PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY

"Regulating for Results"

CONTRACT AUDIT REPORT INTO THE CONSTRUCTION OF MWUMBA PROGRESSIVE SEED SECONDARY SCHOOL BY GESES UGANDA LTD

AND

THE SUPPLY, DELIVERY, INSTALLATION, USER TRAINING AND COMMISSIONING OF ASSORTED MEDICAL EQUIPMENT AT MAREGAMO HEALTH CENTRE III BY RODRISA SUPPLIES LIMITED

PROCUREMENT REFS: MoEs/UgIFT/WRKS/2020-2021/00002, MOH/SUPLS/2024-25/00038)

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ACRONYMS

Cap	-	Chapter
ESHS	-	Environmental, Social, Health and Safety
PPDA Act	-	Public Procurement and Disposal of Public Assets Act
UGX	-	Uganda Shillings
UGIFT	-	Uganda Intergovernmental Fiscal Transfer Program
DLG	-	District Local Government
HC	-	Health Centre

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority conducted a contract audit into the construction of Mwumba Progressive Seed School worth UGX. 3,337,802,752 and supply, delivery, installation, testing, user training and commissioning of assorted medical equipment at Maregamo Health Centre III in Kisoro District Local Government worth UGX 142,481,000 in accordance with Section 8(1)(j)(ii) of the PPDA Act, Cap 205.

The overall objective of the audit was to assess the status of contract implementation with emphasis on verification that all parties to the contract complied with the requirements and standards set forth in the contract and the provisions of the PPDA laws and UGIFT guidelines. The specific objectives of the contract audit were to assess:

(i). The progress of the contracts for the works and supplies;
(ii). The effectiveness of time, quality & cost control of works and supplies undertaken; and
(iii).Adherence to Environmental, Social, Health and Safety (ESHS) safeguard requirements.

On 7th September 2022, Kisoro District Local Government entered into a contract with GESES Uganda Limited to construct Mwumba Seed Secondary School at a cost of UGX 3,337,802,752 with an intended completion period of 24 months from site handover and a defects liability period of 12 months.

On 6th January 2025, the Entity entered into a contract for the supply, delivery, installation, testing, user training and commissioning of assorted medical Equipment at Maregamo Health Centre III with Rodrisa Supplies Limited ay UGX. 142,481,000 with a contract period of six months ending on 6th July 2025.

Key Findings of the Authority

A. CONSTRUCTION OF MWUMBA SEED SECONDARY SCHOOL

1. GCC 17.1 of the Contract signed on 7th September 2022 stated that, the intended completion period for the works was 24 Calendar Months from the start date. Section 52 (3)(a)(vi) of the PPDA (Contracts) Regulation 2023 required all contract obligations to be completed before the expiry of the contract by, which was 7th September 2024. The contract was extended by the Entity five times with the fifth extension running from 12th February to 30th June 2026.

   Despite these contract extensions, the Authority on 1st June 2026 established that the contractor was not on site yet the physical progress of the works was at 87.5 % against 183%-time progress and 75.7% financial progress. This progress was the same as that at 18th March 2026 as per the progress report by the District Engineer meaning no significant progress had been registered since. This delay in project execution was majorly caused by lack of adequate financial capacity by the contractor to execute the works partially attributed to the Entity not having funds to pay the contractor in time and weak contract management which resulted in to the contractor deploying very few workers and sometimes abandoning site. Delayed project completion has delayed the delivery of education services to the intended beneficiaries in the area and has compromised the achievement of value for money.

2. Section 66 of the PPDA Act Cap.205 requires, a Procurement and Disposing Entity for each procurement to take into account of environmental protection, social inclusion and stimulating innovations, as may be prescribed by regulations made under this Act. Subsequently, the signed Contract provided for UGX 8,000,000 for Safety, Health and Welfare for staff under the Preliminaries in the BOQs. However, there was no evidence to show that these requirements were implemented. i.e. The site was not registered by the Ministry of Gender, Labour and Social Development, no reports on regular sensitization on HIV/AIDS by the contractor's personnel, no safety warnings were installed onsite putting the health and safety of the workers and the communities at risk. Furthermore, inadequate safety practices can lead to rework, shutdowns, and the allocation of resources to address accidents or incidents that could have been prevented with proper safety measures.

Audit conclusion

Based on the findings and the management response, the project is likely not to be completed within the anticipated extended period due to lack of financial capacity by the Contractor, weak contracts management by the Contract Management Team and unavailability of funds worth UGX 811,733,870 for the completion of the remaining works measured at 23.2% of the total project. The Authority therefore found the contract of the Construction of Mwumba Seed Secondary School to be a high-risk contract.

