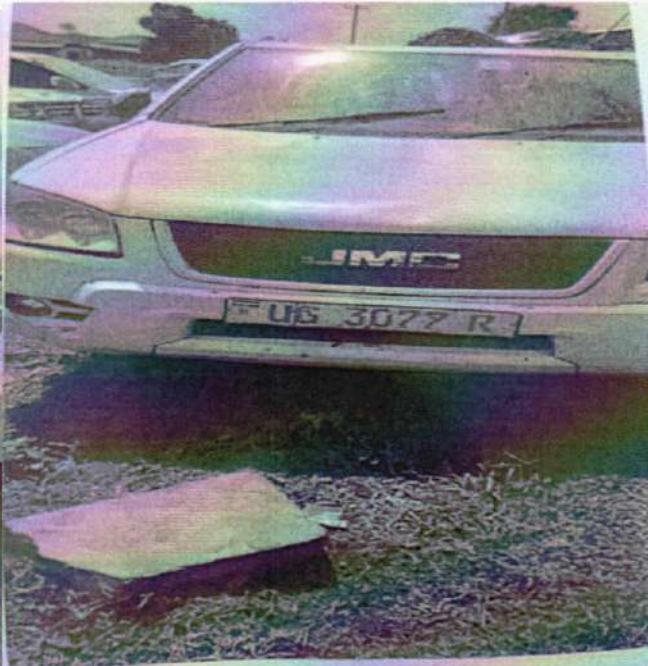
2.2.1 Failure to conduct disposal during FY 2022/2023

The Authority noted that the Entity had not conducted any disposal process during the financial year under review, although some assets were found grounded and at the Entity's premises as indicated in Table 11 below:

Table 11: Assets due for disposal



Motor cycle LG – 004911



Double cabin pick up UG 3077 R

Implication

Failure to dispose of assets leads to depreciation of the items as a result of passage of time, theft and vandalism.

Management response

- *The Entity handled disposal activity of four (4) motor cycles. These were donated to Mbigiti Memorial Technical Institute in Bugweri District Local Government.*
- *The Entity has plans to assess the rest of the items and thereafter the disposal exercise will take place*

Recommendation

The Authority noted the Entity's response and maintains that the Accounting Officer should ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 2 of the PPDA (Disposal of Public Assets) Regulations, 2023.

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

2.3.1 Performance on the procurement for Construction of Igombe Seed School Funding funded by the Uganda Intergovernmental Fiscal Transfer Program (UgIFT)

The Government of Uganda appropriated funds worth UGX 2,890,404,265 to undertake the construction of the Construction of Igombe Seed School in Bugweri District. Funds were obtained from the World Bank through a program called the Uganda Intergovernmental Fiscal Transfer Program (UGIFT), the implementing Ministry was the Ministry of Education that was responsible for developing the Bills of Quantities, the bidding document and advertising for the tender. Bugweri District Local Government was responsible for approving the bidding document, conducting evaluation, signing of the contract as well as contract management as indicated in Table 12 below: -

Table 12: Contract Summary

| | | |
|-----------------------------------|--|---------------|
| Contract Title | Construction of Igombe Seed School | |
| Reference Number | Moes-UgIFT/WRKS/21-22/00005-Lot 37 | |
| Contract Sum | 2,890,404,265 | |
| Contract Scope | <ol style="list-style-type: none"> 1. Three 2-classroom blocks 2. One 2-Unit Science Laboratory Block 3. One Administration Block 4. Three 2-Unit Teachers House 5. Three 2-Unit Teachers Kitchen 6. One 2-Stance Lined VIP Latrine at Administration Block. 7. Three Two-Stance Lined VIP Latrine Block for Teachers House. 8. One Five Stance Lined VIP Latrine Block for Boys. 9. One Five Stance Lined VIP Latrine Block for Girls. 10. One rain water harvest system with 5000 litres. 11. One ICT library Block 12. One Multipurpose Hall 13. One sports fields | |
| Contract Signing date | 8 th December 2022 | |
| Site hand over date | 8 th December 2022 | |
| Original contract completion date | 8 th June 2024 | |
| Contract Extensions | N/A | |
| Name of Contractor | M/s Sembais Joint Venture (JV) Co. Ltd. | |
| Method of procurement | Open National Bidding | |
| Type of Contract | Admeasurement | |
| Amount Paid | Amount paid (UGX) | |
| | 578,080,853 | Advance |
| | 526,471,277 | Certificate 2 |

The Authority found the following irregularities in the procurement process and contract management:

i. Failure to adhere to Environmental, Social, Health and Safety (ESHS) requirements in accordance with GCC 24 of the contract that spelt out the safety and safety procedures

a) Site hoarding not done

The Authority established that the contractor had not hoarded off the site which exposes the site to unrestricted /unauthorized entry thus compromising safety and security at the site yet this had been provided for in the contract sum and later raised during site meetings with the key stakeholders. Site hoarding was one of the requirements in the BOQs.

b) Failure to provide personal protective equipment (PPE)

The site meeting report dated 17th May 2023 indicated that the contractor did not avail adequate protective gears to the personnel like gum boots, helmets and gloves to the workers which exposed them to the risk of physical injury.

Implication:

Failure to hoard off the site exposes it to unauthorized access by animals and members of the community in which the project is being executed and which exposes it to safety and security threats.

ii. Failure to heed to the Entity's Guidance on rectifying anomalies by the Contractor

Despite constant reminders that arose during site meeting dated 17th May 2023 to hoard off the construction site, contractor has not followed suit to date the contract in accordance with the terms and conditions stipulated in the contract and managing the obligations and duties of the Entity under the contract among others.

Implication

This is indicative of poor contract management which may lead to financial loss that will arise from payment of works that were not done by the contractor

Management response

- *It is true by time of audit the site was not fully hoarded off but the contractor has hoarded off the site as required see attached photos*
- *At the time of audit some of the workers lacked personal protective equipment however, instructions were given to the contractor to ensure all workers are well protected see attached.*

Authority's comment

The Authority takes note of your response however, the Entity did not provide attachments to that effect for review.

