PUBLIC PROCUREMENT AND DISPOSAL
OF PUBLIC ASSETS AUTHORITY
"Regulating for Results"

PROCUREMENT AND DISPOSAL AUDIT REPORT FOR KYENJOJO DISTRICT LOCAL GOVERNMENT FOR FINANCIAL YEAR 2024/2025

JUNE 2026

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ACRONYMS

ESHS	Environmental, Social, Health and Safety
ESMP	Environmental and Social Management Plan
FY	Financial Year
GCC	General Conditions of Contract
Ltd	Limited
PDE	Procuring and Disposing Entity
PPDA	Public Procurement and Disposal of Public Assets Authority
PPDA Act Cap 205	Public Procurement and Disposal of Public Assets Act Chapter, 205
PDU	Procurement and Disposal Unit
SCC	Special Conditions of Contract
SIGs	Special Interest Groups
UGX	Uganda Shillings
VAT	Value Added Tax

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority carried out a procurement and disposal audit on the procurement and disposal activities of Kyenjojo District Local Government (Entity) that covered a representative sample of 20 procurement transactions worth UGX 5,165,040,803 under the Financial Year 2024/2025. The overall objective of the audit was to assess and establish the degree of compliance of the Entity's procurement and disposal system and processes with the provisions of the PPDA Act, Cap. 205, the attendant PPDA Regulations and to assess the level of procurement performance over the audit period.

From the findings of the audit exercise, the performance of the Entity for the Financial Year 2024/2025 was **moderately satisfactory**, with an overall weighted average risk rating of **52.2%** as detailed in Chapter 3 of the report.

Despite the moderately satisfactory performance, the Entity had the following key exceptions:

1. Section 10 (1) (a) of the PPDA Act, Cap. 205 requires a Procuring and Disposing Entity to take corrective action if there is a persistent breach of the Act, Regulations, or Guidelines as directed by the Authority. However, the Entity failed to implement three recommendations representing 25% of the twelve recommendations issued in September 2024 for the compliance inspection of FY 2022/2023. This compromises the effectiveness and efficiency of the procurement function in the Entity thus hindering continuous performance improvements;

2. Section 60 of the PPDA Act, Cap.205 requires Procuring and Disposing Entities to plan and implement procurements based on their approved budgets. A review of the procurement plan and monthly reports for FY 2024/2025 revealed that the Entity failed to implement 9% of the planned procurements worth UGX 714,484,949. This may lead to inefficient use of resources, negative impact on the Entity's service targets, as well as denied service delivery to the intended beneficiaries;

3. Section 60 (10) of the PPDA Act, Cap. 205 states that, "a procurement shall not be carried out outside the procurement plan except in emergency situations''. However, the Entity conducted three procurement transactions worth UGX 415,085,000 outside the consolidated procurement plan for the Financial Year 2024/2025. This was largely attributed to procurement of ICT and science equipment for UGIFT funded schools and fencing of Nyankwanzi HCIII, thereby compromising the effectiveness of procurement planning and could lead to diversion of resources to non-essential activities, hence delaying implementation of the essential planned projects;

4. Guideline No. 11 of 2024 on Reservation Schemes to Promote the Participation of Associations of Women, Youth, and Persons with Disabilities requires a PDE to reserve at least 15% of its annual procurement budget and all procurements below UGX 10,000,000 for bidding among the Special Interest Groups and indicate them in their monthly reports submitted to the Authority. However, the Entity failed to comply with this requirement in FY 2024/2025 and management attributed this to the absence of eligible SIGs within the Entity's operational area. This deprives SIGs of the opportunity to benefit from government spending which in turn increases income inequality;

5. Contrary to Section 51 of the PPDA Act, Cap. 205 which requires all procurements and disposals to be conducted in a manner which promotes economy, efficiency, and value for money, the audit revealed significant delays at various stages of the procurement including, confirmation of funds, bid evaluation, Contracts Committee approval and contract signing, in seven procurement processes worth UGX 1,260,245,993 with an average delay of 92 calendar days. These procurement delays hinder efficient service delivery and prevent the timely resolution of community challenges;

6. Contrary to Regulations 4(1)(b), 2(2)(a) and 2(4) of the PPDA (Evaluation) Regulations, 2023 which require; that evaluation of bids for the procurement of works be concluded within 15 working days from the date of bid opening; inclusion of a User department representative on the Evaluation Committee and declaration of no conflict of interest by signing the ethical code of conduct, the Authority noted irregularities in the evaluation of bids in three procurements worth UGX 669,911,178 including, delayed evaluation of bids, irregular composition of the Evaluation Committee and failure of members to declare no conflict of interest by signing the ethical code of conduct. These compromise the fairness, timeliness, and integrity of the evaluation process, thereby affecting the achievement of value for money;

7. Section 57 of the PPDA Act, Cap. 205 provides for the Entity to carry out all public procurement and disposals in accordance with the rules, regulations, and guidelines issued under the Act. Furthermore, Section 60 (2) (b) of the PPDA Act, Cap. 205 provides for the Entity to make use of framework contracts wherever appropriate to provide an efficient, cost effective and flexible means to procure works, services, or supplies that are required continuously or repeatedly over a set period of time. However, funds amounting to UGX 131,995,888 were irregularly advanced to staff to undertake 62 cash purchases of commonly used items as opposed to issuing call off orders to the providers with framework contracts in place. This increases the risk of fraud, conflict of interest, restricting competition and also compromises the achievement of value for money;

8. Section 66 of the PPDA Act, Cap. 205 requires a PDE to take into account environmental protection and social inclusion for each procurement. However, in seven procurements worth UGX 901,486,445, the Entity failed to plan, incorporate in the statements of requirements, and implement ESHS aspects. The audit found that screening was undertaken after contract award and after inclusion of environmental concern costs in the Bills of Quantities, raising concerns on the basis for determining these costs. This puts the site occupants, project beneficiaries, and communities where the projects are located at risk of harmful effects arising from the projects;

9. Contrary to the PPDA (Force Account Mechanism) Regulations, 2014, Ministry of Works and Transport Road Maintenance Grant Implementation Guidelines 2024-2025 and Paragraph 5.4 of the PPDA Guideline 10/2014 on use of Framework Contracts for procurement of supplies, works and non-consultancy services, the Authority found irregularities in the use of the Force Account Mechanism in four road works worth UGX 453,000,000, including procurement of road inputs at varied unit rates from those stated in the framework contracts, failure to mainstream ESHS activities in the BOQs and making payments to staff who were not the final

beneficiaries. This increases the risk of fraud and mismanagement of the Force Account Mechanism, which may result in financial loss to the Entity;

10. Contrary to Regulation 52 (3) (i) of the PPDA (Contracts) Regulations, 2023 that requires contract managers to ascertain that the provider meets all the performance or delivery obligations in accordance with the terms and conditions of the contract. Contract Managers failed to ensure that contractors complete the works within the initial contractual periods stated in two procurements worth UGX 360,596,859. The contract managers further neglected to extend the contract periods prior to expiry, which resulted in works being completed after their contracts had already expired. This led to delayed service delivery to the intended beneficiaries and carries legal and financial risks since there is no binding agreement between the Entity and the contractors; and

11. Clause GCC 22 of the Special Conditions of Contract required the works for the construction of Kyarusozi Seed Secondary School worth UGX 2,583,654,700 under UGIFT Program to be completed within 18 months i.e. 13th September 2025 and Clause 61.1 of the General Conditions of the Contract required the contractor to provide a valid Performance Security (8%) and ES Security (2%) of the contract price to the Entity until a date 28 days from the intended completion date. However, the Authority found delayed completion of works by the contractor despite two contract extensions ending on 30th April 2026. The works had attained a physical progress of 87% as per progress report dated 16th March 2026 against a financial progress of 84% and time progress of 138% thereby indicating 38% time overrun for the project. The Performance Security and ES security submitted by the contractor had since expired on 14th November 2025 despite the contract extension to 30th April 2026. This exposes the Entity to financial risks in the event that the contractor fails to deliver on its contractual obligations. The project risks remaining incomplete by the closure of the UGIFT funding if no urgent and proactive action is taken.

In light of the above findings, the Entity is required to implement the following recommendations:

1. The Accounting Officer should:
   i. Constitute a committee to always review and monitor the implementation of the Authority's recommendations and submit a status report to the Authority within four months of the receipt of the audit report in accordance with section 10(2) of the PPDA Act Cap.205;
   ii. Enforce implementation of all planned SIGs reservations for FY 2025/2026 and ensure that they are reported in the monthly submissions to the Authority, in accordance with PPDA Guideline No. 11 of 2024 on Reservation Schemes for Women, Youth, and Persons with Disabilities;
   iii. Cause micro procurements to be conducted in accordance with Regulation 23(2) of the PPDA (Rules and Methods of Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;
   iv. Recover the overcharged amounts worth UGX 858,000 from the contractor, Senaga Building and Civil Engineering Co. Ltd, arising from procuring road inputs for the mechanized routine maintenance of Igoma- Mwokya and periodic maintenance of Rwamasajwa-Nsinde roads, at varied rates compared to those quoted in the framework contracts and should strictly

adhere to the agreed pricing mechanism under the framework contracts in accordance with Paragraph 5.4 of PPDA Guideline 10/2014 on the use of Framework Contracts;

v. Adopt the use of e-cash payment to the beneficiaries' registered bank or mobile money to pay allowances for force account personnel on verification of payment claims in accordance with Clauses 10.9.4 and 10.9.5 of the Government of Uganda Treasury Accounting Instructions, 2017; and

vi. Task the contract manager for the construction of Kyarusozi Seed Secondary School to strengthen contract supervision and follow-up measures, including regular site meetings and technical engagements, to ensure completion of the works before the end of the financial year so that the remaining works are executed in accordance with the terms and conditions of the contract in line with Regulation 52 (1)(b) of the PPDA (Contracts) Regulations, 2023.