Recommendations

In light of the above and in accordance with Section 10 (1) of the PPDA Act, Cap.205, the Authority recommended the following measures:

The Accounting Officer should:

i) Follow up with the Ministry of Finance Planning and Economic Development regarding the balance of UGX 811,733,870 for the completion of the remaining works measured at 23.2% of the total project works;

ii) Engage the contractor to remobilise and return on site to execute the remaining works to logical conclusion and submit a revised work program and schedule works that will be followed or submit the Contractor to the Authority for suspension hearing in line with Section 128 of the PPDA Act, Cap.205 for breach of contractual obligations specifically failure to complete the project on time.

iii) Strengthen contracts management and by tasking the Contract Manager and contract management team to perform their obligations and duties of supervision so that the remaining works are executed to conclusion in accordance with the terms and conditions of the contract in line with Regulation 52 (1)(b) of the PPDA (Contracts) Regulations, 2023;

iv) Task the Contractor's Health, Safety, Environmental Coordinator, Community Development Officer, Environment Officer and project implementation team to put keen emphasis on ESHS requirements i.e. to always register such sites with the Ministry of Gender, Labour and Social Development as work places so that contractors are bound by the Labour laws, provide reports on regular sensitization on HIV/AIDS by the Contractor's personnel and ensure that the contractor complies with the provisions in the contract.

B. SUPPLY, DELIVERY, INSTALLATION, TESTING, USER TRAINING AND COMMISSIONING OF ASSORTED MEDICAL EQUIPMENT AT MAREGAMO HEALTH CENTRE III

Key Findings:

GCC 16.1 of the Contract stated that the structure of payment shall be: 30% Advance payment against an irrevocable, unconditional and on demand insurance bond, and 70% on final completion (including installation testing and training). However, the Authority found that despite the Entity making full payment to the provider, there was no evidence of user training and commissioning of the equipment as stated in Clause GCC 16.1 of the contract. As of 27th November 2025, there was still no evidence indicating that the personnel at found at Maregamo Health Centre III had been trained in the use of the equipment.

Audit Conclusion:

The Authority found the contract of Supply, Delivery, User Training, Commissioning and Installation of Assorted Medical Equipment at Maregamo Health Centre III to be low risk. All equipment had been delivered, installed and commissioned by the supplier. Equipment was in use and serving the intended purpose. However, user training had not been done.

Recommendation:

The Accounting Officer should engage the Supplier (Rodrisa Supplies Limited) to conduct a training in the use, proper handling and maintenance of the medical equipment supplied to Maregamo Health Centre III to enable proper usage and provide a report to the Authority on completion of the exercise in accordance with Clause GCC 16.1 of the contract.

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority conducted a contract audit into the contracts under the Inter-Governmental Fiscal Transfer (UGFIT) program worth UGX. 3,337,802,752 for the construction of Mwumba Seed Secondary School and UGX. 142,481,000 for the supply, delivery, installation, testing, user training and commissioning of assorted medical equipment at Maregamo Health Centre III in Kisoro District Local Government in accordance with Section 8(1)(j)(ii) of the PPDA Act, Cap 205.

The audit exercise was conducted from 24th to 28th November 2025. A management letter was issued to the Entity on 9th January 2026 and the management response was submitted on 12th February 2026. On 1st June 2026, the Authority made a follow up inquiry on the status of the project with the Entity and it was established the progress had not changed at all. This report communicates the audit conclusions and final recommendations of the Authority. The contract backgrounds and summary for respective projects are provided in Chapter 2 of the report

1.2 Laws applicable

The applicable laws and legal framework were:

1. The Public Procurement and Disposal of Public Assets Act 205; and
2. Attendant PPDA Regulations 2023;
3. The signed contracts between Kisoro District Local Government and GESES Uganda Limited, Rodrisa Supplies Limited.
4. The circular on contract management and safeguard requirements under Uganda Intergovernmental Fiscal Transfer (UGIFT) program dated 16th March 2021 issued by the Permanent Secretary/Secretary to the Treasury.

1.3 Objectives

The overall objective of the contract audit was to assess the status of contract implementation in regard to the obligations of Kisoro District Local Government (the Entity) and GESES Uganda Limited (the Contractor for the construction of Mwumba Progressive Seed Secondary School), Rodrisa Supplies Limited (the Contractor for Supply, Delivery and installation, User training and Commissioning of assorted medical equipment to Maregamo Health Centre III)

The specific objectives of the contract audit were:

i The progress of the contracts for the works and supplies;
ii The effectiveness of the time, cost and quality control of works and supplies undertaken; and
iii Adherence to Environmental, Social, Health, and Safety (ESHS) requirements.