Recommendation

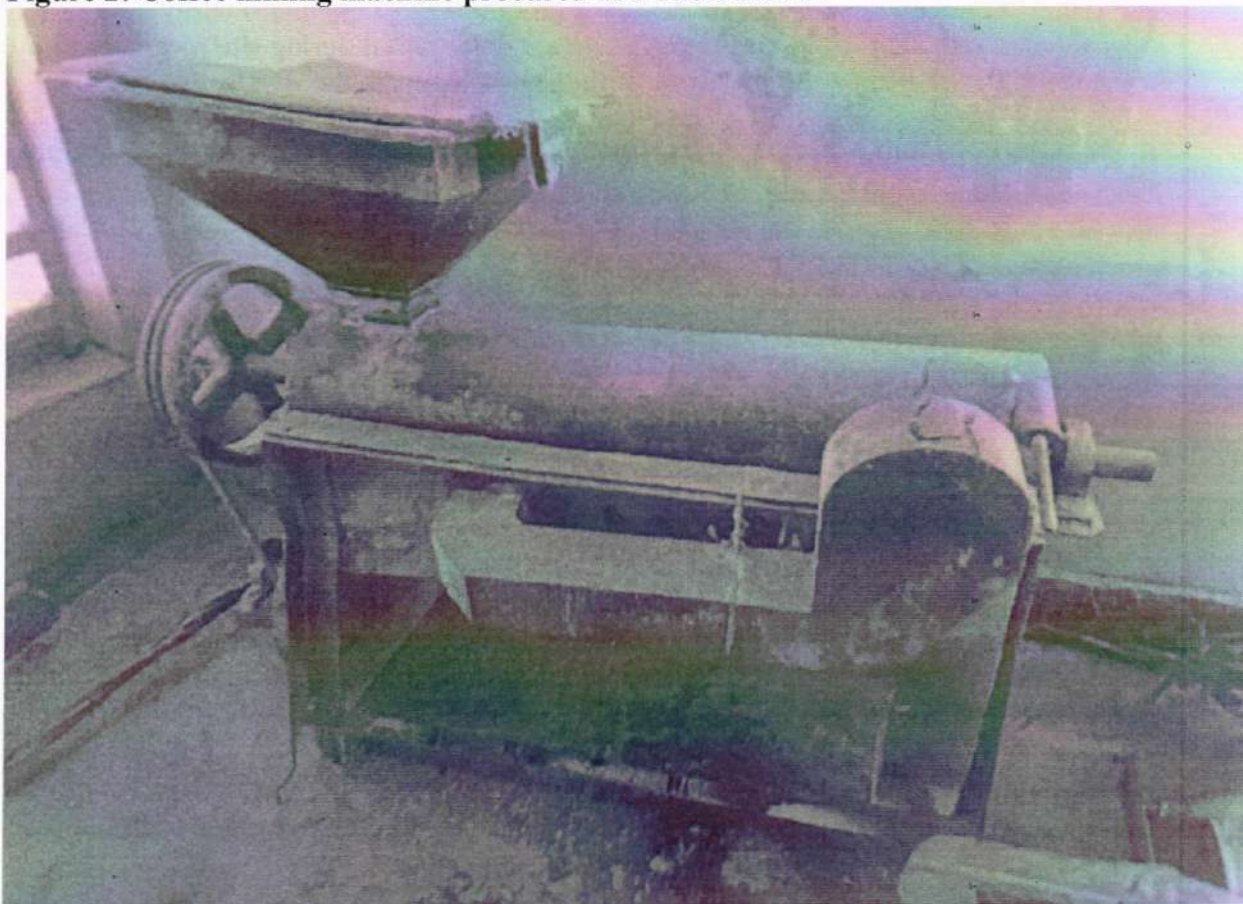
The Accounting Officer should strengthen contracts management in the Entity and ensure that in future the Contractors fulfill their contractual obligations including adhering to the implementation of Gender Equality and Social Inclusion (GESI), and Environmental, Social,

Health and Safety (ESHS) requirements provision of personal protective gear to workers, employment contracts, HIV and Aids awareness, among others.

2.3.2 Failure to utilize a procured item

In figure 2 below, the Authority observed during review of the Entity's assets that a coffee milling machine that had been procured by the Entity in FY 2019/2020 for use by the community to boost coffee value addition but had never been put to use by the community. Thus, no value for money was achieved.

Figure 2: Coffee milling machine procured in FY2019/2020



Implication

This implies that the asset was not serving the intended purpose for which it was acquired. Thus value for money was not achieved.

Management response

It is true the coffee hurler was not in use but the asset was procured by CAIP programme and it so happened that the item missed some parts by the contractor that supplied and it could not be put to use and since 2016-2017 no action has been taken despite of the Accounting Officer requesting for other parts and installation of the machine the by then Iganga DLG. Otherwise, the Entity has taken note of the issue and action will be taken. See attached report.

Authority's comment

The Authority takes note of your response however, the Entity did not provide the aforementioned attachments to that effect.

Recommendation

The Accounting Officer should ensure that all Government assets under the Entity's custody are well handled, maintained and are fully utilized for the purposes for which they were acquired by the Entity.

2.3.3 Poor record keeping

The Authority observed that in ten procurement action files worth UGX. 3,644,003,709, there was no evidence of contract management records on file contrary to Regulation 119 (1) of the Local Governments (PPDA) Regulations, 2006. Contract management documentation such as progress reports, evidence of delivery, supervision reports and completion certificates and reports as these were not submitted to the Procurement and Disposal Unit as indicated in Table 13 below:

Table 13: Indicating procurements without contract management records

| No | Subject of Procurement | Contract Amount (UGX) | Missing Records | Management response |
|----|--|-----------------------|--|---|
| 1. | Completion of offices for Busembatia T/C | 41,504,022 | <ul style="list-style-type: none"> Evidence of appointment of a Contracts Manager Contract implementation report Completion certificate | <i>It was true that by time of audit the contract implementation plan was not on file but now available for verification</i> |
| 2. | Supply and delivery of irrigation equipment | 48,273,376 | <ul style="list-style-type: none"> Contract implementation plan | <i>It was true that by time of audit the contract implementation plan was not on file but now available for verification</i> |
| 3. | Construction of a 2-classroom block at Nkombe Primary School in Bugweri District | 78,526,209 | <ul style="list-style-type: none"> Implementation plan Contract implementation report | <ul style="list-style-type: none"> <i>It was true that by time of audit the appointment letter for the project manager was not on file but it now available for verification. See appointment for Eng. Kisule James- Ag.DE dated 25th October, 2022</i> <i>It was true that by time of audit the contract implementation plan was not on</i> |

| No | Subject of Procurement | Contract Amount (UGX) | Missing Records | Management response |
|----|---|-----------------------|--|--|
| | | | | <p><i>file but now available for verification.</i></p> <ul style="list-style-type: none"> • <i>It was true by the time of audit the contract implementation report was not on file but now available for verification</i> • <i>It was true that at the time of audit the completion certificate was not on procurement action file but now available for verification</i> |
| 4. | Renovation of District Service Commission Offices | 27,499,310 | <ul style="list-style-type: none"> • Contract implementation plan • Contract implementation report • Completion certificate | <ul style="list-style-type: none"> • <i>It was true that by time of audit the contract implementation plan was not on file but now available for verification.</i> • <i>It was true by the time of audit the contract implementation report was not on file but now available for verification</i> • <i>It was true that at the time of audit the completion certificate was not on procurement action file but now</i> |

