

PPDA/MMU/013/90

17th September 2025

The University Secretary,
Mountains of the Moon University,
P. O. Box 837,
FORT PORTAL

RE: BID PREPARATORY AUDIT REPORT FOR THE SUPPLY OF TWO STATION WAGON VEHICLES FOR FINANCIAL YEAR 2025/2026

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority conducted a bid preparatory audit for the supply of two station wagon vehicles estimated at UGX 600,000,000 under section 8(1) (j) (i) of the PPDA Act, Cap 205.

The audit exercise involved a review of the procurement plan, requisition form, shortlisting procedures, and solicitation document to be issued to bidders following the Public Procurement and Disposal of Assets Act, Cap. 205, the attendant PPDA Regulations, 2023, and Guidelines 2024.

The objectives of the audit were to:

1. Ensure that public procurement planning, requisition, and shortlisting were conducted in a manner that promotes transparency, accountability, and fairness in accordance with the PPDA Act, Cap. 205, the attendant PPDA Regulations 2023, and Guidelines 2024; and
2. Establish whether the solicitation document issued to bidders was prepared in accordance with the provisions of the PPDA Act, Cap. 205, the attendant PPDA Regulations 2023, and Guidelines 2024.

The Authority identified a number of exceptions for the attention of Management. The purpose of this letter, therefore, is to communicate the following findings and recommendations for your attention and action.

The Authority found the following anomalies in the bidding document, as detailed in Table 1 below:

Table 1: Anomalies found in the bidding document for the supply of two station wagon vehicles.

No.	Anomalies found	Recommendations
Standard Invitation to Bidders		
1.	<p>Inconsistency in bid opening requirements The Standard Invitation to Bidders contains an inconsistency, stating that bids will be opened at 8 and at 2:40 pm on Thursday, 25th September 2025. This appears to be a formatting error or inconsistency, which creates confusion requiring clarification or correction.</p>	<p>The Procurement and Disposal Unit should revise the Standard Invitation to Bidders to clearly state a single bid opening time on Thursday, 25th September 2025.</p>
2.	<p>Non-compliance with Revised Standard Bidding Documents The University's standard bidding document for procurement of supplies was found to be outdated, as it did not incorporate the revisions made by the Authority (PPDA) through Circular No. 7 of 2023 issued on 2nd November 2023. Specifically:</p> <ol style="list-style-type: none"> 1. The Instructions to Bidders 5.5; 2. The Bid Data Sheet 5.5; 3. The Bid Security Form; 4. The Distributor/Supplier's Authorization Form; 5. The Performance Security Form; and 6. The Advance Payment Security Form was not updated as per the circular. <p>The University's bidding document still reflects the outdated provisions, which may lead to non-compliance with regulatory requirements.</p>	<p>The Procurement and Disposal Unit should update its bidding document to align with the revised PPDA standard bidding documents. The revised and updated standard bidding document was uploaded and can be accessed on the Authority's website at https://www.ppda.go.ug.</p>
Section 2: Bid Data Sheet		
3.	<p>Inconsistency in Bid Requirements: There's an inconsistency between ITB 1.1 and ITB 21.3 regarding lots. ITB 1.1 states that the Bidding Document is for the supply of station wagon vehicles with no lots. However, ITB 21.3 states that a Bid Securing Declaration shall be required for motorcycles, which appears unrelated to the station wagon vehicles specified in the bidding document.</p>	<p>The bidding document should be revised to remove references to unrelated items, such as motorcycles.</p>
4.	<p>Inadequate bid security validity period Regulation 63 (3) of the PPDA (Rules and Methods for Procurement of Supplies, Works and</p>	<p>The bidding document should be revised to ensure the bid security validity period required is at least 28</p>