1.4 Scope of the Audit

The audit covered the contract execution and management of the construction of Mwumba Progressive Seed Secondary School and Supply, Delivery and installation, User training and Commissioning of assorted medical equipment to Maregamo Health Centre III

1.5 Audit Methodology

The Authority adopted the following methodology:

i. Review of documentation in the procurement action file.
ii. Physical verification of the site.
iii. Debriefing the Entity management on the preliminary findings.
iv. Issuing a management letter to the Entity for an official management response.
v. Reporting on findings of the audit and providing recommendations where applicable.

1.6 Limitation of Scope

The contract audits were undertaken by auditors who did not have professional competence in engineering and building construction. As such, we could not conclusively give an opinion on the technical quality of the works undertaken, the audit team could not confirm the functionality of the delivered equipment since they were not in use. The overall responsibility of the quality of works undertaken lies with the Entity management and the contractors

CHAPTER 2: FINDINGS AND RECOMMENDATIONS

This chapter details the findings and recommendations from the contract audit.

2.1 Construction of Mwumba Progressive Seed Secondary School.

Contract Background

On 7th September 2022, Kisoro District Local Government entered into a contract with GESES Uganda Limited to construct Mwumba Seed Secondary School at a cost of UGX 3,337,802,752 with an intended completion period of 24 months from site handover and a defects liability period of 12 months. Site hand over was done on 7th September 2022 with the intended completion date of 5th September 2024. The contract was extended five times (from 5th September to 30th December 2024, 30th December 2024 to 13th March 2025, 13th March to 13th June 2025,13th June 2025 to 12th February 2026 and 12th February 2026 to 30th June 2026.

Despite these contract extensions, the Authority on 1st June 2026 through an inquiry on project progress with the District Engineer, established that the contractor was not on site yet the physical progress of the works was at 87.5 % against 183%-time progress and 75.7% financial progress. This progress was the same as that at 18th March 2026 as per the District Engineer's progress report meaning no significant progress has been registered since then. This delay in project execution was majorly caused by lack of adequate financial capacity by the contractor to execute the works partially attributed to the Entity not having funds to pay the contractor in time and weak contract management which resulted in to the contractor deploying very few workers and sometimes abandoning site. Delayed project completion has delayed the delivery of education services to the intended beneficiaries in the area and has compromised the achievement of value for money.

The Entity received UGX. 2,526,068,882 out of the contract sum of UGX. 3,337,802,752 for project works leaving a balance of UGX. 811,733,870 for completion of the remaining works which had not been disbursed to the Entity as at 1st June 2026. The Entity last received funds for the project from Ministry of Finance Planning and Economic Development in in the Financial Year 2023/2024

The Contract summary is provided in Table 1 below:

Table 1: Contract Summary of Construction of Mwumba Progressive Seed Secondary School

<table>
<tr><td>Contract Title</td><td colspan="2">Construction of Mwumba Progressive Seed Secondary School</td></tr>
<tr><td>Reference Number</td><td colspan="2">MoEs/UgIFT/WRKS/2020-2021/00002</td></tr>
<tr><td>Contract Sum</td><td colspan="2">UGX. 3,337,802,752 VAT Inclusive</td></tr>
<tr><td rowspan="7">Contract Scope</td><td>Works Description</td><td>Amount (UGX)</td></tr>
<tr><td>Preliminaries</td><td>72,600,000</td></tr>
<tr><td>Site levelling works</td><td>37,546,000</td></tr>
<tr><td>03. No. 2-classroom block</td><td>532,495,200</td></tr>
<tr><td>2-unit science laboratory</td><td>299,783,700</td></tr>
<tr><td>Administration block</td><td>198,877,900</td></tr>
<tr><td>03. No. 2-unit teachers house</td><td>550,520,100</td></tr>
</table>

	03. No. 2-unit teachers' kitchen	143,978,400
	2-stance lined VIP latrine block-administration block	22,989,200
	03. No. 2-stance lined VIP latrine block-Teachers' house	89,525,400
	5-stance lined VIP latrine block-Boys	46,221,700
	5-stance lined VIP latrine block-Girls	45,683,700
	External works	57,475,000
	Rain water harvest system with 5000L water tank	7,102,000
	ICT Library block	374,442,400
	Multi-purpose block	294,508,100
	Sports field	50,000,000
	Sub-Total	**2,828,646,400**
	Add: VAT	509,156,352
	Grand Total	**3,337,802,752**
Contract Signature date	7th September 2022	
Site hand over date	7th September 2022	
Original contract completion date	5th September 2024	
Defects Liability period	12 months	
Contract Extensions	Five contract extensions have been given as per details below; i. 5th September to 30th December 2024 ii. 30th December 2024 to 13th March 2025 iii. 13th March to 13th June 2025 iv. 13th June 2025 to 12th February 2026, and v. 12th February 2026 to 30th June 2026	
Name of Contractor	GESES Uganda Ltd	
Project supervisor	Mr. James Karamira, District Engineer	
Type of Contract	Lumpsum contract	
Status (as per Activity Supervision Report dated 1st June 2026)	Time Progress – 183% Physical progress – 87.5% Financial Progress – 75.7%	
Amount Paid as at 1st June 2026	**UGX 2,526,068,882**	