| No | Subject of Procurement | Contract Amount (UGX) | Missing Records | Management response |
|--------------|--|-----------------------|--|---|
| | | | | <i>available for verification</i> |
| 5. | Supply of 162 three-seater Desks | 29,970,000 | <ul style="list-style-type: none"> Contract management reports. | <i>It was true by the time of audit the contract implementation report was not on file but now available for verification</i> |
| 6. | Procurement and delivery of 72 Three seater desks to Nkombe P/s (36), Nkombe P/s (36) and Idudi P/s (18) | 13,104,000 | <ul style="list-style-type: none"> Contract management reports. | <ul style="list-style-type: none"> <i>It was true by the time of audit the contract management reports were not on file but now available for verification</i> |
| 7. | Construction of Igombe Seed School under UGIFT | 2,890,404,265 | <ul style="list-style-type: none"> Contract management plan | <ul style="list-style-type: none"> <i>It was true that by time of audit the management and progress report were not on but now available for verification.</i> |
| Total | | 3,644,003,709 | | |

Implications

- 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.
- This also compromises the principle of accountability for public resources and could result in to financial loss to Government.

Authority's comment

The Authority takes note of your response however, the Entity did not provide the aforementioned documents for review by the Authority

Recommendations

- User Departments should task all Contract Supervisors to submit progress reports/contract management reports and all contract implementation documentation in accordance with Regulation 52(3) the PPDA (Contracts) Regulations, 2023.
- The Accounting Officer should direct the Finance department to always share copies of payments records with the PDU in order for procurement action files to be closed off.

2.3.4 Physical Verification on Implementation of works projects carried out

The Authority conducted physical verification on 23rd August 2023 on 6 projects worth UGX. 3,552,656,333. From the exercise 3 projects worth UGX. 2,996,429,784, were identified to have issues that require immediate attention of management. These works projects are indicated;

Case 1: Renovation of District Service Commission Office building

Contractor: M/S Baino Group Investments Ltd

Contract price: 27,499,310

Time progress: 100%

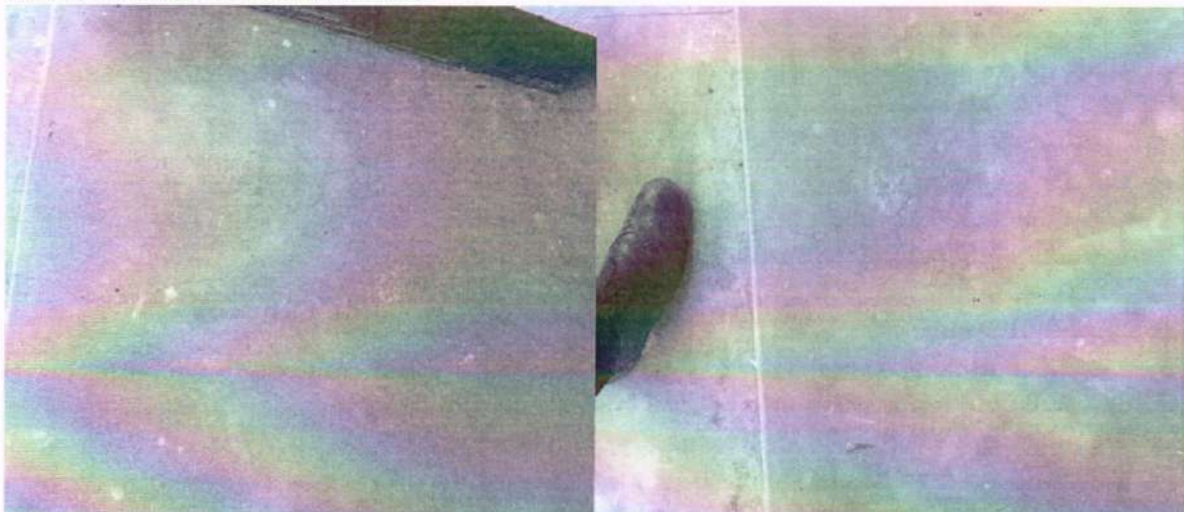
Financial progress: 81.5%

Physical progress: N/A

Figure 1: District Service Commission Offices



Unfinished floor of the bathroom



Cracks emerging on the veranda
Issues observed;

- Shoddy works on floor finishing of the bathroom area with no door installed
- Newly renovated office floor had developed cracks