2. The Contracts Committee should:
   i. Not approve any procurement that is not on the approved procurement plan, except in emergencies in accordance with Section 30(d) of the PPDA Act, Cap. 205; and
   ii. Approve Evaluation Committees with representation from the User Department, in accordance with Regulation 2(2)(a) of the PPDA (Evaluation) Regulations, 2023.

3. The Procurement and Disposal Unit Should:
   i. Prepare and submit monthly procurement reports, including procurements conducted by lower local governments, to the Authority through the E-Reporting Link, in accordance with Regulation 15(1) of the PPDA (PDEs) Regulations, 2023; and
   ii. Profile the providers in the Entity's prequalification list and identify those that qualify for the reservation to facilitate the shortlisting of providers for procurement of items under the reservation for Special Interest Groups.

4. The Evaluation Committee members should, before participating in the evaluation of bids sign the Code of Ethical Conduct in Business Form 13 in accordance with Regulation 2(4) of the PPDA (Evaluation) Regulations, 2023 as a declaration that they don't have any conflict of interest regarding the procurement.

5. The Force Account Managers should prepare and submit daily works sheets for work executed, schedules for materials used, daily attendance sheets for labour, equipment mileage logs, and fuel consumption schedules as accountability for implemented works on a daily basis in accordance with Regulation 6(5)(a) of the PPDA (Force Account Mechanism) Regulations, 2014 and Annex 4b of the Ministry of Works and Transport Road Maintenance Grant Implementation Guidelines 2024-2025.

6. The User Departments should:
   i. Review and update their procurement plans quarterly, or as needed, and submit them to the Procurement and Disposal Unit for consolidation and approval before implementing any changes in accordance with Section 60 (7) of the PPDA Act, Cap 205; and
   ii. Make use of the framework contracts to procure works, services or supplies that are required continuously or repeatedly over a set period of time in accordance with Section 60 (2) (b) of the PPDA Act, Cap. 205.

7. The Environmental Officer should undertake environmental and social screening during procurement planning and ensure that identified ESHS mitigation measures are developed into specifications and incorporated into Statements of Requirements for implementation and monitoring, in accordance with Regulation 34(5) of the PPDA (Rules and Methods for the Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

8. The District Community Development Officer should mobilize the communities to form Community Based Organizations and have them registered with the District and the Authority in order to benefit from the reservations for Special Interest Groups.

9. The Head of the Finance Department should, in accordance with Section 57 of the PPDA Act, Cap. 205, desist from advancing funds to staff to purchase commonly used items in complete disregard of the rules, regulations, and guidelines issued under the PPDA Act, Cap. 205.

10. The Contract Managers should always ascertain that contracts are executed and delivered within the intended completion period in accordance with the terms and conditions of the contract and in line with Regulation 52 (3) (i) of the PPDA (Contracts) Regulations, 2023 and keep track of contract expiry timelines and initiate the process of contract renewal in time, in accordance with Regulation 52 (3) (e) of the PPDA Contracts Regulations 2023.

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority carried out a procurement and disposal audit of Kyenjojo District Local Government that covered a representative sample of 20 procurement transactions for the Financial Year 2024/25 worth UGX 5,165,040,803. The audit involved a review of the procurement system, the procurement process and disposal of public assets, as well as contract performance following the provisions of the PPDA Act, Cap. 205 and attendant PPDA Regulations.

1.2 Objective of the Procurement and Disposal Audit

The overall objective of the audit was to assess and establish the degree of compliance of the Entity's procurement and disposal system, and processes with the provisions of the PPDA Act, Cap. 205 and attendant PPDA Regulations.

The specific objectives of the audit were to assess the:

1. Compliance of the Entity with the provisions of the PPDA Act, Cap. 205 and attendant PPDA Regulations with regard to the performance of the procurement structures and conduct of procurement processes;
2. Compliance of the Entity's disposal process with the provisions of the PPDA Act, Cap. 205 and the PPDA (Disposal of Public Assets) Regulations 2023; and
3. Efficiency and effectiveness in contract implementation, including the application of Environmental, Social, Health and Safety (ESHS) requirements in the procurement process.

1.3 Structure of the Entity

According to Section 28 (1) of the PPDA Act, Cap. 205, the Accounting Officer of a Procuring and Disposing Entity shall have the overall responsibility for the successful execution of the procurement and disposal processes. The Chief Administrative Officer, Mr. Masereka Amis Asuman was designated as the Accounting Officer of the District during the Financial Year 2024/2025.

Section 28 (1) (a) and (c) of the PPDA Act, Cap. 205 specifically gives the responsibility to the Accounting Officer to cause the establishment of a Procurement and Disposal Unit and Contracts Committee staffed at an appropriate level.

a) Procurement and Disposal Unit

The Entity had an established Procurement and Disposal Unit staffed at an appropriate level as enshrined under Section 28 (1)(c) of the PPDA Act, Cap. 205, comprising a Senior Procurement Officer and a Procurement Officer during the Financial Year 2024/2025 as detailed in Table 1 below:

Table 1: Staffing in the Procurement and Disposal Unit

No	Name	Tile	Qualifications	Appointment Date
1.	Mr. Clovis Kaganda	Senior Procurement Officer	Bachelor's Degree and post graduate diploma in Procurement and Supplies Chain Management	26th May 2025
2.	Ms. Grace Kahinju	Procurement Officer	Bachelor's Degree in Procurement and Logistics Management	2nd June 2025

b) Contracts Committee composition

The Contracts Committee was fully established with five members during the Financial Year 2024/2025. The composition of the Contracts Committee is detailed in Table 2 below:

Table 2: Contracts Committee Membership during the audit period

No	Name	Job title	Committee position	Date of appointment	Tenure
1.	Mr. Peter Birungi	Senior Fisheries Officer	Member	25th May 2023	Second term
2.	Ms. Immaculate Atuhurra	District Planner	Committee secretary	13th March 2024	First term
3.	Mr. Robert Mugabe Kamwenge	Senior Agricultural Officer	Committee Member	13th March 2024	First term
4.	Mr. John Paul Agaba	Senior Land Management Officer	Chairperson	15th February 2022	Second Term
5.	Ms. Sophas Namara	Community Development Officer	Member	15th February 2022	First Term

1.4 Scope of the Procurement and Disposal Audit

The Authority carried out the procurement and disposal audit from 16th to 25th March 2026. The exercise covered a sample of 20 procurement transactions worth UGX 5,165,040,803 conducted during the FY 2024/2025, a review of procurement structures and the procurement plan performance. The list of sampled transactions and risk rating is contained under Appendix 2 and the analysis of the population and sample is shown in Table 3 below:

Table 3: Analysis of population and sample selected for audit

Procurement method	Population Value (UGX)	Sample Value (UGX)	% Value	Population No.	Sample No.	% No.
Force Account (Open bidding)	636,188,107	453,000,000	71	7	3	43
Framework contracts (Open bidding)	2,220,181,229	148,364,000	7	55	2	4
Micro procurement	34,414,624	-	0	8	-	-
Open bidding	438,752,667	310,530,000	71	4	3	75

Procurement method	Population Value (UGX)	Sample Value (UGX)	% Value	Population No.	Sample No.	% No.
Quotation	2,470,384,987	1,621,492,103	66	38	9	24
Restricted bidding	1,637,565,538	48,000,000	3	7	1	14
Sub total	**7,437,487,152**	**2,581,386,103**	**35%**	**119**	**19**	**16%**
Follow-up on implementation of UGIFT contract						
Kyarusozi Seed Secondary School	2,583,654,700	2,583,654,700				
Total		**5,165,040,803**				

1.5 Methodology

The Entity was notified about the exercise on 4th March 2026. A sample of 20 procurement transactions was selected based on stratified random sampling using the Contracts Committee minutes, the contracts register, the payment registers, and monthly procurement and disposal reports.

The exercise was conducted under the supervision of the Regional Manager. During the exercise, the team examined records and documents for each sampled procurement transaction. The team also reviewed the procurement plan for Financial Year 2024/25, as well as monthly procurement and disposal reports, among other documents and conducted physical verification of some selected projects as shown in Appendix 5 of the report.

On completion of data collection, members of the audit team met with various stakeholders such as the Accounting Officer, Contracts Committee members, Procurement and Disposal Unit staff, and User Department representatives to discuss and get clarifications on some of the preliminary findings. A debrief meeting was held with the Accounting Officer to share the preliminary findings on 25th March 2026.

The Authority prepared a management letter, which was issued to the Entity on 28th April 2026, with a request to submit a management response by 12th May 2026, which was officially submitted on 14th May 2026 the date of the exit meeting. This procurement and disposal performance audit report presents the key findings and conclusions arising from the audit.

1.6 Reporting

Findings are presented by exception, detailing the risk level and recommended actions. The procurements are rated in four categories according to the weaknesses identified, namely: high risk, medium risk, low risk and satisfactory. The definition of the risk rating is in Appendix 1.

CHAPTER TWO: FINDINGS AND RECOMMENDATIONS OF THE AUTHORITY

2.1 Compliance with the PPDA Act, Cap. 205, and attendant Regulations regarding the performance of the procurement structures and the conduct of the procurement processes

2.1.1 Failure to implement 25% of the Authority's previous recommendations

Section 10 (1) (a) of the PPDA Act, Cap. 205 requires a Procuring and Disposing Entity to take corrective action if there is a persistent breach of the Act, Regulations, or Guidelines as directed by the Authority. Twelve recommendations for the compliance inspection of FY 2022/2023 were issued in September 2024 to be implemented by December 2024. Three recommendations representing 25% of those issued were not implemented as shown in Table 4 below:

Table 4: Unimplemented previous recommendations

No.	Recommended Action	PPDA Finding	Management Response
1.	The Accounting Officer should ensure measures are put in place to eliminate unnecessary delays and ensure that the procurement processes within the Entity promote efficiency in accordance with Section 51 of the PPDA Act Cap 205.	Not implemented- Delays still occur at various stages of procurement	The entity is putting measures to reduce delays in the procurement process by initiating procurements in time and ensuring that they are completed as per the procurement plan.
2.	The PDU should ensure that supplier appraisals are conducted regularly on providers and strategies for their capacity building developed to stimulate competition in accordance with Section 49 of the PPDA Act Cap 205.	Not implemented- There is still uncompetitive bidding in the Entity.	The Entity is planning supplier's baraza/forum to sensitize them on the new PPDA reforms and get feedback from Providers.
3.	The PDU and User Departments should assess the impact of the desired procurements on the environment and people and address these through the inclusion of mitigation measures in the statements of requirements, evaluation criteria and contract terms, in accordance with Section 66 of the PPDA Act Cap 205.	Not implemented- ESHS measures were generically assessed, not undertaken in a timely manner, and were not incorporated into the Statement of Requirements.	User departments have been communicated to present BOQs and assessment including ESHS in planned projects to be discussed in the Technical Planning committee scheduled for 25th May 2026.