The following exceptions were noted:

2.1.1 Assessment of the Progress of Works

After the Authority site visit on 27th November 2025, the contractor returned on site in December 2026 and executed some works improving the physical progress from 87% to 87.5% which was insignificant. The financial progress remained unchanged at 75.7% as was indicated in the District Engineers progress report dated 18th March 2026. Since March 2026, no further progress in works had been, made by the contractor due to financial constraints.

a) **Time Progress**

As at 1st June 2026, the time progress for the project stood at 183% indicating that contract completion had delayed by 44 months. The contract was signed on 7th September 2022 with an initial completion date of 5th September 2024; however, the contractor was not able to complete on time thus requesting for five extensions as shown in Table 2 below:

Table 2: Time Progress as at 1st June 2026

Contract Start Date	7th September 2022
Initial Completion Date	5th September 2024
Measurement Date	26th November 2025
Original Contract period	24
First Extensions	5th September 2024 to 30th December 2024
Second Extension	30th December 2024 to 13th March 2025
Third Extension	13th March 2025 to 13th June 2025
Fourth Extension	13th June 2025 to 12th February 2026
Fifth	12th June 2026 to 30th June 2026
Time Elapsed	42
Delay as at 1st June 2026	**44 months (183%)**

Implication

The project risks remaining incomplete by closure of the UgiFT funding if no urgent and proactive action is taken.

Management Response

The Accounting Officer made a follow up by writing to the Ministry of Finance, Planning and Economic Development requesting for funds in a letter dated 9th December 2025 and was received on 10th December 2025. When funds are released, completion will be given first priority because the contractor has works that were done but the district has never made payments for those works.

Recommendation

The Accounting Officer should proactively engage with the Ministry of Finance Planning and Economic Development to secure funds worth UGX 811,733,870 to facilitate the completion of the remaining works and also issue an ultimatum to the contractor to remobilize and return onsite to execute the project to logical conclusion failure of which the entity should terminate the contract, and forward the contractor to the Authority for suspension hearing proceedings and competitively tender out the remaining works to another contractor.

b) **Physical progress of works**

Physical progress of works still stood at 87.5% as per the project progress inquiry with the Entity through the District Engineer dated 1st June 2026 by the Clerk of Works. The following items were still outstanding:

The progress is shown in Tables 3,4, and 5 below as stated in the report dated 1st June 2026:

Table 3: Status of items as at the time of physical verification on 27th November 2025 and as of 1st June 2026

No.	Item	Status of implementation at 27th November 2025	Current status as at 1st June 2026 after the Authority's intervention
1.	Multipurpose Hall	70%	90%
		Pending works	**Pending works**
		Installation of partitioning boards	Application of final coat of paint to internal and external walls
		Installation of rain water harvesting system	
2.	Sports field	Not yet commenced (0%)	Not yet commenced
		Pending works: excavation and earthworks	
3.	2 Classroom block (3 blocks)	90%	100%
		Pending works	**Completed**
		Fixing desks and shelves	
		Installation of rain water harvesting system	
4.	2-unit science laboratory	65%	95%
		Pending works	**Pending Works**
		Gas connections, fixing terrazzo on the worktops and internal painting	External and internal wall painting and laboratory supplies
		Installation of rain water harvesting system	
5.	Administration block	90%	100%
		Pending works	**Completed**
		Fixing of furniture	
		Installation of rain water harvesting system	
6.	2-unit teachers 'house	70%	95%
		Pending works	**Pending works**
		Final painting of the teacher's houses and installation of rain water harvesting system	Application of final coat of paint to internal and external walls
		Building curtain walls, plastering and painting of the VIP latrines	
7.	2-unit staff kitchen	60%	88%

No.	Item	Status of implementation at 27th November 2025	Current status as at 1st June 2026 after the Authority's intervention
		Pending works	**Pending works**
		Painting	External and internal wall and floor finishes
8.	5 stance lined VIP Latrine for girls	60%	88%
		Pending works	**Pending works**
		Super structure walling, curtain walling, roofing, plastering and rendering fixing doors and painting	External and internal wall and floor finishes
9.	5 stance lined VIP Latrine for boys	60%	88%
		Pending works	**Pending works**
		Walling of pit, super structure walling, curtain walling, roofing, plastering and rendering fixing doors and painting	External and internal wall and floor finishes
10.	External works	Not yet commenced	
		Pending works	
		Site clearance, levelling, planting trees and grass and building the drainage channels	
11.	ICT Library block	65%	95%
		Pending works	**Pending works**
		Fixing of furniture (tables, desks and shelves)	External and internal wall painting and supplies
		Installation of rain water harvesting system	

Please note that the above status had remained the same as that of 18th March 2026 as per the District Engineer's progress report.

