



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

"Procurement That Delivers"

PPDA/MBLC/608

23rd March 2026

The City Clerk
Mbale City
P. O. Box private bag
MBALE

BID PREPARATORY AUDIT EXERCISE FOR SELECTED PROCUREMENTS AT MBALE CITY

Reference is made to the above subject.

In accordance with Section 8 (1) (j) (i) of the Public Procurement and Disposal of Public Assets (PPDA) Act, Cap. 205, the Authority conducted a bid preparatory audit in the following procurements

Table 1: Selected advertised procurements

No	Procurement reference numbers	Subject of Procurement
1	MBAL608/SUPLS/25-26/00055	Supply of Computers, Printers, Toners, Cameras, Scanners, PoS machines, iPads, etc. under framework contract
2	MBAL608/SUPLS/2526/00045	Purchase of 1 (one) acre of land for Nauyo health center under request for quotation
3	MBAL608/SRVCS/25-26/00051	Provision of catering services under framework contract

The objectives of the audit were to:

1. Establish whether the public procurement planning and requisitioning processes were conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205, the attendant PPDA Regulations; and

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2. Establish whether the solicitation documents issued to the bidders were prepared in accordance with the provisions of the PPDA Act, Cap. 205 and the attendant PPDA Regulations.

The scope of the bid preparatory audit included review of the procurement requisition forms, solicitation documents, bid notices and the Contracts Committee approvals of the procurement method, Evaluation Committee and solicitation documents. The areas of the solicitation document analyzed were - Instructions to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms and the Special and General Conditions of Contract.

The Authority identified some 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:

1.0 Whether the public procurement planning and requisitioning processes were conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205 and the attendant PPDA Regulations.

1.1 Retrospective Confirmation of a procurement requisition

Schedule 1 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 requires that a member of the user department initiates a procurement request, which is then confirmed by the Head of the User Department. The Authority observed that the procurement requisition was approved retrospectively. Specifically, the user department submitted the request on 18th February 2026, one day after the Head of Department had already confirmed it on 17th February 2026. This sequence indicates that the Head of Department confirmed the requisition before the initiation process had begun, effectively assuming the role of the initiator rather than the approver. Such a practice exposes weaknesses in the entity's internal controls over procurement initiation.

Implication

Approving requisitions before they are properly initiated undermines the integrity of the procurement process.

Recommendation

The Accounting Officer should confirm that all procurement requisitions are properly initiated and signed by the responsible officers before approval by the Head of the User Department, in order to maintain proper segregation of duties in accordance with Section 60 (2) of the PPDA Act, Cap. 205.

1.2 Unauthenticated Contracts Committee Minutes

Section 30(a) of the PPDA Act, Cap. 205 provides that the Contracts Committee is responsible for adjudicating recommendations from the Procurement and Disposal Unit (PDU), and that its decisions should be properly documented and authenticated. The Authority noted that, although the entity provided Contracts Committee minutes, their authenticity could not be fully verified, as the minutes were signed only by the Secretary and not by all required contracts committee members.

Implication

Partially signed or unauthenticated minutes compromise the credibility and accountability of Contracts Committee decisions, increasing the risk that procurement actions may be disputed or considered non-compliant.

Recommendation

The Accounting Officer should task Contracts Committee members to sign all contracts committee minutes and establish a verification process to authenticate all Committee decisions before implementation.

1.3 Irregular initiation of procurements.

Regulation 3 (2) (a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 states that, " *Initiation for a procurement requirement shall include description of the supplies, works or non-consultancy services required.*" The Authority noted that the statement of requirements were not provided at initiation of the procurement for the Supply of Computers, Laptops, Printers, Photocopiers, Projectors, Cameras, Smart TVs, POS Machines and Toner Cartridges under Framework Contracting. Failure to provide specifications at the initiation stage indicates that the procurement requirement had not been adequately defined prior to commencement of the procurement process. This could have arisen from inadequate preparation of the procurement requirement by the User Department before submission of the initiation documents.

Implication

Initiating procurement without clearly defined specifications may lead to ambiguity in the solicitation documents, challenges during evaluation, delays in the procurement process, and the risk of procuring items that may not adequately meet the entity's operational requirements.

Recommendation

The Accounting Officer should task the heads of User Departments to always attach statement of requirements at initiation of their procurements in accordance with Regulation 36 (1) (c) of the PPDA Act, Cap. 205.