Case 2: Construction of two class room block at Nkombe primary school

Contractor: M/S Elohim Technical Services Ltd

Contract price: UGX. 78,526,209

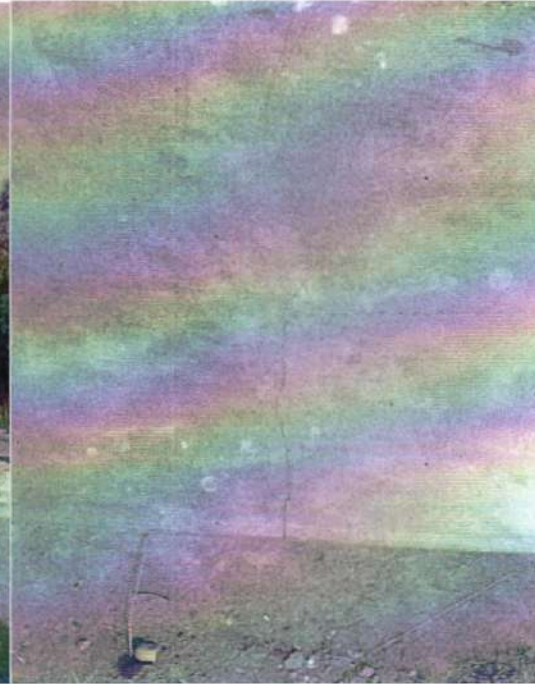
Time progress: 100%

Financial progress: 90%

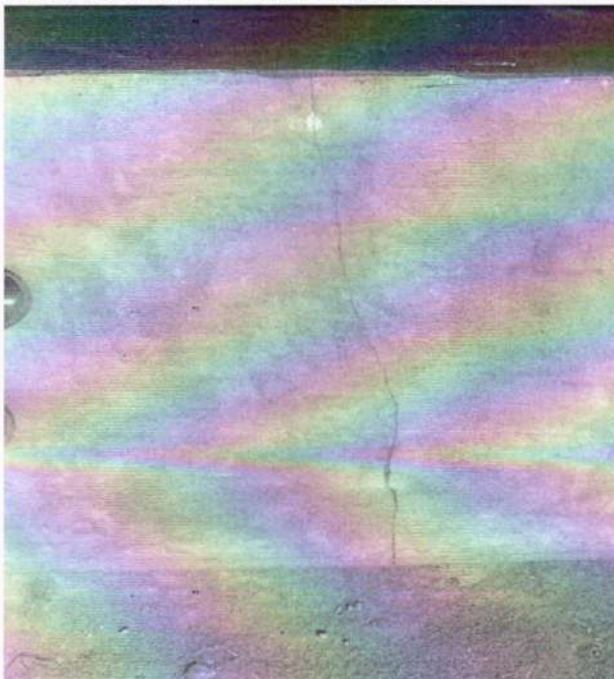
Physical progress: 100%



Front view of the classroom block



Veranda with a developing crack



Veranda with a developing crack.



Developing cracks on Classroom floor

Issues observed;

- The veranda had developed cracks
- Classroom floors had developed cracks

Case 3: CONSTRUCTION OF IGOMBE SEED SCHOOL

Contract price: UGX 2,890,404,265

Contractor: M/s Sembais Joint Venture (JV) Co. Ltd.

Time progress: 75%

Financial progress: 38%

Physical progress: N/A

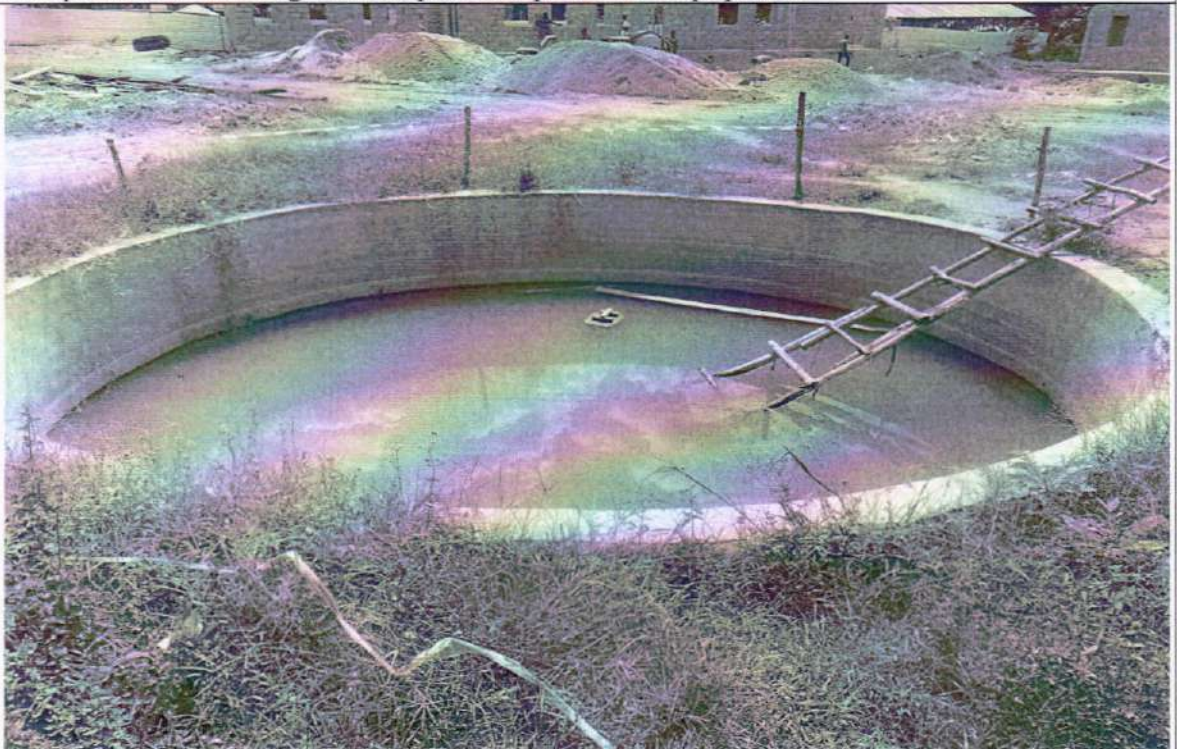
Figure 3: Construction of Igombe Seed School



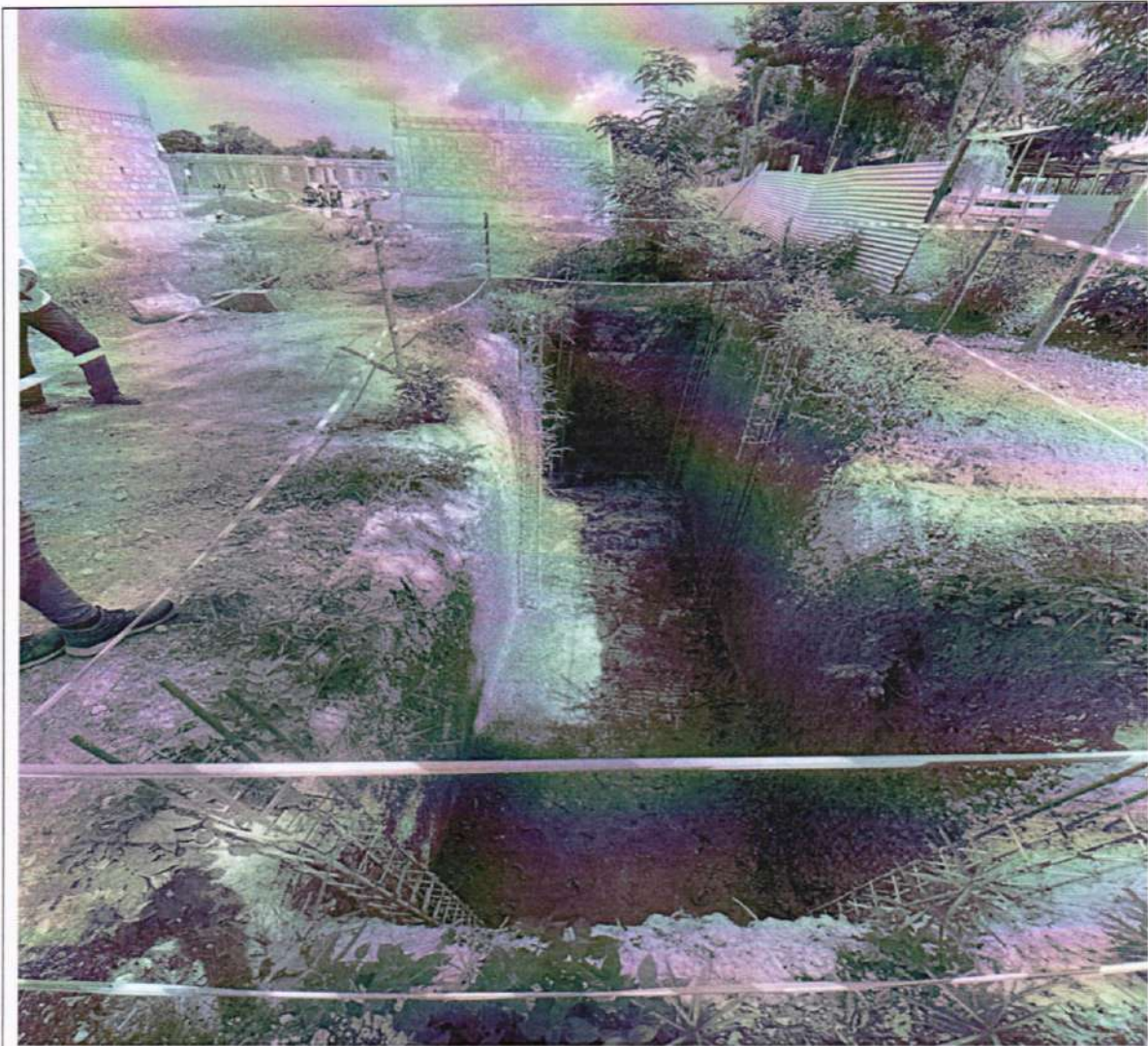
Classroom block wall structure at wall plate level