Table 4: Physical progress as at 27th November 2025 and as at 1st June 2026

Item	Status as at 27th November 2025	Status as at 1st June 2026
Contract Value	3,337,802,752	3,337,802,752
Estimated Value of works	2,563,432,514	2,563,432,514
Physical Progress	76.8%	87.5%

Table 5: Financial Progress as at 1st June 2026

Certificate No	Approved Amount (UGX)	Claim Date	Certification Date	Paid Amount (UGX)	Payment Date
Contract Price	3,337,802,752				
Advance Payment		31-Oct-2022		280,000,000	24-Jun-21
*	*			387,560,550	27-Jan-2023
1.	716,213,268	9-May-23	5-May-23	716,213,268	15-Jun-2023
2.	317,091,261	5-Jun-2023	14-Jun-2023	317,091,261	28-Jun-2023
3.	272,342,075	10-Oct-2023	18-Oct-2023	272,342,072	25-Oct-2023
4.	146,863,321	1-Dec-2023	18-Dec-2023	146,863,321	21- Dec-2023
5.	313,753,459	29-Jan-2024	1/Feb/2024	313,753,459	9-Feb-2024
6.	96,796,280	16-May-2024	21-May-2024	92,244,951	13-Jun-2024
				2,526,068,882	
Payment Progress				**75.7%**	

Note. The Contractor was last paid on 13th June 2024 majorly contributing to the delayed project progress.

2.1.2 Effectiveness of Time, Quality and Cost Controls

The following exceptions were found:

a) Delayed completion of works

The contract completion period was 24 months from 7th September 2022 when the contract was signed. Therefore, the contract completion date was 5th September 2024. However, by 1st June 2026, works were not yet completed at 87.5 physical progress The Audit found that the delayed completion of the project was greatly due to lack of financial capacity by the contractor, which could be partially attributed to lack funds by the Entity to pay and weak contracts management by the Contract Management Team. The Entity received UGX. 2,526,068,882 out of the contract sum of UGX. 3,337,802,752 leaving a balance of UGX. 811,733,870 for completion of the remaining works which had not been disbursed to the Entity at 1st June 2026. The Entity last received funds for the project from Ministry of Finance Planning and Economic Development in the Financial Year 2023/2024.

Implication

Delay in contract completion denies the intended beneficiaries the value they would have derived from the usage of the facility. It also attracts unnecessary costs from the Contractor pertaining to price adjustments due to changes in product prices.

Management response

Currently the contractor resumed works and is on site with physical performance at 87.5%. All the facilities are on finishes level with exception of Sports ground where the school is negotiating for accessibility to enable machines start on levelling. However, the district has no funds to pay for completed works which has contributed to delay in progress of works. The Accounting Officer wrote a letter to Ministry of Finance Planning and Economic Development requesting for UGX 811,733,870 for completion of the remaining works which has not been received to date. (A letter requesting for the funds is available for verification)

Authority's Comment
The Authority noted the Entity's response in regard to the lack of funds to pay the contractor which caused delays in project execution.

Recommendations
The Accounting Officer should proactively engage with the Ministry of Finance Planning and Economic Development to sure fund worth UGX. 811,733,870 for the completion of the remaining works.

b) **Absence of key staff at the site**
The Contract in GCC 14.1 stated that the technical personnel including, a Site Engineer, Health and Safety, Environment and social Development Officers were supposed to be on site on a daily basis, however the Authority noted during the site visit on 27th November 2025 that the technical personnel including, a Site Engineer, Health and Safety, Environment and social Development Officers were not onsite.

Implication
The absence of a Site Engineer leads to project delays and poor-quality works. similarly, the absence of Health and Safety Environmental and Social Development Officers may expose the project workers and the neighboring communities to Environmental, Social, Health and Safety risks such as accidents and preventable diseases.

Management response
By the time of Audit, the entire staff was not available on site because the contractor had scaled down man power as he was mobilizing for funds to pay workers and suppliers. As the employer, we had failed to pay for completed works due to delay of release of funds by central government. The contractor finally mobilized funds and works are now in progress at 87 % completion and a contract extension was requested which was granted.

For the Safety, Environment and social Development Officers, site instruction No. 6: from the project manager to the contractor advising for recruitment of a safety and health officer is attached for verification.