Implication

Failure to implement audit recommendations compromises the effectiveness and efficiency of the procurement function in the Entity thus hindering continuous performance improvements.

Recommendation

The Accounting Officer should constitute a committee to always review and monitor the implementation of the Authority's recommendations and submit a status report to the Authority within four months of the receipt of the audit report in accordance with section 10(2) of the PPDA Act Cap.205.

2.1.2 Procurement planning and implementation

From the review of the Entity's procurement plan for FY 2024/2025 and reports on procurement and disposal submitted to the Authority, the following issues were found:

a) Failure to implement 9% of the procurement plan

Section 60 of the PPDA Act, Cap.205 requires Procuring and Disposing Entities to plan and implement procurements based on their approved budgets. A review of the procurement plan and monthly reports for FY 2024/2025 revealed that the Entity failed to implement 9% of the planned procurements worth UGX 714,484,949. The Entity conducted procurements worth UGX 7,437,487,152 out of UGX 8,151,972,101 planned procurements representing an implementation rate of 91%. The procurements not implemented are shown in Appendix 3 of the report. The implementation rate is indicated in Table 5 below:

Table 5: Procurement plan implementation rate

Total procurement plan value inclusive VAT (UGX)	8,151,972,101
Total procurement spend value inclusive VAT (UGX)	7,437,487,152
Procurement Plan Implementation Variance (UGX)	714,484,949
Procurement Plan Implementation Rate	91%

Implications

- Failure to fully implement all planned procurements may lead to inefficient use of resources, negative impact on the Entity's service targets, as well as denied service delivery to the intended beneficiaries.
- The Entity risks future budget cuts for failing to utilize funds and deliver services as planned.

Management Response

Some user departments did not receive all the funds planned for in FY 2024/25 thus some projects were not implemented as planned such as:

a. *Construction of medicine store at Kyenjojo General Hospital worth UGX 100,000,000*
b. *Construction of surgical ward at Kyenjojo General Hospital worth UGX 100,000,000*
c. *Construction of maternity and theater ward at Bufunjo HCIII worth UGX 350,000,000*
d. *Construction of a 3 stance VIP latrine at Bufunjo HCIII worth UGX 21,145,290*

However, the Entity further notes that some projects in lower local governments were not reported to the authority due to reporting gaps between PDU and lower local government. Measures are being put in place to solve this problem in the subsequent years.

Authority's comment

The Authority found the management response to be unsatisfactory since the Entity failed to provide evidence of the quarterly releases from the Ministry of Finance, Planning and Economic Development and as such, the Authority could not not ascertain whether some User departments did not receive all the planned funds ear marked for implementation of the above stated projects. Furthermore, as further justification for the procurement plan implementation variance, the Entity failed to submit a list of projects implemented by lower local governments and not reported to the Authority as stated in the management response. This query was therefore maintained.

Recommendations

1. The Procurement and Disposal Unit should prepare and submit monthly procurement reports, including procurements conducted by lower local governments, to the Authority through the E-Reporting Link, in accordance with Regulation 15(1) of the PPDA (PDEs) Regulations, 2023.
2. The User Departments should regularly review and update their procurement plans quarterly, or as needed, and submit them to the Procurement and Disposal Unit for consolidation and approval before implementing any changes in accordance with Section 60 (7) of the PPDA Act, Cap 205.

b) Conducting procurements outside the approved procurement plan

Section 60 (10) of the PPDA Act, Cap. 205 states that, "A procurement shall not be carried out outside the procurement plan except in emergency situations''. The Entity conducted three procurement transactions worth UGX 415,085,000 outside the consolidated procurement plan for the Financial Year 2024/2025. This was largely attributed to procurement of ICT and science equipment for UGIFT funded schools and fencing of Nyankwanzi HCIII that were not included in the approved procurement plan. The procurements are listed in Table 6 below:

Table 6: Procurements outside the plan

No	Subject of Procurement	Contract value (UGX)
1.	Supply, delivery and installation of ICT equipment to Kigaraale and Kyarusozi Seed Schools	297,000,000
2.	Supply, delivery and installation of science equipment and chemical reagents to Kigaraale and Kyarusozi Seed Schools	105,306,000
3.	Fencing of Nyankwanzi HCIII Phase II	12,779,000
	Total	**415,085,000**

Implications

- This compromises the effectiveness of procurement planning and could lead to diversion of resources to non-essential activities, hence delaying implementation of the essential planned projects.
- This could also lead to over-commitment of government without a corresponding budget thereby leading to budget deficits.

Management Response

The Entity noted the finding and promises to enforce the recommendations in the subsequent financial year.

Recommendations

1. User Departments should regularly review and update their procurement plans quarterly, or as needed, and submit them to the Procurement and Disposal Unit for consolidation and approval before implementing any changes in accordance with Section 60 (7) of the PPDA Act, Cap. 205.

2. The Contracts Committee should not approve any procurement that is not on the approved procurement plan, except in emergencies in accordance with Section 30(d) of the PPDA Act, Cap. 205.

c) Failure to plan and implement reservation schemes for Special Interest Groups (SIGs)

Guideline No. 11 of 2024 on Reservation Schemes to Promote the Participation of Associations of Women, Youth, and Persons with Disabilities requires a PDE to reserve at least 15% of its annual procurement budget and all procurements below UGX 10,000,000 for bidding among SIGs and indicate them in their monthly reports submitted to the Authority. The Entity failed to comply with this requirement in FY 2024/2025 and management attributed this to the absence of eligible SIGs within the Entity's operational area.

Implication

Failure to reserve procurements for the disadvantaged groups deprives them of the opportunity to benefit from government spending which in turn increases income inequality.

Management Response

The Accounting Officer partly attributed the failure to the PPDA amendments Cap. 205, Regulations 2023 and guidelines 2024 that came into force during the planning process and dissemination was done after approval of the procurement plan, in addition, the Associations had not registered with PPDA registrar of providers' portal as required by regulations. However, the Entity has reserved procurements in the procurement plan for FY 2025/2026 in accordance with guideline No. 11/2024 and the Entity is committed to implement the recommendations.

Authority's comment

The response is noted however, the Entity is required to take timely corrective action to ensure full compliance with the applicable legal and regulatory framework in the planning and implementation of procurements.

Recommendations

1. The Accounting Officer should:
   i. Enforce implementation of all planned SIGs reservations for FY 2025/2026 and ensure that they are reported in the monthly submissions to the Authority, in accordance with PPDA Guideline No. 11 of 2024 on Reservation Schemes for Women, Youth, and Persons with Disabilities
   ii. Task the District Community Development Officer to mobilize the communities to form Community Based Organizations and have them registered with the District and the Authority in order to benefit from the reservations for Special Interest Groups.
2. The Procurement and Disposal Unit should profile the providers in the Entity's prequalification list and identify those that qualify for the reservation to facilitate the shortlisting of providers for procurement of items under the reservation for Special Interest Groups.

2.1.3 Procurement Delays

Contrary to Section 51 of the PPDA Act, Cap. 205 which requires all procurements and disposal to be conducted in a manner which promotes economy, efficiency, and value for money, the audit revealed significant delays in seven procurements worth UGX 1,260,245,993. An average delay of 92 calendar days was observed at various stages of the procurement process including confirmation of funds, bid evaluation, Contracts Committee approval and contract signing as indicated in Table 7 below:

Table 7: Procurements with process delays

No.	Subject of Procurement	Contract Amount	Planned duration (days)	Actual Duration (days)	Delay (days)
1.	Construction of a two-classroom block without office at Hakatoma P/S	81,922,755	58	147	89
2.	Construction of a storeyed multi-purpose hall phase vi and a water borne toilet at district Head quarter	374,911,178	96	191	95
3.	Construction of production vet-laboratory block Phase IV at the district Head quarter	79,862,400	58	108	50
4.	Drilling and installation of 8 hand pump boreholes & 2 production bore holes in selected Sub Counties	279,503,000	58	186	128
5.	Paving of hospital yard phase I at Kyenjojo General Hospital	49,906,601	58	141	83
6.	Construction of Mahasa-Kawaruju water supply system in Kihuura S/C	310,690,258	58	166	108
7.	Construction of 2 classroom block without office at Kijugo P/S	83,449,801	58	147	89
	TOTAL	**1,260,245,993**	**Average Delay**		**92**

Implication

Delayed procurement processes delay service delivery to the intended beneficiaries as well as addressing of challenges in the communities that the procurements are meant to address thus compromising efficiency.

Management Response

The Entity is putting measures to reduce delays in the procurement process by initiating procurements in time and ensuring that they are completed as per the procurement plan however the recommendation is noted.

Recommendation

The Accounting Officer, User departments, Evaluation Committees and Contracts Committee should adhere to the planned procurement timelines in accordance with Section 51 of the PPDA Act, Cap. 205 and Regulation 4 of the PPDA (Evaluation) Regulations, 2023 to avoid unnecessary delays in the procurement processes.