Site personnel working with no personal protective equipment



An un hoarded temporary water collection point



An unhoarded deep excavation of a 5 stance pit latrine

Issues noted

- i. The contractor had not covered several soak pits and manholes which exposes the executing personnel and community to risk of injury.
- ii. The contractor had not hoarded off the site yet this had been provided for in the contract sum which exposes the site to unrestricted /unauthorized entry thus compromising safety and security at the site.
- iii. The contractor did not avail adequate protective gears like gum boots, helmets and gloves to the workers which exposed them to the risk of injury.

Implication

- i. Failure to hoard off the site exposes it to unauthorized access by unauthorized members of the community and animals which exposes it to safety and security threats while failure to provide protective gears to the workers on site endangers their health and safety while at work.
- ii. Failure to execute works as quoted implies that the contractor will have caused financial loss to the government of Uganda for inflating costs in the Bills of Quantities hence the beneficiaries of the project may not get the desired effects and subsequently value for money may not be achieved.

Management response

- *Instructions were given to the contractor to ensure all workers are well protected see attached*
- *Hoarding has been done see photos attached.*
- *Instructions were issued to the contractor to rectify the defects see attached.*

Authority's comment

The Authority takes note of your response however, the Entity did not provide the aforementioned attachments to that effect.

Recommendations

The Accounting Officer should;

- i. Prevail over the User Departments to nominate contract supervisors and report any deviations from the terms of the contract by the contractor in accordance with Regulation 26 of the Local Government (PPDA) Regulations, 2006.
- ii. Ensure that the providers perform the contract in accordance with the terms and conditions specified in the contract in accordance with Regulation 119 (9) (b) of the Local Government (PPDA) Regulations, 2006.
- iii. Ensure that the Contractor Manager come up with a snag list that should be issued to the contractors to put right the defects and omissions identified.

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

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

a. Overall Compliance Audit Conclusion

The performance of Bugweri District Local Government for the Financial Year 2022/23 was Moderately Satisfactory with overall weighted average risk rating of 65.1%.

Table 14: Risk rating criteria

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

b. Entity's Risk Assessment

The table 15 below shows the Entity's performance per risk category based on the sampled procurements:

Table 15: Showing summary of risk assessment of Bugweri DLG

| Risk Category | Number of Sampled Procurements | %Number | Value (UGX) | % Value |
|---------------|--------------------------------|------------|----------------------|------------|
| High | 5 | 45.5 | 505,243,942 | 13.6 |
| Medium | 6 | 55.5 | 3,222,694,911 | 86.4 |
| Low | 0 | 0 | 0 | 0 |
| Satisfactory | 0 | 0 | 0 | 0 |
| Total | 11 | 100 | 3,727,938,853 | 100 |

c. 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 16 below:

Table 16: Weighted risk assessment of Bugweri DLG

| Risk category | Rating (By Number) | Weights | Total Weighted Average | Rating (By Value) | Weights | Total weighted Average |
|---------------|--------------------|---------|------------------------|-------------------|---------|------------------------|
| High | 45.5 | 0.6 | 27.3 | 13.6 | 0.6 | 8.2 |
| Medium | 55.5 | 0.3 | 16.7 | 86.4 | 0.3 | 25.9 |
| Low | 0 | 0.1 | 0 | 0 | 0.1 | 0 |
| Satisfactory | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 100 | | 44 | | | 34.1 |

$$\text{Weighted Average (By no.)} = \frac{\sum \text{Weighted Score}}{\text{Total}} \times 100 = \frac{44}{60} \times 100 = 73.3\%$$

$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score}}{\text{Total}} \times 100 = \frac{34.1}{60} \times 100 = 56.8\%$$

$$\text{Combined Weighted Average} = \frac{73.3 + 56.8}{2} = 65.1\%$$

Figure 1: Showing graphical representation of the Entity's risk assessment by value