Recommendation
The Authority noted the Entity's response and recommends that the Accounting Officer should always task the Contract Management Team to ensure that the contractor's key staff are always available on site for the duration of the project as per the requirement in the contract and also in accordance with Regulation 52 (1)(b) of the PPDA (Contracts) Regulations, 2023

c) Physical progress of the project as at 1st June 2026 was 87.5% as shown by the pictures in Table 6 below

Table 6:Pictures showing the status of works as at 1st June 2026
The Audit Team continued to follow up on the project to this day and these pictures below in Table 6 show the current status of Mwumba Progressive Seed Secondary School.

Table 6: Pictures **of Mwumba Progressive Seed Secondary School as at 1st June 2026**

2.1.3 Adherence to the Environmental, Social, Health and Safety Safeguard (ESHS) Requirements.

Failure to adhere to ESHS requirements in the contract

The audit found that the contractor quoted UGX 8,000,000 for Safety, Health and Welfare for staff under the Preliminaries in the BOQs. However, there was no evidence to show that the following ESHS requirements were implemented:

i. The site was not registered by the Ministry of Gender, Labour and Social Development. Contrary to the requirement that all project sites that last longer than six months be registered by the Ministry of Gender, Labour and Social Development in order to ensure that the workers are protected and can easily seek redress in case of grievances;
ii. No report on regular sensitization on HIV/AIDS by the contractor's personnel;

Implications
- This puts the health and safety of the workers and the communities at risk.
- Inadequate safety practices can lead to rework, shutdowns, and the allocation of resources to address accidents or incidents that could have been prevented with proper safety measures.

Management Response
There were signages and safety warnings scattered on the entire project site and regular site visits and site meetings were done on monthly basis with particular emphasis during supervision put onto PPEs which were complied with. On the issue of full time Health and Safety Officer, the contractor was advised to recruit a Safety Health Officer who will work together with the District Environmental and Community Development Officers.

Authority's Comment
The project manager should continuously monitor that the contractor meets all his obligations of the contract in regards to the ESHS requirements in the Contract.

Recommendations
The Accounting Officer should task the Contractor's Health, Safety, Environmental Coordinator, Community Development Officer, Environment Officer and project implementation team to put keen emphasis on ESHS requirements i.e. to register the site with the Ministry of Gender, Labour and Social Development, provide reports on regular sensitization on HIV/AIDS by the Contractor's personnel and ensure that the contractor in accordance with Section 66 of the PPDA Act, Cap 205.

2.2 Supply, Delivery, Installation, User Training and Commissioning of Assorted Medical Equipment for Maregamo Health Centre III

Contract Background

On 6^{th} January 2025, the Entity entered into a contract the supply, delivery, installation, testing, user training and commissioning of assorted medical Equipment at Maregamo Health Centre III with Rodrisa Supplies Limited at UGX. 142,481,000 with a contract period of six months ending on 6^{th} July 2025. All medical equipment were supplied, delivered and installed at the facility on 20^{th} May 2025 with in the contractual period. The supplier was paid UGX. 134,600,000 on 26^{th} June 2025. The Users of the equipment were not trained yet it was a requirement in the contract under GCC 16.1 of the payment structures.

The contract summary is provided in Table 7 below:

Table 7: Contract Summary for the Supply, Delivery and Installation, User training and Commissioning of assorted medical equipment at Maregamo Health Centre

Contract Name	Supply, Delivery and installation, User training and Commissioning of assorted medical equipment to Maregamo Health Centre III under UGIFT
Amount	UGX 142,481,000
Contractor	Rodrisa Supplies Limited
Contract Period	6 months
Contract Signing Date	6^{th} January 2025
Contract end date	6^{th} June 2025
Delivery Date	20^{th} May 2025
Warranty period	1 year
Invoice date	20^{th} May 2025
Payment date	26^{th} June 2025
Payment Progress	100%
Physical Progress	100%

2.2.1 Assessment of the Progress of Works

a) Progress of the contract

The Authority found that all the contracted equipment had been delivered by the provider with in the scheduled period and full payment made to the provider as shown in table 7 above.

b) Equipment Supplied

At the time of the contract audit on 27^{th} November 2025, the Authority found that the medical equipment worth UGX 142,481,000 had been delivered to Maregamo HC III Health Centre III on 20^{th} May 2025. The equipment's are shown in Table 8 below:

Table 8: Equipment delivered to Maregamo HC III and in use as at 27th November 2025