2.1.4 Low bidder Participation

Section 49 of the PPDA Act, Cap. 205 requires all procurements and disposals to be conducted in a manner that maximizes competition and achieves value for money. However, there was low bidder participation as the Entity failed to achieve adequate competition of at least three bids in eight procurements worth UGX 1,176,616,547, with an average of two bids received as indicated in Table 8 below:

Table 8: Procurements with low bidder participation

No.	Subject of procurement	Amount (UGX)	Number of bidders invited	Number of bids received
1.	Construction of a storied multi-purpose hall phase VI and a water borne toilet at district Head quarters	374,911,178	46	1
2.	Construction of production vet-laboratory block Phase IV at the district Head quarters	79,862,400	23	2
3.	Design of Kanyamaizi water supply scheme in Katooke Sub County	49,950,000	6	2
4.	Paving of hospital yard phase I at Kyenjojo General Hospital	49,906,601	35	2
5.	Construction of a 5 stance VIP latrine at Nyamyezi P/S in Nyankwanzi S/C	31,887,577	35	2
6.	Renovation of 2 class room block at Igoma P/S in Kigoyera S/C	34,809,316	35	2
7.	Construction of Mahasa-Kawaruju water supply system in Kihuura S/C	310,690,258	17	2
8.	Fencing of Kyembogo Seed school (Mparo)	244,599,217	35	2
Total		**1,176,616,547**	**Average**	1.9

Implication

Low bidder participation limits competition and undermines the achievement of value for money in the Entity's procurement processes.

Management response

The Entity invited all prequalified providers for the respective categories of works and services but only limited number of bidders returned bids. However, the entity notes the audit finding and is innovating mechanisms to improve on competition.

Recommendation

The Authority noted the Entity's response and recommends that the Accounting Officer should organize a supplier's forum as a way of sensitizing bidders to improve their level of confidence in the procurement processes of the Entity and obtain feedback on how best to maximize competition in accordance with Section 49 of the PPDA Act, Cap. 205, or engage the Internal Audit to investigate the cause of low bidder participation and advise on how best to improve on competitiveness of the procurement process.

2.1.5 Irregularities in evaluation of bids

The Authority noted irregularities in the evaluation of bids in three procurements worth UGX 669,416,996, as detailed in Table 9 below:

Table 9: Procurements with irregularities at evaluation

No.	Subject of Procurement	Contract Value (UGX)	Irregularity noted	Management Response
1.	Fencing of Mparo Seed school in Kyembogo S/C	244,599,217	**Delayed evaluation of bids:** Contrary to Regulation 4(1)(b) of the PPDA (Evaluation) Regulations, 2023 which requires that evaluation of bids for the procurement of works be concluded within 15 working days from the date of bid opening, the bids were opened on 8/11/2024 and the evaluation was completed on 15/12/2024, taking 27 working days.	*Audit finding noted and Entity is committed to enforce this regulation*
2.	Paving of hospital yard phase I at Kyenjojo General Hospital	49,906,601	**Irregular composition of the Evaluation Committee:** Regulation 2(2)(a) of the PPDA (Evaluation) Regulations, 2023 requires the inclusion of a user department representative on the Evaluation Committee. The Accounting Officer appointed a Sports Officer to be part of this Evaluation Committee against the PDU's recommendation to appoint the Hospital Accountant as the User department representative and Contracts Committee approval. Thus, compromising the independence of functions contrary to Section 40 of the PPDA Act, Cap.205 that requires the Accounting Officer, Contracts Committee,	*The Entity noted the finding and is committed to enforce the recommendations.*

No.	Subject of Procurement	Contract Value (UGX)	Irregularity noted	Management Response
			PDU and User Departments to operate independently in relation to their respective powers and functions. Contrary to Regulation 2(4) of the PPDA (Evaluation) Regulations, 2023, members failed to declare that they didn't have a conflict of interest by signing the ethical code of conduct before undertaking the evaluation process.	
3.	Construction of a storied multi-purpose hall Phase VI and a water borne toilet at district Head Quarter	374,911,178	Contrary to R egulation 2(4) of the PPDA (Evaluation) Regulations, 2023, members failed to declare that they didn't have a conflict of interest by signing the ethical code of conduct before undertaking the evaluation process.	*Declaration forms on file.* **Authority's comment** Declaration forms for Katuutu Oliver and Gonzaga Aloysius were not provided for verification.
	Total	**669,416,996**		

Implication

These irregularities compromise the fairness, timeliness, and integrity of the evaluation process, thereby affecting the achievement of value for money.

Recommendations

1. The Contracts Committee should approve Evaluation Committees with representation from the User Department, in accordance with Regulation 2(2)(a) of the PPDA (Evaluation) Regulations, 2023.
2. Evaluation Committee members should, before participating in the evaluation of bids sign the Code of Ethical Conduct in Business Form 13 in accordance with Regulation 2(4) of the PPDA (Evaluation) Regulations, 2023 as a declaration that they don't have any conflict of interest regarding the procurement.

2.1.6 Irregular purchasing of commonly used items

Section 57 of the PPDA Act, Cap. 205 provides for the Entity to carry out all public procurement and disposals in accordance with the rules, regulations, and guidelines issued under the Act. Furthermore, Section 60 (2) (b) of the PPDA Act, Cap. 205 provides for the Entity to make use of framework contracts wherever appropriate to provide an efficient, cost effective and flexible means to procure works, services, or supplies that are required continuously or repeatedly over a set period of time. The Authority found that funds amounting to UGX 131,995,888 were irregularly advanced to staff to undertake 62 cash purchases (see appendix 4) of commonly used items e.g. Stationery, ICT equipment etc. as opposed to issuing call off orders to the providers with framework contracts in place. This was in complete disregard of Section 57 and Section 60 (2) (b) of the PPDA Act, Cap. 205.

Implication
Procuring through staff increases the risk of fraud, conflict of interest, restricting competition and also compromises the achievement of value for money.

Management response
Finding noted and the Entity is committed to enforce the recommendation in line with the laws and regulations.

Recommendations
1. The Head of the Finance Department should, in accordance with Section 57 of the PPDA Act, Cap. 205, desist from advancing funds to staff to procure commonly used items in complete disregard of the rules, regulations, and guidelines issued under the PPDA Act, Cap. 205.
2. The User departments should make use of the framework contracts to procure works, services or supplies that are required continuously or repeatedly over a set period of time in accordance with Section 60 (2) (b) of the PPDA Act, Cap. 205.
3. The Accounting Officer should cause micro procurements to be conducted in accordance with Regulation 23(2) of the PPDA (Rules and Methods of Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.2 Compliance of the Entity's disposal processes with the provisions of the PPDA Act, Cap. 205 and PPDA (Disposal of Public Assets) Regulations, 2023

The Authority reviewed the Entity's disposal process (reference no. KYEN/877/DISPL/2025-2026/000001) and found that on 12th March 2026, the Entity successfully auctioned obsolete assets through Interpid Recovery Associates Ltd, raising UGX 28,483,000, which funds were transferred to the Entity on 12th March 2026. The disposal process was found to be satisfactory. The disposed assets are listed in Table 10 below.

Table 10: Disposed of items through the auction method

No	Asset	Successful bidder	Reserve price (UGX)	Contract price (UGX)
1.	Nissan Hardbody-UG 1929M	Henry Gafabusa	3,500,000	3,500,000
2.	Nissan Hardbody-UG 2969M	Kalungi Douglas	4000,000	4000,000
3.	Fiat Hitahi Motor grader	Tamale Charles	10,000,000	11,000,000
4.	Ford Ranger-UG 1233R	Douglas Kalungi	3,000,000	3,000,000
5.	Yamaha AG- UG3593M	Wilsom Rukidi	250,000	551,000
6.	Yamaha AG LG0024-50	Ibrahim Buwembo	300,000	410,000
7.	Yamaha AG LG0077-50	Ibrahim Buwembo	350,000	350,000
8.	7 no. Printers 20 no. UPS 9 no. desk phones	James Galabuzi	100,000	100,000
9.	UPS	Ibrahim Buwembo	350,000	350,000
10	12 no. Monitors	Karim Muhammad	200,000	400,000
11	14 no. CPU 8 no. keyboards 1 no. calculator	Mustafa Ssentamu	700,000	700,000
12	1 no. TV 1 no. laptop 1 no. router	Ezekiel Awiyo	Highest bidder	411,000
13	Hospital beds	Ibrahim Buwembo	Highest bidder	300,000
14	2 no. freezers	Robert Kayonjo	Highest bidder	200,000
15	4 no. chairs 2 no. tables 2 no. filing cabinets	Erick Ahumuza	250,000	310,000
16	Safe	Mustafa Sentamu	Highest bidder	240,000
17	Assorted scrap	Ibrahim Buwembo	Highest bidder	810,000
18	Kyarusozi H/C	Wilson Rukidi	Highest bidder	801,000
19	Batteries	Joseph Asiimwe	Highest bidder	400,000
20	47 no. tyres 2 no. toilet fittings	Mustafa Ssentamu	280,000	500,000
21	36 no. iron sheets	Charles Tamale	150,000	150,000
	TOTAL			**28,483,000**

2.3 Efficiency and Effectiveness in Contract Implementation including the Application of Environmental, Social, Health and Safety (ESHS) Requirements in the Procurement Process

2.3.1 Failure to plan, incorporate in the statement of requirements, and implement Environmental Social, Health and Safety Safeguards (ESHS)

Section 66 of the PPDA Act, Cap. 205 states that "A PDE shall, for each procurement, take into account environmental protection, social inclusion, and stimulating innovation." In seven procurements worth UGX 901,486,445, the Entity failed to plan, incorporate in the statements of requirements, and implement ESHS aspects. There was no evidence of an environmental screening undertaken and an Environmental and Social Management Plan (ESMP) developed to guide the implementation of the activities. The procurements are indicated in Table 11 below:

Table 11: Procurements with ESHS compliance gaps

No	Subject of Procurement	Contract Value (UGX)
1.	Fencing of Mparo Seed School in Kyembogo Sub County	244,599,217
2.	Construction of a 2-classroom block at Kijungo P/S	83,449,801
3.	Construction of a five-stance lined VIP Latrine at Nyamyezi P/S	31,887,577
4.	Paving of hospital yard phase I at kyenjojo General Hospital	49,906,601
5.	Renovation of 2 class room block at Igoma P/S in Kigoyera S/C	34,809,316
6.	Construction of a storeyed multi-purpose hall Phase VI and a water borne toilet at district Head quarter	374,911,178
7.	Construction of a two-classroom block without office at Hakatoma Primary School in Kyenjojo Town Council	81,922,755
	Total	**901,486,445**

Implication

Failure to put in place Environment and Social mitigation measures puts the site occupants, project beneficiaries, and communities where the projects are located at risk of harmful effects arising from the projects such as environmental degradation, climate change, destruction of eco systems, air pollution, depletion of natural resources, diseases such as HIV and Aids and accidents among others.