No.	Anomalies found	Recommendations
	<p>Non-Consultancy Services) Regulations 2023 requires bid security to be valid for at least 28 calendar days beyond the bid validity period. However, ITB 21.2 specifies the bid security validity expiry date as 31st December 2025, which matches the bid validity period stated in ITB 20.1, thereby not meeting the 28-day requirement.</p>	<p>calendar days beyond the bid validity period, in accordance with Regulation 63(3) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations 2023.</p>
5.	<p>Insufficient bid submission details The bid submission details in ITB 24.1 are incomplete, as they specify the physical location and postal address of Mountains of the Moon University but do not specify the exact venue, room number, or floor that bidder representatives shall physically submit bids to.</p>	<p>Precise submission details, including the exact venue, building name, room number, floor, and submission methodology, should be included in the solicitation document.</p>
6.	<p>A specific maintenance schedule is not provided ITB 11 (h) (iv) requires bidders to submit a Vehicle Maintenance Schedule and Service Points during warranty. However, the specific schedule is not provided. It is also unclear whether the University requires bidders to have regional service centres.</p>	<p>Clarifying this requirement would help ensure bidders understand the expectations and can provide suitable services.</p>
7.	<p>Inadequate Eligibility Criteria Bidders were required to;</p> <ul style="list-style-type: none"> i. Submit a valid copy of the current income tax clearance certificate 2025 as evidence of fulfillment of their obligations to pay taxes. The Entity did not, however, explicitly state that the Tax Clearance Certificate should be addressed to Mountains of the Moon University. ii. Submit a copy of the NSSF clearance certificate for at least November 2023 as evidence of fulfillment of obligations to pay social security contributions in Uganda. The requirement for an NSSF clearance certificate for November 2023 is outdated since the procurement process is taking place in 2025. iii. Submit copies of Audited Financial Statements for the years 2023, 2022 and 2021 audited by a firm certified by ICPAU or any other equivalent Accounting Professional body. However, the University would be unable to assess the current financial position 	<p>The Procurement and Disposal Unit should revise the bidding documents:</p> <ul style="list-style-type: none"> i. By requesting bidders to submit a valid Tax Clearance Certificate addressed to Mountains of the Moon University as fulfillment of their obligations to pay taxes; ii. Update the requirement for the NSSF clearance certificate to request a more recently issued certificate; and iii. Update the requirement to request more recent audited financial statements, such as for the years 2022, 2023, and 2024.

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	of bidders as the audited books would be outdated since the procurement process is taking place in 2025.	
Delivery and Completion Schedule		
8.	Inconsistency regarding delivery expectations The delivery and completion schedule stated the delivery and completion period within 3 months after contract signing and SCC 12 stated that the date of delivery shall be within 2 months of the purchase order/agreement order.	The Procuring and Disposal Unit should revise the bidding document to align the completion schedule and Special Conditions to Contract.
Special Conditions of Contract (SCC)		
9.	Inconsistency regarding the use of Incoterms The Special Conditions of Contract (SCC) were inconsistent regarding the version of Incoterms to be applied; SCC 4.2 (b) stated that the version of Incoterms shall be 2021, while SCC 26 states that the Incoterms shall be: DDP 2020.	The bidding document should be revised to use a single, clearly defined version of Incoterms in the Special Conditions to Contract.
10.	Inconsistency regarding payment terms ITB 45.1 specifies that the Advance Payment shall be limited to 30% of the Contract Price, supported by an advance payment guarantee, whereas SCC 16.1 states that the structure of payments shall be 100% after delivery to stores and verification.	The bidding document should be revised to align the payment terms in ITB 45.1 and SCC 16.1.

The purpose of this letter is to forward to you the findings from the bid preparatory audit exercise for your implementation. In order to administer and enforce compliance with the provisions of the PPDA Act, Cap. 205, the Accounting Officer should ensure that the bidding document is revised accordingly before issuing it to bidders.



Moses Ojambo

For: **EXECUTIVE DIRECTOR**

cc: Chairperson Contracts Committee

cc: Head Procurement and Disposal Unit