SN	Item Delivered	Quantity	Unit price	Amount (UGX)
1.	B.P Machine, Digital	2	150,000.	300,000
2.	B.P. Machine (Aneroid wall mounted)	2	350,000	700,000
3.	Bowl, Kick	1	180,000	180,000
4.	Bowl Stand	2	250,000	500,000
5.	Counting chamber Neubauer-Improved	2	30,000	60,000
6.	Cupboard Steel, Lockable	2	700,000	1,400,000
7.	Drip Stand	8	200,000	1,600,000
8.	ESR Stand	1	150,000	150,000
9.	Examination Counch	2	650,000	1,300,000
10.	Examination Light, LED	2	1,500,000	3,000,000
11.	Glucometer	2	200,000	400,000
12.	Haemogolobin Meter,Digital	2	350,000	700,000
13.	Height Meter	1	450,000	450,000
14.	Instrument Trolley	2	550,000.	1,100,000
15.	Microscope Binocular	1	2,800,000.	2,800,000
16.	Mid Upper Arm Tape	4	10,000	40,000
17.	Otoscope	1	290,000	290,000
18.	Patient Screen	4	450,000	1,800,000
19.	Pateint Trolley	1	2,880,000	2,880,000
20.	Refrigerator, Basic	1	1,800,000	1,800,000
21.	Stethoscope	4	90,000	360,000
22.	Stop Watch	2	10,000	20,000
23.	Stretcher	1	700,000	700,000
24.	Stove, Gas	1	750,000	750,000
25.	Weighing Scale with Height Meter, Adult	2	850,000	1,700,000
26.	Weighing Scale, Infant	2	300,000	600,000
27.	Weighing Scale, Toddler	2	500,000	1,000,000
28.	Office Chair	3	1,400,000	4,200,000
29.	Desk	3	1,400,000	4,200,000
30.	Filling Cabinet	2	700,000	1,400,000
31.	Medical Waste Bin	6	250,000	1,500,000
32.	Wall Clock	4	100,000	400,000
33.	Diagnostic Equipment Set for MCH	2	580,000	1,160,000
34.	Diagnostic Equipment Set for OPD	2	1,200,000	2,400,000
35.	Glassware Set, Laboratory, Basic	2	430,000	860,000

SN	Item Delivered	Quantity	Unit price	Amount (UGX)
36.	Instrument Set, Dressing	2	560,000	1,120,000
37.	Instrument Set, Basic ENT	3	1,700,000	5,100,000
38.	Pulse Oximeter, Hand held	2	1,500,000	3,000,000
39.	Bed, Adult Patient with Mattress	10	1,500,000	15,000,000
40.	Bed, Paediatric Patient with Mattress	5	900,000	4,500,000
41.	Cupboard, Instrument	1	950,000	950,000
42.	Delivery Bed, Hydraulic Manual	1	8,000,000	8,000,000
43.	Oxygen Therapy Apparatus, Minimum 45L Cylinder	2	2,200,000	4,400,000
44.	Resuscitator Manual, Infant with all Mask sizes	2	250,000	500,000
45.	Resuscitator Manual, Adult, with all mask sizes	2	250,000	500,000
46.	Suction Apparatus, (Electric)	2	1,500,000	3,000,000
47.	Nebulizer, Ultrasonic	1	650,000	650,000
48.	Oxygen Concentration, Duo Flow	4	5,000,000	20,000,000
49.	Bench	4	450,000	1,800,000
50.	Disinfection Buckets	6	50,000	300,000
51.	Baby Cot	5	580,000	2,900,000
52.	Diagnostic Equipment Set for Ward	3	1,200,000	3,600,000
53.	Hollow Ware Set, Ward	3	2,200,000	6,600,000
54.	Instrument Set, Delivery	3	1,700,000	5,100,000
55.	Instrument Set, Stitch Removing	3	400,000	1,200,000
56.	MVA Kit	4	450,000	1,800,000
57.	Stool, Laboratory	1	480,000	480,000
58.	Penguin Sucker	3	40,000	120,000
59.	Fetoscope, Dopplar	2	500,000	1,000,000
60.	Bubble CPAP	2	980,000	1,960,000
61.	Centrifuge (Electric)	2	3,100,000	6,200,000
62.	Kangaroo Mother Care Chair	1	1,900,000	1,900,000
	Total			**149,980,000**

c) Physical verification pictures

Physical verification of the supplied assorted medical equipment at Maregamo Health Centre III was carried out by the Authority on 27th November 2025. The Authority found that the provider had delivered 100% of the assorted medical equipment. Pictures of some of the equipment are shown in Annex 1.

2.2.2 Effectiveness of time, quality & cost control of supplies undertaken

No evidence of user training and commissioning

Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023 requires the provider to meet all the performance or delivery obligations in accordance with the terms and conditions of the contract. The Authority found that whereas the Supplier (Rodrisa Supplies Limited) supplied, and installed the equipment at Maregamo Health Centre III and was fully paid, there was no evidence inform of training reports to show that of user training on the use and maintenance of the equipment as done as was provided for in the contract. This could pose a risk of misuse or mismanagement by the user that do not know how to operate the supplied equipment leading to false result and diagnosis of patients.