Management Response

Environmental screening and ESHS planning was carried and implemented for the above projects, Plans and reports attached. However, the entity notes recommendations and pledges to improve.

Authority's comment

The environmental screening forms and ESMPs were reviewed. However, screening was undertaken after contract award and after inclusion of environmental concern costs in the Bills of Quantities, raising concerns on the basis for determining these costs. Environmental and social screening should be undertaken during procurement planning to guide the incorporation of mitigation measures into the bidding documents before bids are invited, in accordance with Section 66 of the PPDA Act, Cap. 205.The query was therefore maintained.

Recommendations

1. The Environmental Officer should undertake environmental and social screening during procurement planning and ensure that identified ESHS mitigation measures are developed into specifications and incorporated into Statements of Requirements for implementation and monitoring, in accordance with Regulation 34(5) of the PPDA (Rules and Methods for the Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
2. The Contract Managers should prevail over contractors to implement ESHS requirements and that these are reported on in the progress reports to achieve sustainability in accordance with Section 66 of the PPDA Act, Cap 205.

2.3.2 Irregularities in the use of Force Account Mechanism

The Authority reviewed road works of four projects worth UGX 453,000,000 implemented using the Force Account Mechanism shown in Table 12 below:

Table 12: Road works implemented under Force Account Mechanism

SN	Road Name	Distance (Kms)	Amount (UGX)
1.	Periodic maintenance of Igoma Mwokya	12	120,000,000
2.	Kibale-Kasaba-Kyamutunzi	8.5	85,000,000
3.	Periodic maintenance of Kyakasura- Kawanyana- Kabale (South)	9.3	95,000,000
4.	Periodic maintenance of Rwamasajwa-Nsinde road	15.3	153,000,000
	Total		**453,000,000**

The Authority found the following irregularities:

a) Procuring road inputs at varied rates compared to those quoted in the framework contracts

Paragraph 5.4 of the PPDA Guideline 10/2014 on use of Framework Contracts for procurement of supplies, works and non-consultancy services requires that the framework should be capable of establishing a pricing mechanism to be applied to pricing particular requirements during the period of the framework. However, the Entity issued four Local Purchase Orders (LPOs) to the provider under frame work contract for the supply of road inputs, notably, the unit rates for the road inputs were higher than those stipulated in the framework contract signed with the provider on 16th August 2024 as detailed below:

(i). Mechanized routine maintenance of Igoma- Mwokya

The issued LPO to Senaga Building and Civil Engineering Co. Ltd on 20th February 2025 for the supply of road construction materials had some items having higher unit rates than those stipulated in the framework contract as detailed in Table 13 below:

Table 13: Inputs procured at varied unit rates for mechanized routine maintenance of Igoma Mwokya road

Items	Quantity	Unit rate as per framework contract (UGX)	Unit rate used on issued LPO (UGX)	Total on LPO (UGX)	Total on LPO had the Entity used framework rates (UGX)	Variance in UGX
Hardcore	9 trips	400,000	450,000	4,050,000	3,600,000	450,000
Cement	24 bags	41,000	42,000	1,008,000	984,000	24,000
Total				**5,058,000**	**4,584,000**	**474,000**

From the above analysis in Table 13, the LPO issued for supply of inputs of the above road works was higher by UGX 474,000. The Entity would have spent UGX 4,584,000 on the above items if the unit rates in the framework agreements were applied as opposed to UGX 5,058,000. Thus, resulting to a financial loss of UGX, 474,000 to the Entity.

(ii). Periodic maintenance of Rwamasajwa-Nsinde 15.3km road

The issued LPO to Senaga Building and Civil Engineering Co. Ltd on 9th April 2025, for the supply of road construction materials had some items having higher unit rates than those stipulated in the framework contract as detailed in Table 14 below

Table 14: Rwamasajwa-Nsinde LPO issued on 9/4/2025 LPO no. 1640 and 1622

Items	Quantity	Unit rate as per framework contract (UGX)	Unit rate used on issued LPO (UGX)	Total on LPO (UGX)	Total on LPO had the Entity used framework rates (UGX)	Variance in UGX
Cement	24 bags	41,000	42,000	1,008,000	984,000	24,000
Hardcore stones	3 Trips (7 ton)	400,000	450,000	1,350,000	1,200,000	150,000
Hardcore	1 trip	400,000	450,000	450,000	400,000	50,000
Timber bill board	2	120,000	200,000	400,000	240,000	160,000
Total				**3,208,000**	**2,824,000**	**384,000**

From the above analysis in Table 14, the LPO issued for supply of inputs of the above road works was higher by UGX 384,000. The Entity would have spent UGX 2,824,000 if the unit rates in the framework agreements were applied as opposed to UGX 3,208,000. Thus, resulting to a financial loss of UGX, 384,000 to the Entity.

Implication

Varying unit prices contrary to those quoted in the framework agreements exposes the Entity to risks of fraud that could lead to financial loss of UGX 858,000 on payment of the providers.

Management Response

The Entity is committed to recover the varied amount from the provider in question this financial year. However, we also note the findings and promising to cover the gaps.

Recommendation

The Accounting Officer should recover the overcharged amounts worth UGX 858,000 from the contractor, Senaga Building and Civil Engineering Co. Ltd, arising from procuring road inputs for the mechanized routine maintenance of Igoma- Mwokya and periodic maintenance of Rwamasajwa-Nsinde roads, at varied unit rates compared to those quoted in the framework contracts and should strictly adhere to the agreed pricing mechanism under the framework contracts in accordance with Paragraph 5.4 of PPDA Guideline 10/2014 on the use of Framework Contracts.

b) Failure to mainstream cross cutting issues in the Force Account activities/ ESHS activities in the BOQs

The Authority found that Force Account Managers did not include environmental concerns, sensitization and grievances aspects while budgeting and costing for the road activities. This was contrary to Clause 6.0 of the Ministry of Works and Transport Road Maintenance Grant Implementation Guidelines 2024-2025 that requires the benefiting Entities to mainstream cross cutting issues in the road grant activities.

Implication

Failure to address these cross-cutting issues exposes the environment and community to safety and sustainability risks on implementation of these road works.

Management response

Environmental screening, planning and certification were done by the Environment Officer, copies attached. We uphold to improve where we have run short in future.

Authority's comment

The Authority reviewed the provided environmental documentation. However, it was found to be generic, with uniform impacts, mitigation measures, and costs in the ESMPs despite differences in the nature of environment and road lengths for the four projects listed in Table 12 above, indicating limited site-specific environmental screening and assessment.

Recommendation

The Force Account Managers should engage the District Environment Officer to undertake the screening and planning for environmental and social mitigation measures for each project and include the specifications and activities to be undertaken under ESHS on the work plan and bills of quantities for implementation in accordance with Clause 6.0 of the Ministry of Works and Transport Road Maintenance Grant Implementation Guidelines 2024-2025.

c) Failure to make daily accountability of works executed and resources utilized

The Entity did not keep daily records of work done, staff output, stock of trips undertaken by equipment and vehicles, and the fuel consumption schedule did not include a section for purpose or reason in the two road works reviewed contrary to Regulation 6(5)(a) of the PPDA (Force

Account Mechanism) Regulations, 2014 and Annex 4b of the Ministry of Works and Transport Road Maintenance Grant Implementation Guidelines 2024-2025 which require Entities to prepare a schedule for construction materials utilized for each road indicating the quantity, rate, and amount.

Implication

Failure to provide accountability for use of public funds increases the risk of abuse of public funds by the implementing officers.

Management response

Implementers have been writing separate reports for fuel consumption schedules and activity reports. The district upholds the recommendation for Force Account Managers to prepare daily work sheets for work executed, schedules for materials used, daily attendance sheets for labour, equipment mileage logs and fuel consumption schedules.

Recommendation

The Force Account Managers should prepare and submit daily works sheets for work executed, schedules for materials used, daily attendance sheets for labour, equipment mileage logs, and fuel consumption schedules as accountability for implemented works on a daily basis in accordance with Regulation 6(5)(a) of the PPDA (Force Account Mechanism) Regulations, 2014 and Annex 4b of the Ministry of Works and Transport Road Maintenance Grant Implementation Guidelines 2024-2025.

d) Making payments to staff who were not the final beneficiaries

Clause 10.9.5 of the Treasury Accounting Instructions 2017 requires all supplier payments to be made by means of electronic funds transfer to the beneficiary bank accounts. However, in all the four sampled roadworks worth UGX 453,000,000 under the Force Account Mechanism, the Entity advanced funds worth UGX 65,809,000 to its staff so as to make payments to the ultimate beneficiaries (casual labourers working on the road works) contrary to Clause 10.9.5 of the Treasury Accounting Instructions. The payments are detailed in Table 15 below:

Table 15: Payments made to staff instead of ultimate beneficiaries

No.	PAYEE	Road works	Amount advanced (UGX)
1.	Aloysius Gonzaga- Engineering Assistant	Periodic maintenance of Igoma Mwokya 12km	9,482,000
2.	Stephen Kusemererwa- Ag. District Engineer	Kibale-Kasaba-Kyamutunzi 8.5km Section II	16,040,000
3.	Friday Isaac Newton- Senior Civil Engineer	Kibale-Kasaba-Kyamutunzi 8.5km Section II	15,510,000
4.	Stephen Kusemererwa- Ag. District Engineer	Kyakasura-Kawanyana-Kabale	12,343,000
5.	Micheal Mujinya- Civil Engineer	Nyakisi Kafunda road phase 2	12,434,000
	Total		**65,809,000**

Implication
This increases the risk of fraud and mismanagement of funds.