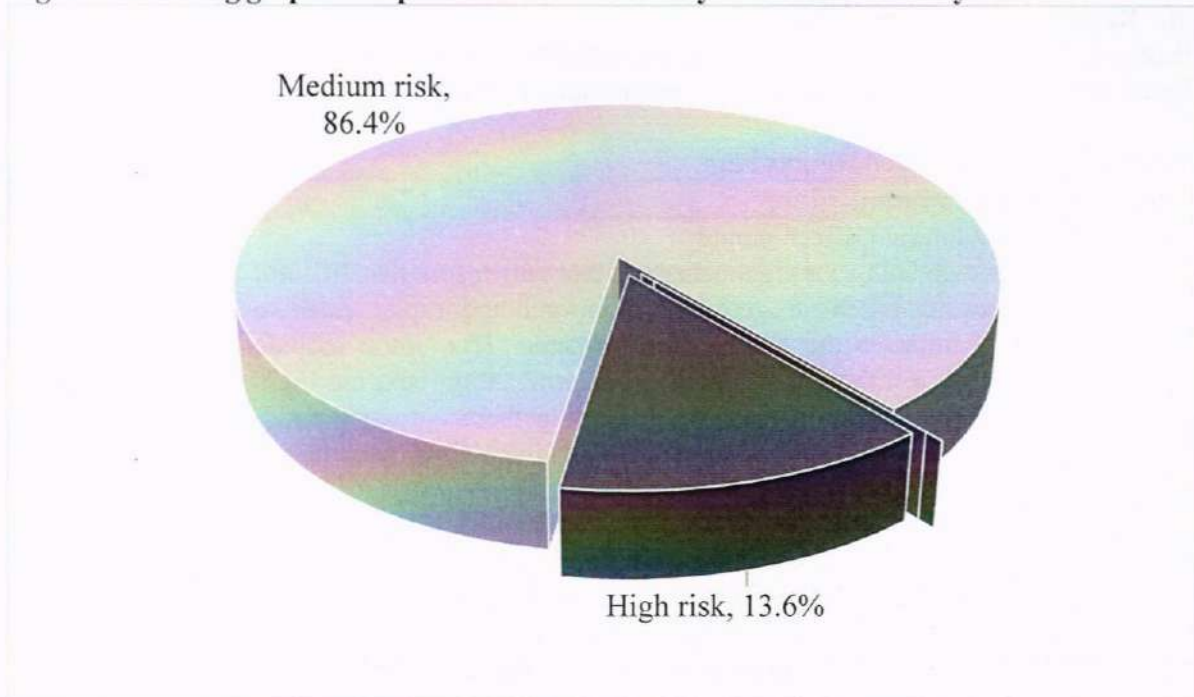
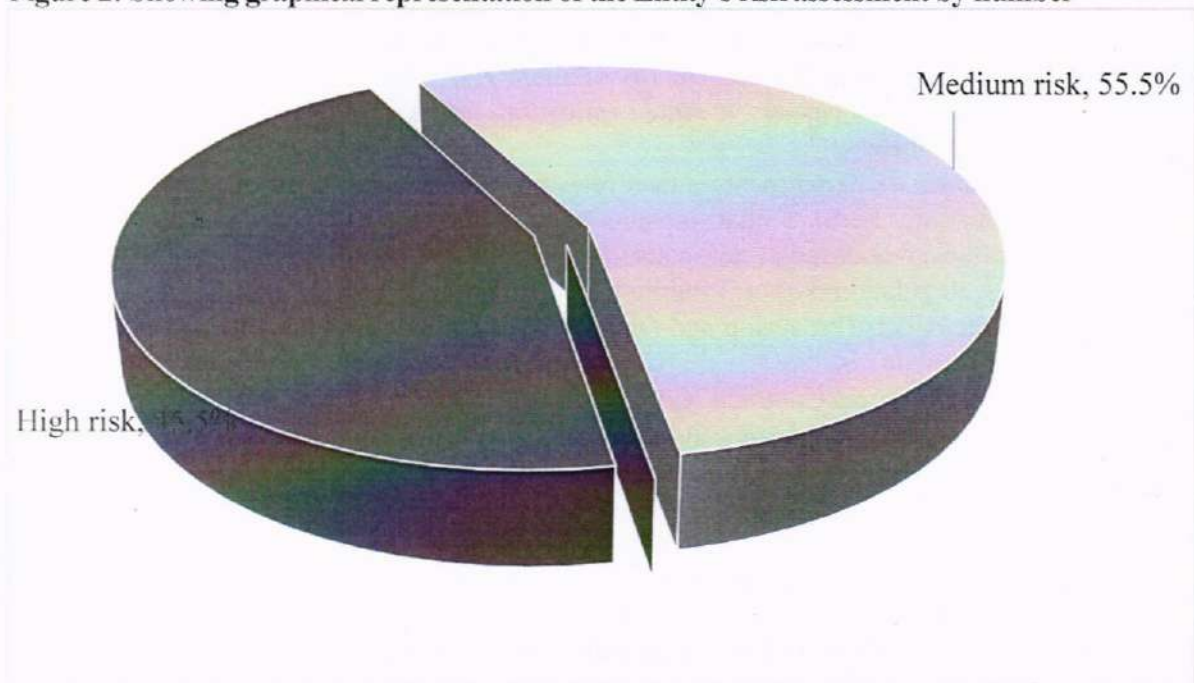


Figure 2: Showing graphical representation of the Entity's risk assessment by number



d. Recommended Action Plan

Bugweri 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. | <p>The Accounting Officer should;</p> <ul style="list-style-type: none"> i. Come up with a strong mechanism that will ensure that all audit recommendations are regularly monitored and implemented so as to improve the Entity's performance. This could include forming a task force to handle implementation, sharing them with Internal Audit, training, including them among the key performance indicators for staff, and discussing them in top management meetings, among others; ii. Task Division Heads to provide accountability and monetary value for all the procurements that were handled at the Divisions within two weeks of receipt of the audit report; iii. Ensure that the Internal Auditor conducts periodic comprehensive reviews of the procurement procedures of the Entity in accordance with Regulation 27 of the Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023; iv. Regularly carry out a review of the implementation of the procurement plan and update the procurement plan in accordance with Section 58 (4) of the PPDA Act, 2003 as amended to ensure a true reflection of the Entity's performance; v. Ensure, user departments attach relevant requirements to the requisition Form 5 that include a clear indication of the supplies, works and or non-consultancy required in accordance with Regulation 3 (2) (a) Public Procurement and Disposal of Public Assets (Procuring and Disposing Entities) Regulations, 2023; vi. Ensure that the Contracts Committee plays its role with the utmost ethical tendencies and in accordance with Section 10 of the PPDA (Procuring and Disposing Entities) Regulations, 2023; vii. Task the Contracts Committee to show cause why disciplinary action should not be taken against them for unethical tendencies; viii. Task the Evaluation Committee members to show cause why disciplinary action should not be taken against them for violating the set evaluation criteria and the Head of Procurement and Disposal Unit should ensure that all evaluations are conducted in line with the criteria set in the bidding document in accordance with Regulation 5 (1) and (2) and (3) of the PPDA (Evaluations) Regulations, 2023; | July 2024 |