1.4 Missing documentation

Section 9(1)(a) of the PPDA Act, Cap. 205 mandates the Authority to request Procuring and Disposing Entities for any information, documents, records and reports in the respect of procurement or disposal process. Furthermore, Section 33 of the PPDA Act, Cap. 205 requires the Procurement and Disposal Unit to maintain and archive records of the procurement and disposal process. The Authority noted that the Entity did not provide the minutes of the pre-bid meeting scheduled for 4th March 2026 at 10:00 am, as indicated in the bidding documents.

Implications.

The absence of the pre-bid meeting minutes prevents verification of the completeness and accuracy of procurement transactions, creating gaps in accountability and audit trail.

Recommendation

The Head, Procurement and Disposal Unit should maintain complete and verifiable records of all procurement activities, including pre-bid meetings, and implement a monitoring mechanism to prevent recurrence of missing records.

1.5 Unjustified deviation from contracts committees' recommendations

Section 33 (c) of the PPDA Act, Cap. 205 obliges the Procurement and Disposal Unit to implement decisions of the contracts committee. The audit revealed that, although the contracts committee recommended that the procurement of 1 acre of land at Nauya in category E be earmarked for the Nationals with land around Nauya, the Procurement and Disposal Unit invited only special interest groups to participate in the bidding process. This action constituted a deviation from the Contracts Committee's recommendation and suggests that the Procurement and Disposal Unit acted outside the Committee's directive. Such conduct undermines the authority and oversight role of the Contracts Committee in the procurement process.

Implication

Failure to implement Contracts Committee decisions undermines the Committee's oversight role, weakens transparency, fairness, and accountability, and increases the risk of favoritism in procurement processes.

Recommendation

The Accounting Officer should task the Head, Procurement and Disposal Unit to strictly adhere to Contracts Committee decisions, and oblige that any deviations be formally documented, justified, and approved to reinforce accountability and compliance with statutory procurement procedures.

2.0 Whether the solicitation documents issued to the bidders were prepared in accordance with the provisions of the PPDA Act, Cap. 205 and the attendant PPDA Regulations.**2.1 Inadequate bidding document.**

PPDA Guideline 6/2024, paragraph 1.1, requires that details of the venue, time, and procedure for pre-bid meetings or site visits be clearly indicated in the bidding documents issued to prospective bidder. The Authority noted that, although the entity indicated that a pre-bid meeting would take place, the bidding documents did not specify the time, venue, or procedure for the meeting. This is attributed to weak internal review for bidding document completeness.

Implication

Bidders may be disadvantaged or excluded due to lack of clarity, undermining transparency and fairness in the procurement process.

Recommendation

The Head, Procurement and Disposal Unit together with contracts committee should critically scrutinize the bidding documents to confirm that they are thorough and complete.

2.2 Failure to assign a unique reference number for each procurement in the advert

Regulation 3 (6) of the Public Procurement and Disposal of Public Assets (Rules and Methods for Procurement of Supplies, Works and Non-consultancy Services) Regulations, 2023; Regulation 3(4) of the Public Procurement and Disposal of Public Assets (Procurement of Consultancy Services) Regulations, 2023; and Regulation 3(5) of the Public Procurement and Disposal of Public Assets (Disposal of Public Assets) Regulations, 2023 require a Procurement and Disposal Unit to allocate specific reference numbers to each procurement and disposal requirements at the initiation stage using the numbering system prescribed by the Authority in a guideline. However, the Authority has noted that all the three sampled procurements, the Entity has not allotted any reference number for identification of the subject of procurement in the advert in the New Vision newspaper of 27th February 2026 from which the potential bidder may choose. This may be due to laxity by the Contracts Committee not to read the documents submitted for approval.

Implication

This may hinder the bidder to identify procurements correctly and fail to submit appropriate bids aligning with PPDA Regulations.

Recommendations.

The Accounting Officer should put a mechanism in place to certify that a unique reference number is assigned to every procurement advert and ensure the contracts committee reviews and approves all the documents before publication.

Conclusion:

The purpose of this letter is to forward to you the results of the bid preparatory audit exercise. In order to administer and enforce compliance with the provisions of the PPDA Act Cap 205 and PPDA Regulations 2023, the Entity is required to implement the recommendations of the Authority contained in this letter.



Moses Ojambo

FOR: EXECUTIVE DIRECTOR

- c.c: Chairperson Contracts Committee
- c.c: Head, Procurement and Disposal Unit