Management response
The district is intending to recruit road gang workers for FY2026/27 where we shall register their bank details and mobile money to pay allowances for force account. However, the entity notes the recommendation.

Recommendation
The Authority noted the Entity's response and recommends that the Accounting Officer should adopt the use of e-cash payment to the beneficiaries' registered bank or mobile money to pay allowances for force account personnel on verification of payment claims in accordance with Clauses 10.9.4 and 10.9.5 of the Government of Uganda Treasury Accounting Instructions, 2017.

2.3.3 Delayed contract completion and execution of works against expired contracts
Contrary to Regulation 52 (3) (i) of the PPDA (Contracts) Regulations, 2023 that requires contract managers to ascertain that the provider meets all the performance or delivery obligations in accordance with the terms and conditions of the contract, the Authority found that in two procurements worth UGX 360,596,859, contract managers failed to ensure that contractors completed the works within the initial contractual periods stated in the contracts leading to an average delay of 50 calendar days in completion of those contracts. The contract managers further neglected to extend the contract periods prior to expiry which resulted in works being completed after their contracts had already expired. The procurements are indicated in Table 16 below:

Table 16: Procurements with delayed contract completion and execution of works against expired contracts

No.	Procurement subject	Amount (UGX)	Findings
1.	Construction of Mahasa-Kawaruju Water supply system in Kihuura sub county	310,690,258	According to Clause GCC 1.1 (u) of the SCC, the works were to be executed within 12 weeks after commencement. Clause GCC 1.1 (ee) stated the start date for the works as immediately after contract signing. The contract was signed on 13/1/2025 and as such expired on 07/4/2025. However, according to a status report prepared by the Ag. DWO, the works were completed on 16/6/2025 i.e. 70 days after expiry of contract.
2.	Paving of hospital yard phase one	49,906,601	According to Clause GCC 1.1 (u) of the SCC, the works were to be executed within 3 months. Clause GCC 1.1 (ee) stated the start date for the works as seven days from contract signing, the contract was signed on 23/01/2025 and as such, the contract expired on 30th April 2025. However, according to a project completion report from the Project Manager, the works were completed on 30th May 2025 i.e. 30 days after expiry of contract.

No.	Procurement subject	Amount (UGX)	Findings
	TOTAL	**360,596,859**	

Implications

- Failure to complete contracts within the specified contract period led to delayed service delivery to the intended beneficiaries.
- Implementing projects with expired contract agreements carries legal and financial risks since there is no binding agreement between the Entity and the contractors.

Management response

The district will uphold the recommendation from PPDA for contract managers to always ascertain that contracts are executed and delivered within the intended completion period and keep track of contract expiry timelines to initiate the process of contract renewal in time.

Authority's comment

The response did not address the finding, which would have informed specific corrective measures to resolve the contract execution delays and prevent reoccurrence.

Recommendations

Contract Managers should:

1. Always ascertain that contracts are executed and delivered within the intended completion period in accordance with the terms and conditions of the contract and in line with Regulation 52 (3) (i) of the PPDA (Contracts) Regulations, 2023.
2. Keep track of contract expiry timelines and initiate the process of contract renewal in time, in accordance with Regulation 52 (3) (e) of the PPDA Contracts Regulations 2023.

2.3.4 Follow-up on the construction of Kyarusozi Seed Secondary School under UGIFT Program

On 13th March 2024, the Entity entered into a contract with BAMK Real Estates and Contractors Limited to construct Kyarusozi Seed Secondary School in Kyarusozi Sub County at a cost of UGX 2,583,654,700 VAT exclusive with an intended completion period of 18 months. During the audit, contract management of the project was reviewed and the following anomalies were identified, indicating weak contract management as outlined below:

a) Delayed completion of works

Clause GCC 22 stated the intended completion of the works as 18 months and as such, the contract was expected to be completed by 13th September 2025. However, by the end of the period, physical progress was estimated at 70% as per the progress report. The contract was subsequently extended to 31st December 2025, but progress as of December 2025 had only reached 75%, indicating continued delays. The contract was further extended to 30th April 2026. The progress report dated 16th March 2026 shows a physical progress of 87% against a financial progress of 84% and time progress of 138% thereby indicating a time overrun of 38% for the project. A physical verification conducted on 19th March 2026 (Appendix 5) confirmed that works were still behind schedule despite the extended contract period nearing its end.

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

Management response
The Accounting Officer has engaged the contractor in a technical meeting to let him mobilize and complete the project. Other engagements have been scheduled like site meetings and regular supervision all aiming at completion before end of the financial year.

Recommendation
The Accounting Officer should task the contract manager to strengthen contract supervision and follow-up measures, including regular site meetings and technical engagements, to ensure completion of the works before the end of the financial year so that the remaining works are executed in accordance with the terms and conditions of the contract in line with Regulation 52 (1)(b) of the PPDA (Contracts) Regulations, 2023.

b) Expired Performance Security and ES security

Clause 61.1 of the General Conditions of the Contract required the contractor to provide a Performance Security (8%) and ES Security (2%) of the contract price to the Entity that should be valid until a date 28 days from the intended completion date. However, the Performance Security and ES Security submitted by BAMK Real Estates and Contractors Ltd on 1st April 2025 expired on 14th November 2025 even though the contract was still running until 27th January 2026. Despite the reminders issued on 10th November 2025 requesting extension of the securities, the contractor had not complied at the time of audit, leaving the contract without valid securities.

Implication
This weakens enforcement of contract obligations and exposes the Entity to financial risks in the event that the contractor fails to deliver on its contractual obligations.

Management response
The Entity notes the finding and will implement the recommendation. However, communications have been made to the contractor to renew the performance securities.

Recommendations
1. The Accounting Officer should require the contractor to immediately renew and maintain valid Performance and ES Securities covering the entire contract period in accordance with Clause 61.1 of the General Conditions of the Contract.
2. The Project Manager should not certify any payment claims from the contractor until the Entity has received and approved Performance Security and ES Performance Security that is valid until a date 28 days from the intended completion date in accordance with Clause 61.1 of the General Conditions of the Contract.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

3.1 Overall procurement and disposal audit conclusion

The performance of Kyenjojo District Local Government for the Financial Year 2024/2025 was Moderately Satisfactory with an overall weighted average risk rating of 52.2%.

3.1.1 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 17 below:

Table 17: Entity's performance

Risk Rating	No.	% No.	Value (UGX)	% Value	Weights	Total Weighted Score	
						By No.	By Value
High	4	20	633,596,859	12.3	0.6	12	7.4
Medium	12	60	4,271,599,944	82.7	0.3	18	24.8
Low	1	5	49,950,000	0.9	0.1	0.5	0.1
Satisfactory	3	15	209,894,000	4.1	-	-	-
Total	**20**	**100**	**5,165,040,803**	**100**	**1**	**30.5**	**32.2**

Weighted average (By No.) = $\frac{\text{Sum of weighted score}}{60} \times 100 = \frac{30.5}{60} \times 100 = 50.8$

Weighted average (By value) = $\frac{\text{Sum of weighted score}}{60} \times 100 = \frac{32.2}{60} \times 100 = 53.6$

Overall weighted average risk rating = $\frac{50.8+53.6}{2}$ = **52.2%**

Since 52.2% falls within the 31-70% risk range, the performance of the Entity is rated Moderately Satisfactory as detailed in Table 18 below:

Table 18:Risk Rating

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

Figure 1: Risk Rating by Number

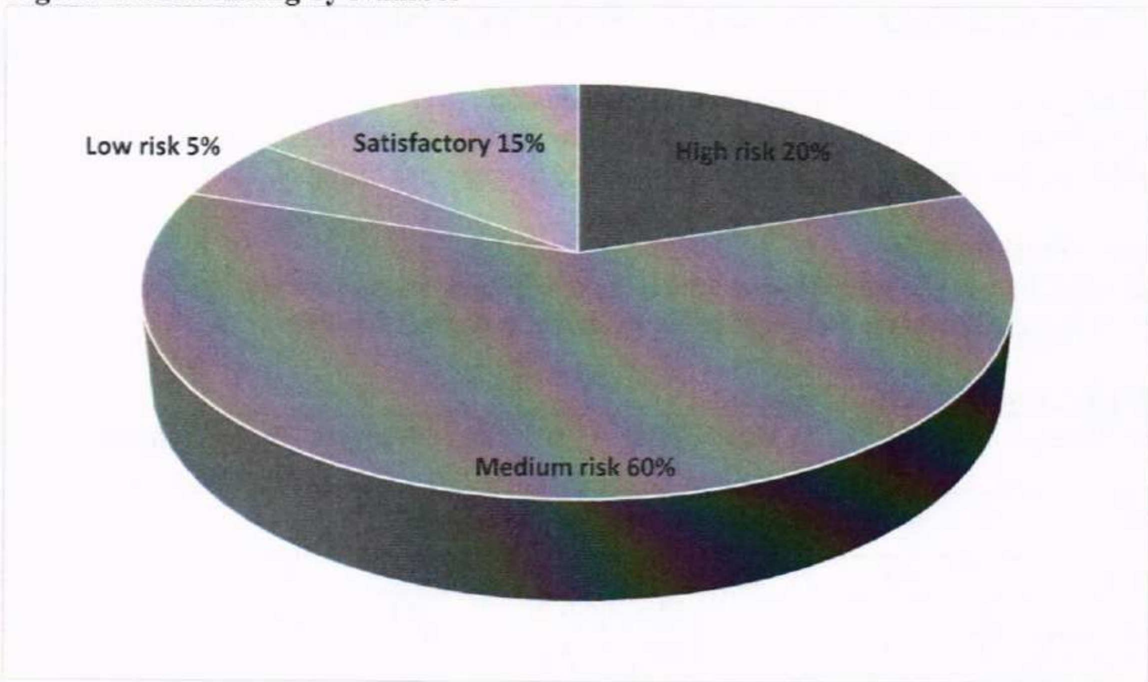
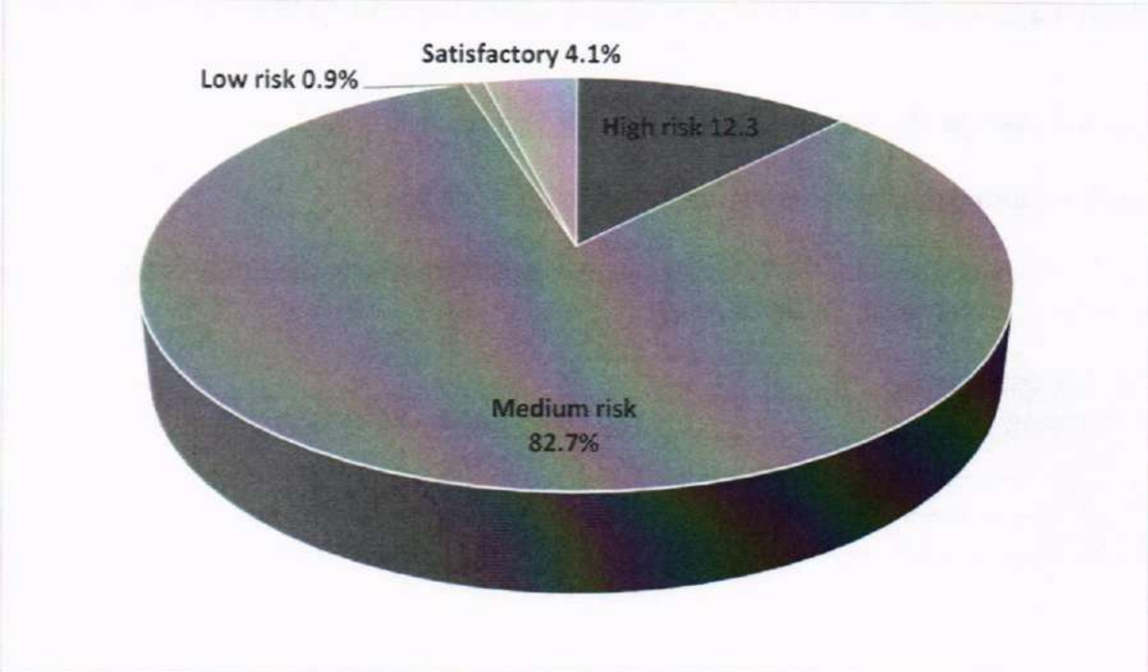