| | | |
|----|---|-----------|
| | <ul style="list-style-type: none"> ix. Task the Procurement and Disposal Unit, Evaluation Committee and the Contracts Committee to show cause why they should not held liable to recover UGX. 35,298,423 that was lost fraudulently due to their unethical actions and subsequently report to the Authority on the progress two weeks after receipt of the report; x. Ensure that procurement and disposal activities are conducted in a manner that promotes transparency, accountability and fairness as well that which maximizes completion to achieve value for money in accordance with Sections 45 and 46 of the PPDA Act 2003 as amended; xi. Ensure that works undertaken using force account mechanism are implemented in accordance with circular No. 3 of 2012 to Local Governments on use of force account mechanism; xii. Provide full accountability of funds worth UGX. 220,123,832 that were spent under for on account or else recover that money from the Force Account Supervisor and Manager; xiii. Ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 2 of the PPDA (Disposal of Public Assets) Regulations, 2023; xiv. 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 provision of personal protective gear to workers, employment contracts, HIV and Aids awareness, among others; xv. Ensure that all Government assets under the Entity’s custody are well handled, maintained and are fully utilized for the purposes for which they were acquired by the Entity; xvi. Prevail over the User Departments to nominate contract supervisors and report any deviations from the terms of the contract by the contractor in accordance with Regulation 51 and 52 (1) (a) and (b) of the PPDA (Contracts) Regulations, 2023; xvii. Ensure that the providers perform the contract in accordance with the terms and conditions specified in the contract in accordance with Regulation 52 (3) (a) of the PPDA (Contracts) Regulations, 2023; and xviii. The Contractor Manager comes up with a snag list that should be issued to the contractor to put right. | |
| 2. | <p>The Head Procurement and Disposal Unit should;</p> <ul style="list-style-type: none"> i. Ensure that the solicitation documents prepared, define the requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity and have the most appropriate evaluation methodology and criteria in accordance with Regulations 5(1) & (2) of the PPDA (Evaluations) Regulations, 2023; | July 2024 |

| | | |
|----|---|-----------|
| | <p>ii. Ensure that all procurement and disposal are conducted in such a manner as to maximize competition and achieve value for money irrespective of the method of procurement used or the nature of the supplies works, or services to be procured in accordance with Regulation 6 PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;</p> <p>iii. Ensure that all bidders shortlisted for a particular procurement are formally invited in accordance with Regulation 51 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 and evidence of invitation recorded in accordance with Regulation 53 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;</p> <p>Aggregate procurements and use the open bidding method which may attracts more firms to participate in the bidding process to avoid collusion;</p> | |
| 3. | User Departments should charge all Contract Supervisors to submit progress reports/contract management reports and all contract implementation documentation in accordance with Regulation 52(3) the PPDA (Contracts) Regulations, 2023 | July 2024 |

Annex A: Findings and rating on the individual contracts reviewed

| No | HIGH RISK CONTRACTS | REASONS FOR HIGH RISK |
|----|--|--|
| 1. | <p>Reference No: Bugw814/Wrks/22-23/00003</p> <p>Subject of Procurement: Partial construction of piped water system at Nondwe RGC</p> <p>Contract amount: 320,975,047</p> <p>Contractor: Vimar Technical Investments Ltd</p> <p>Procurement Method: Open National Bidding</p> | <ul style="list-style-type: none"> • Failure by the User Departments to attach statements of requirements at initiation. • Issuance of inadequate solicitation document. The solicitation document did not include; <ol style="list-style-type: none"> i. The beneficial ownership form ii. Reservation scheme yet the procurement qualified for the same. • Alteration of the price schedule by the Procurement and Disposal Unit, Contracts Committee and Evaluation Committee leading to the increase in the quoted price as stated on the bid submission sheet and subsequently leading to a financial loss of 26,975,047 • Evaluation irregularities. The Best Evaluated bidder did not attach Proof of ownership of machinery as was required by the solicitation document but was passed by the Evaluation committee on the same which was unjust treatment to the other bidders |
| 2. | <p>Reference No: Bugw814/Wrks/22-23/00002</p> <p>Subject of Procurement: Supply and delivery of irrigation equipment</p> <p>Contract Amount: 48,273,376</p> <p>Contractor: Ojasi General Enterprises Ltd</p> <p>Procurement method: Open Bidding</p> | <ul style="list-style-type: none"> • Failure by the User Departments to attach statements of requirements at initiation • Issuance of inadequate solicitation document. The document did not include; <ol style="list-style-type: none"> i. The beneficial ownership form ii. Reservation scheme yet the procurement qualified for the same • Alteration of the price schedule by the Procurement and Disposal Unit, Contracts Committee and Evaluation Committee leading to an increase in the quoted price that was stated on the bid submission sheet and subsequently leading to a financial loss of 8,323,376. |
| 3. | <p>Reference No: Bugw814/Wrks/22-23/00001</p> <p>Subject of Procurement: Construction of a 2-classroom block at Nkombe Primary School in Bugweri District</p> <p>Contract Amount: 78,526,209</p> | <ul style="list-style-type: none"> • Failure by the User Departments to attach statements of requirements at initiation • Issuance of inadequate solicitation document. The document did not include; <ol style="list-style-type: none"> i. The beneficial ownership form ii. Reservation scheme yet the procurement qualified for the same |

| No | HIGH RISK CONTRACTS | REASONS FOR HIGH RISK |
|----|--|--|
| | <p>Contractor: Elohim Technical services Ltd</p> | <ul style="list-style-type: none"> • Evaluation irregularities. Best Evaluated Bid had no bid validity stated but was considered compliant on the same by the Evaluation Committee which was unfair to the rest of the bidders that participated in the process Issues observed at physical verification <ul style="list-style-type: none"> • The veranda had developed cracks • Classroom floors had developed cracks |
| 4. | <p>Reference No: Bugw/814/Wrks/22-23/00021</p> <p>Subject of Procurement: Renovation of District Service Commission Office building</p> <p>Contract Amount: 27,499,310</p> <p>Contractor: M/S Baino Group Investments Ltd</p> <p>Procurement method: Selective National Bidding</p> | <ul style="list-style-type: none"> • Failure by the User Departments to attach statements of requirements at initiation. • Issuance of inadequate solicitation document. The document did not include the beneficial ownership form. • Low bidder participation • Issues identified at physical verification. • incomplete floor finishing of the bathroom area with no door installed • Newly renovated office floor had developed cracks |
| 5. | <p>Reference No: BUGWE/SUPLS/22-23/00014</p> <p>Subject: Procurement and Supply of 162 Three-Seater Desks</p> <p>Procurement method: Direct Procurement</p> <p>Contractor: M/s Nakweson Ltd</p> <p>Contract value: UGX 29,970,000</p> | <ul style="list-style-type: none"> • Failure by the User Departments to attach statements of requirements at initiation. • Unjustified approval and subsequent use of direct procurement method • Issuance of inadequate solicitation document. The document did not include the beneficial ownership form • Low bidder participation |