Implication

This increases the risk of equipment being used ineffectively.

Management Response

The district has established staff at the health centre which comprises of clinical officers, Comprehensive nurses and laboratory technicians who can afford to use some of the equipment. However, a budget will be provided in the financial year 2026/2027 to conduct the training and handling of equipment and specific consideration shall be given to the supplier to conduct the exercise.

Recommendation

The Accounting Officer should engage the Supplier (Rodrisa Supplies Limited) to conduct a training in the use, proper handling and maintenance of the medical equipment supplied to Maregamo Health Centre III to enable proper usage in accordance of GCC 16.1 of the contract and provide a report to the Authority on completion of the exercise.

2.2.3 Adherence to Environmental, Social, Health and Safety (ESHS) safeguard requirements

The Authority did not find any exceptions in line with this objective.

2.2.4 Audit Conclusion;

The Authority found the contract of Supply, Delivery, User Training, Commissioning and Installation of Assorted Medical Equipment at Maregamo Health Centre III to be medium risk. All equipment had been delivered, installed and commissioned by the supplier. Equipment was in use and serving the intended purpose. However, the end users were not trained on the use of the equipment contrary to GCC 16.1 the contract requirement that requires the users to be trained in the use of the equipment.

CHAPTER 3: AUDIT CONCLUSION

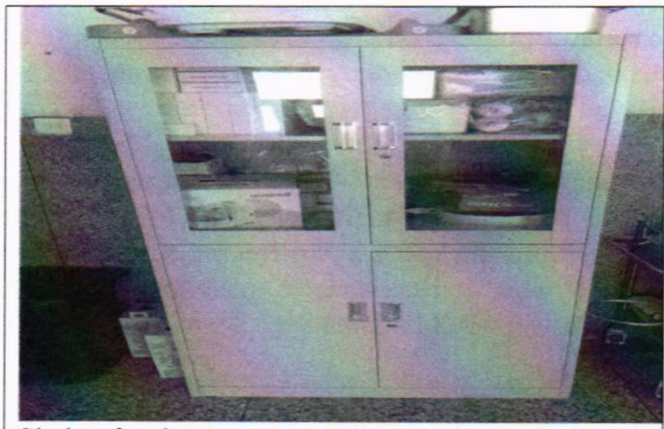
1. Construction of Mwumba Seed Secondary School
   As at 28th May 2026, the works had achieved a physical progress of 87% against a time progress of 175% (52 months). The contract was extended from 12th February 2026 to 30th June 2026 to enable the contractor complete the remaining works.

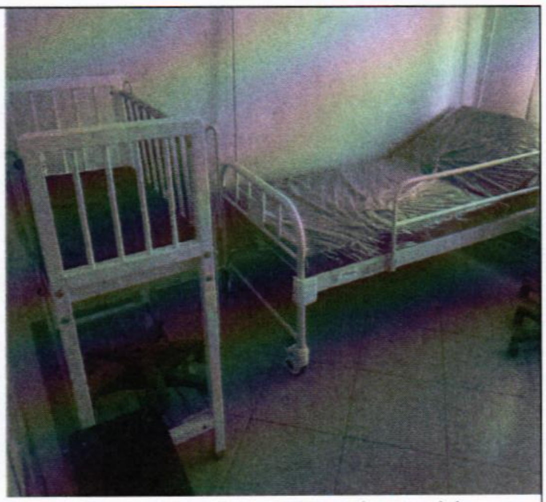
   Based on the findings and the management response, the project is likely to be completed within the anticipated extended period on condition that the Contractor maintains adequate professional workforce on site supervised by the Site Engineer while the Entity intensifies project supervision by the Project Management Team with clear deliverables for the contractor on a weekly basis. The Authority therefore found the contract of the Construction of Mwumba Seed Secondary School to be a high-risk contract.

2. Supply, delivery, user training, commissioning and installation of assorted medical equipment at Maregamo Health Centre III

   All medical equipment were supplied, delivered and installed at the facility on 20th May 2025 with in the contractual period and were found functional and in use when the Authority did physical verification on 27th November 2026. The contractor had been paid on 26th June 2025.The one-year warranty of the equipment expires on 20th May 2026.Furthermore, the end users had not been trained on how to operate equipment which could result into misuse of the equipment, damage and misdiagnosis due to improper calibration, incorrect setup, or misinterpretation of medical results

ANNEX 1:Some of the delivered equipment to Maregamo Health Centre III

	
Shelve for drugs	Digital Scale with height Meter
	
Reception area chairs and Desk	Refrigerator, basic
	
Lalub Chair	Refrigerator, Basic

	
Oxygen therapy apparatus, Minimum 45L Cylinder	Baby cot and Bed, Adult patient with mattress