Figure 2:Risk Rating by Value



3.2 Recommended Action Plan

The Entity should implement the following recommendations in Table 19 below within the timeframe given in order to improve its performance.

Table 19: Recommended Action Plan

No.	Recommended Action	Target date
	The Accounting Officer should:	
1.	Constitute a committee to always review and monitor the implementation of the Authority's recommendations and submit a status report to the Authority within four months of the receipt of the audit report in accordance with section 10(2) of the PPDA Act Cap.205.	October 2026
2.	Enforce implementation of all planned SIGs reservations for FY 2025/2026 and ensure that they are reported in the monthly submissions to the Authority, in accordance with PPDA Guideline No. 11 of 2024 on Reservation Schemes for Women, Youth, and Persons with Disabilities.	October 2026
3.	Cause micro procurements to be conducted in accordance with Regulation 23(2) of the PPDA (Rules and Methods of Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.	October 2026
4.	Recover the overcharged amounts worth UGX 858,000 from the contractor, Senaga Building and Civil Engineering Co. Ltd, arising from procuring road inputs for the mechanized routine maintenance of Igoma- Mwokya and periodic maintenance of Rwamasajwa-Nsinde roads, at varied rates compared to those quoted in the framework contracts and should strictly adhere to the agreed pricing mechanism under the framework contracts in accordance with Paragraph 5.4 of PPDA Guideline 10/2014 on the use of Framework Contracts.	October 2026
5.	Adopt the use of e-cash payment to the beneficiaries registered bank or mobile money to pay allowances for force account personnel on verification of payment claims in accordance with Clauses 10.9.4 and 10.9.5 of the Government of Uganda Treasury Accounting Instructions, 2017.	October 2026
6.	Task the contract manager for the construction of Kyarusozi Seed Secondary School to strengthen contract supervision and follow-up measures, including regular site meetings and technical engagements, to ensure completion of the works before the end of the financial year so that the remaining works are executed in accordance with the terms and conditions of the contract in line with Regulation 52 (1)(b) of the PPDA (Contracts) Regulations, 2023.	October 2026
	The Procurement and Disposal Unit should:	
7.	Prepare and submit monthly procurement reports, including procurements conducted by lower local governments, to the Authority through the E-Reporting Link, in accordance with Regulation 15(1) of the PPDA (PDEs) Regulations, 2023.	October 2026
8.	Profile the providers in the Entity's prequalification list and identify those that qualify for the reservation to facilitate the shortlisting of providers for procurement of items under the reservation for Special Interest Groups.	October 2026
	The Contract Committee should:	

No.	Recommended Action	Target date
9.	Not approve any procurement that is not on the approved procurement plan, except in emergencies in accordance with Section 30(d) of the PPDA Act, Cap. 205.	October 2026
10.	Approve Evaluation Committees with representation from the User Department, in accordance with Regulation 2(2)(a) of the PPDA (Evaluation) Regulations, 2023.	October 2026
	The User Department should:	
11.	Review and update their procurement plans quarterly, or as needed, and submit them to the Procurement and Disposal Unit for consolidation and approval before implementing any changes in accordance with Section 60 (7) of the PPDA Act, Cap 205.	October 2026
12.	Make use of the framework contracts to procure works, services or supplies that are required continuously or repeatedly over a set period of time in accordance with Section 60 (2) (b) of the PPDA Act, Cap. 205.	October 2026
13.	The Environmental Officer should undertake environmental and social screening during procurement planning and ensure that identified ESHS mitigation measures are developed into specifications and incorporated into Statements of Requirements for implementation and monitoring, in accordance with Regulation 34(5) of the PPDA (Rules and Methods for the Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.	October 2026
14.	The District Community Development Officer should mobilize the communities to form Community Based Organizations and have them registered with the District and the Authority in order to benefit from the reservations for Special Interest Groups.	October 2026
15.	The Evaluation Committee should, before participating in the evaluation of bids, sign the Code of Ethical Conduct in Business Form 13 in accordance with Regulation 2(4) of the PPDA (Evaluation) Regulations, 2023 as a declaration that they don't have a any conflict of interest regarding the procurement.	October 2026
	The Force Account Managers should:	
16.	Prepare and submit daily works sheets for work executed, schedules for materials used, daily attendance sheets for labour, equipment mileage logs, and fuel consumption schedules as accountability for implemented works on a daily basis in accordance with Regulation 6(5)(a) of the PPDA (Force Account Mechanism) Regulations, 2014 and Annex 4b of the Ministry of Works and Transport Road Maintenance Grant Implementation Guidelines 2024-2025.	October 2026
17.	Improve the quality of the progress and completion reports through including relevant details like the status of works before and after completion, the equipment, personnel and materials used, project work program, quality control measures like material tests conducted, among others in accordance with Regulation 6(5)(c) of the PPDA (Force Account Mechanism) Regulations, 2014.	October 2026

APPENDICES

Appendix 1: Risk Rating Criteria

RISK	DESCRIPTION	AREA	IMPLICATION
HIGH	Such procurements were considered to have serious weaknesses, which could cause material financial loss or carry a risk to the regulatory system or the entity's reputation. Such cases warrant immediate attention by senior management. Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".	**Planning:** Lack of or failure to procure within the approved plan	This implies emergencies and the use of the direct procurement method which affects competition and value for money.
		Bidding Process: Use of wrong/inappropriate procurement methods, failure to seek Contracts Committee approvals, and usurping the powers of the PDU.	This implies the use of less competitive methods which affects transparency, accountability, and value for money.
		Evaluation: Use of inappropriate evaluation methodologies or failure to conduct an evaluation.	This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend an award to a responsive bidder.
		Record Keeping: Missing procurement files and missing key records on the files namely; solicitation documents, submitted bids, evaluation reports, and contracts.	This implies that one cannot ascertain the audit trail namely; whether there was competition and fairness in the procurement process.
		Fraud/forgery: Falsification of Documents	This implies a lack of transparency and value for money.
		Contract Management: Payment for shoddy work or work not delivered.	This implies financial loss since there has been no value for money for the funds spent and the services have not been received by the intended beneficiaries

RISK	DESCRIPTION	AREA	IMPLICATION
MEDIUM	Procurements that were considered to have weaknesses, although less likely to lead to material financial loss or to risk damaging the regulatory system or the entity's reputation, warrant timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded "medium" provided that there is sufficient evidence of "hands-on management control and oversight" at an appropriate level of seniority.	**Planning:** Lack of initiation of procurements and confirmation of funds.	This implies committing the Entity without funds thereby causing domestic arrears.
		Bidding Process: Deviations from standard procedures namely bidding periods, standard formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms, and splitting procurement requirements.	This implies a lack of efficiency, standardization, and avoiding competition.
		Procurement Structures: Lack of procurement structures	This implies a lack of independence of functions and powers and interference in the procurement process.
		Record Keeping: Missing Contracts Committee records and incomplete contract management records.	This implies that one cannot ascertain the audit trail namely; whether the necessary approvals were obtained in a procurement process.
		Contract and Contract Management: Failure to appoint Contract Supervisors, failure to seek the Solicitor General's approval for contracts above UGX. 200 million and lack of notices of Best Evaluated Bidders.	This leads to unjustified contract amendments and variations which lead to unjustified delayed contract completion and lack of value for money. Bidders are not given the right of appeal.
		Failure by the Entity to incorporate in the solicitation document	

RISK	DESCRIPTION	AREA	IMPLICATION
		aspects of gender, social inclusion, environment, health, and safety. Aspects of gender, social inclusion, environment, health, and safety are not covered by the contractor during contract implementation.	
LOW	Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best practices. Deviations from laid down detailed procedures would normally be graded "low" provided that there is sufficient evidence of management action to put in place and monitor compliance with detailed procedures.	**Planning:** Lack of procurement reference numbers.	This leads to failure to track the procurements which leads to poor record-keeping.
		Bidding Process: Not signing the Ethical Code of Conduct	This leads to failure to declare a conflict of interest and a lack of transparency.
SATISFACTORY	Relates to following laid down procurement procedures and guidelines and no significant deviation is identified during the conduct of the procurement process based on the records available at the time.		