| No | MEDIUM RISK CONTRACTS | REASONS FOR MEDIUM RISK |
|----|---|---|
| 1. | <p>Reference No: BUGWE814/WRKS/22-23/00008</p> <p>Subject of Procurement: Construction works for completion of diagnostic Plant Clinic</p> <p>Contract Amount: 49,178,860</p> <p>Contractor: M/s Interbuild Technical Ltd</p> <p>Procurement method: Selective National Bidding</p> | <ul style="list-style-type: none"> • Failure by the User Departments to attach statements of requirements at initiation. • Issuance of inadequate solicitation document. The document did not include the beneficial ownership form. • Low bidder participation. Only 2 bids were received |
| 2. | <p>Reference No: BUGWE/SUPLS/22-23/00009</p> <p>Subject of Procurement: Procurement and delivery of 72 three-seater Desks to Nkombe P/s (36), Nkombe P/s (36), and Idudi P/s (18)</p> <p>Contract Amount: 13,104,000</p> <p>Contractor: M/s Nakweson Ltd</p> <p>Procurement method: Selective National Bidding</p> | <ul style="list-style-type: none"> • Failure by the User Departments to attach statements of requirements at initiation. • Issuance of inadequate solicitation document. The document did not include the beneficial ownership form. |
| 3. | <p>Reference No: Bugwe814/WRKS/22-23/0001</p> <p>Subject of Procurement: Drilling, supply of parts, casting and installation of 4 deep boreholes</p> <p>Contract Amount: 83,935,144</p> <p>Contractor: M/S Mama Bore Wells Africa Ltd</p> <p>Procurement method: Open Bidding</p> | <ul style="list-style-type: none"> • Failure by the User Departments to attach statements of requirements at initiation. • Issuance of inadequate solicitation document. The document did not include the beneficial ownership form. |
| 4. | <p>Reference No: Bugwe814/WRKS/22-23/000</p> <p>Subject of Procurement: Partial Construction of a medical Store at Bugweri District</p> <p>Contract Amount: 144,568,620</p> <p>Contractor: Ministry of Defense and Veteran Affairs (UPDF Engineers Brigade)</p> <p>Procurement method: Direct Procurement</p> | <p>Failure by the User Departments to attach statements of requirements at initiation.</p> |
| 5. | <p>Reference No: Moes-UgIFT/WRKS/21-22/00005-Lot 37</p> | <p>Issues at physical verification</p> |

| No | MEDIUM RISK CONTRACTS | REASONS FOR MEDIUM RISK |
|----|---|---|
| | <p>Subject of Procurement: Construction of Mpiita Seed School in Igombe Sub-County</p> <p>Contract Amount: 2,890,404,265</p> <p>Contractor: M/s Sembais Joint Venture (JV) Co. Ltd.</p> <p>Procurement method: Open Domestic Bidding</p> | <ul style="list-style-type: none"> • Failure to cover several soak pits and manholes which exposed the executing personnel and community to risk of injury. • Failure to hoard off the site compromising safety and security at the site. <p>Failure to avail adequate protective gears like gum boots, helmets and gloves to the workers which exposed them to the risk of injury.</p> |
| 6. | <p>Reference No: Bugw814/Wrks/22-23/00004</p> <p>Subject of Procurement: Completion of offices for Busembatia T/C</p> <p>Contract Amount: 41,504,022</p> <p>Contractor: Busembatia Allied traders Ltd</p> <p>Procurement method: Selective Bidding</p> | <ul style="list-style-type: none"> • Failure by the User Departments to attach statements of requirements at initiation. Issuance of inadequate solicitation document. The document did not include the beneficial ownership form. |

ANNEX B: BUGWERI DISTRICT LOCAL GOVERNMENT SAMPLE LIST FOR FINANCIAL YEAR 2021/2022

| No. | Reference Number | Subject of Procurement | Method of Procurement | Provider | Contract Amount (UGX) | Rating |
|-----|-----------------------------|--|----------------------------|--|-----------------------|-------------|
| 1. | Bugw814/Wrks/22-23/00005 | Completion of Office block at Busembatia Town Council | Selective National bidding | M/S Busembatia Allied Traders Ltd | 41,504,022 | Medium risk |
| 2. | Bugw/814/wrks/22-23/00002 | Partial construction of piped water system at Nondwe rural growth centre | Open National Bidding. | M/S Virmar Technical Investments Ltd. | 320,975,047 | High risk |
| 3. | Bugw/814/wrks/22-23/00001 | Drilling, Supply of Borehole parts, Casting and Installation of 04 Deep Boreholes | Open National Bidding. | M/S Mama Bore Wells Africa Ltd. | 83,935,144 | Medium risk |
| 4. | Bugw/814/wrks/22-23/00003 | Construction of two class room block at Nkombe primary school | Open National Bidding. | M/S Elohim Technical Services Ltd | 78,526,209 | High risk |
| 5. | Bugwe814/WRKS/22-23/000 | Partial Construction of a medical Store at Bugweri District | Direct Procurement | Ministry of Defense and Veteran Affairs (UPDF Engineers Brigade) | 144,568,620 | Medium risk |
| 6. | Bugw/814/Supls/22-23/00001 | Procurement and delivery of assorted irrigation equipment and setting up of two Micro scale Irrigation demonstration sites | Open National Bidding. | M/S Ojasi General Enterprises Ltd. | 48,273,376 | High risk |
| 7. | Bugw/814/Supls/22-23/00009. | supply of 72 three-seater desks at Bupala-18, Nkombe-36 and Idudi Muslim P/S- 18 | Selective National Bidding | M/S Nakweson 'U' Ltd. | 13,104,000 | Medium risk |

| | | | | | | |
|-----|-----------------------------------|--|----------------------------|---|----------------------|-------------|
| 8. | Bugw/814/Wrks/22-23/00016 | Completion of plant Clinic | Selective National Bidding | M/S Interbuild Technical Services Ltd | 49,178,860 | Medium risk |
| 9. | Bugw/814/Wrks/22-23/00021 | Renovation of District Service Commission Office building | Selective National Bidding | M/S Baino Group Investments Ltd | 27,499,310 | High risk |
| 10. | Bugw/814/Supls/22-23/00014. | Procurement and delivery of 162 three-seater desks to 11 primary schools-Education Dept. | Direct procurement | M/S Nakweson U Ltd | 29,970,000 | High risk |
| 11. | Moes-UgFT/WRKS/21-22/00005-Lot 37 | Construction of Mpiita Seed School in Igombe Sub-County | Open Domestic Bidding | M/s Sembais Joint Venture (JV) Co. Ltd. | 2,890,404,265 | Medium risk |
| | | | | | 3,727,938,853 | |