Appendix 2: Sample List and Basis for Risk Rating

No.	Subject of Procurement	Method	Provider	Contract Value	Risk Rating	Basis for Risk Rating
1.	Paving of hospital yard phase I at Kyenjojo General Hospital	Quotation	Sirwano Co. Ltd	49,906,601	High risk	• Delayed contract completion and execution of works against expired contract i.e. the works were completed 30 days after expiry of contract. • Failure to plan, incorporate in the statement of requirements, and implement Environmental Social, Health and Safety Safeguards (ESHS) • Irregular composition of the Evaluation Committee • Low bidder Participation • Procurement process delay of 83 days
2.	Construction of Mahasa-Kawaruju water supply system in Kihuura S/C	Quotation	Baken Investments Ltd	310,690,258	High risk	• Delayed contract completion and execution of works against expired contract i.e. works completed 70 days after expiry of contract • Low bidder participation • Procurement process delay of 108 days
3.	Periodic maintenance of Igoma-Mwokya-Kaswa 12km road	Force Account	District Engineer	120,000,000	High risk	• Procuring road inputs at varied rates compared to those quoted in the framework contracts leading to financial loss of UGX 474,000 • Failure to mainstream cross cutting issues • No daily accountability of works executed and resources utilized

No.	Subject of Procurement	Method	Provider	Contract Value	Risk Rating	Basis for Risk Rating
						• Making payments to staff who were not the final beneficiaries
4.	Periodic maintenance of Rwamasajwa- Nsinde 15.3km road	Force Account	District Engineer	153,000,000	High risk	• Procuring road inputs at varied rates compared to those quoted in the framework contracts leading to financial loss of UGX 384,000 • Failure to mainstream cross cutting issues • No daily accountability of works executed and resources utilized • Making payments to staff who were not the final beneficiaries
5.	Construction of a 5 stance VIP latrine at Nyamyezi P/S in Nyankwanzi S/C	Quotation	Jerilive Investments ltd	31,887,577	Medium risk	• Failure to plan, incorporate in the statement of requirements, and implement Environmental Social, Health and Safety Safeguards (ESHS) • Low bidder Participation
6.	Renovation of 2 class room block at Igoma P/S in Kigoyera S/C	Quotation	Bwaana Mobile Concepts Ltd	34,809,316	Medium risk	• Failure to plan, incorporate in the statement of requirements, and implement Environmental Social, Health and Safety Safeguards (ESHS) • Low bidder Participation
7.	Fencing of Kyembogo Seed school	Quotation	Code Contractors Ltd	244,599,217	Medium risk	• Failure to plan, incorporate in the statement of requirements, and implement Environmental Social, Health and Safety Safeguards (ESHS)

No.	Subject of Procurement	Method	Provider	Contract Value	Risk Rating	Basis for Risk Rating
						• Delayed evaluation of bids. Evaluation took 27 days • Low bidder Participation
8.	Construction of a two-classroom block without office at Hakatoma Primary School in Kyenjojo Town Council	Quotation	Ms. Almond Integral Ltd	81,922,755	Medium risk	• Failure to plan, incorporate in the statement of requirements, and implement Environmental Social, Health and Safety Safeguards (ESHS) • Procurement process delay of 89 days
9.	Construction of a storeyed multi-purpose hall phase VI and a water borne toilet at district Head Quarter	Quotation	Mulumba & Co. Construction Ltd	374,911,178	Medium risk	• Failure to plan, incorporate in the statement of requirements, and implement Environmental Social, Health and Safety Safeguards (ESHS) • Failure by the Evaluation Committee to declare that they didn't have conflict of interest. • Low bidder Participation • Procurement process delay of 95 days
10.	Construction of production Vet-laboratory block Phase IV at the district Head Quarter	Quotation	Ronex Consult Engineering Ltd	79,862,400	Medium risk	• Low bidder participation • Procurement process delay of 50 days
11.	Periodic maintenance of Kyakasura-kawanyana-kabale 9.5km	Force Account	District Engineer	95,000,000	Medium risk	• Failure to mainstream cross cutting issues • No daily accountability of works executed and resources utilized

No.	Subject of Procurement	Method	Provider	Contract Value	Risk Rating	Basis for Risk Rating
						• Inadequate progress and completion reports • Making payments to staff who were not the final beneficiaries
12.	Periodic maintenance of Kibale-Kasaba-Kyamutunzi 8.5 km road	Force Account	Works Department	85,000,000	Medium risk	• Failure to mainstream cross cutting issues • No daily accountability of works executed and resources utilized • Inadequate progress and completion reports • Making payments to staff who were not the final beneficiaries
13.	Supply, delivery and installation of ICT equipment to Kigaraale and Kyarusozi Seed schools	Open Bidding	North Corridor Holdings Ltd	297,000,000	Medium risk	• Procured outside the procurement plan
14.	Construction of 2 classroom block without office at Kijugo P/S	Quotation	Mugric Company ltd	83,449,801	Medium risk	• Failure to plan, incorporate in the statement of requirements, and implement Environmental Social, Health and Safety Safeguards (ESHS) • Procurement process delay of 89 days
15.	Drilling and installation of 8 hand pump boreholes & 2 production bore holes in selected sub counties.	Quotation	KLR Uganda Ltd	279,503,000	Medium risk	• Procurement process delay of 128 days

No.	Subject of Procurement	Method	Provider	Contract Value	Risk Rating	Basis for Risk Rating
16.	Construction of Kyarusozi Seed Secondary School	Open Domestic Bidding	BAMK Real Estates and Contractors Limited	2,583,654,700	Medium risk	• Expired Performance Security and ES security • Delayed completion of works
17.	Design of Kanyamaizi water supply scheme in Katooke Sub County.	Quotation	Aquatech Enterprises U Ltd	49,950,000	Low risk	• Low bidder Participation
18.	Supply of fuel for maintenance of Igoma 1 & Kyembogo roads	Framework	Vene Petrol Station Ltd, Krishini Enterprises Ltd	148,364,000	Satisfactory	No exceptions
19.	Provision of security services at Kyenjojo General Hospital for 11 months	Open Bidding	G-Unit Security Services	13,530,000	Satisfactory	No exceptions
20.	Design, supply and installation of microscale irrigation system to Kusiima Rimon and Gold Phionah	Restricted bidding	Water and Energy Solutions Ltd	48,000,000	Satisfactory	• No exceptions
				5,165,040,803		

Appendix 3: Planned procurements not implemented by the Entity

No.	Subject of Procurement	Estimated Cost (UGX)
1.	Completion of Nyamango p/s phase iii	15,511,936
2.	Construction of 2 stance latrine at Mabira t/c HQ	12,083,700
3.	Construction of a 3-stance latrine with urinal at Kaguta road	21,000,000
4.	Construction of a 3-stance latrine with urinal at Mbale p/s	13,500,000
5.	Construction of a 3stance VIP latrine at Bufunjo HCIII	21,145,290
6.	Construction of a 5-stance latrine at Kyarusozi p/s	32,352,250
7.	Construction of a VIP latrine at t/c HQ	13,000,000
8.	Construction of latrine and fencing with chain link	28,000,000
9.	Construction of walk way to maternity ward	10,000,000
10.	Engraving of assets	2,000,000
11.	Fencing of butunduzi s/c land	6,000,000
12.	Grading of Katalibwa- Kyakikokwa-Kikumbo road	10,600,000
13.	Grading of Kyabirekeke-Nyamabale road	3,000,000
14.	Grading of Kyakatimba-Kyamulimi road	7,473,841
15.	Improvement of Kabenge-Bhuura-Kafunda 2 swamp	7,500,000
16.	Improvement of Myeri-Kisoga-Nkera car	7,500,000
17.	Maintenance of Kaiganga -Bisuba-Kijwiga community access road	7,500,000
18.	Murraming of Kyenjobu-Nyaratuntu car	13,742,139
19.	Opening of Nyakatoma-Soweto Mukako Community access road	7,242,046
20.	Painting of offices	3,000,000
21.	Periodic maintenance of Kanyinya-Matete-Kyankunyule car	4,104,829
22.	Periodic maintenance of Kyembogo-Kasaba-Kyamutunzi 17 km rd	170,000,000
23.	Periodic maintenance of Buronzi-Rubona -Nyabugando	9,500,000
24.	Periodic maintenance of Ibooroga-Kubuga road	10,600,000
25.	Periodic maintenance of Kaisamba-Kyongera road	5,250,000
26.	Periodic maintenance of Katara-Mpongo road	13,500,000
27.	Periodic maintenance of Kizirahate-Kaitanyana-Nyabidogo road	7,648,912
28.	Periodic maintenance of Kyanjub- Kizinda & Musa-Nyakana roads	46,710,000
29.	Periodic maintenance of Kyatwire-Mwibale ward	6,776,178
30.	Periodic maintenance of Mirambi-kabaale mukitehe access road	10,000,000
31.	Periodic maintenance of Mukeeya-Kakira-Mukatete 13.4km road	134,000,000
32.	Periodic maintenance of Mwaro-Kyakabakonda-Katembe road	26,500,000
33.	Periodic maintenance of Rwakazooba Kasamba rd	12,234,700
34.	Periodic maintenance of Kanyinya-Harwoma, Habubare-Muhabura, Harwoma-Kentomi & Kizikirungi Mparo A-Galiyamaswa road	35,375,647

No.	Subject of Procurement	Estimated Cost (UGX)
35.	Procurement of a laptop computer, desktop and projector for admn	14,000,000
36.	Procurement of a land title for Kyakatwire HCIII	4,000,000
37.	Procurement of a printer with scanner	4,000,000
38.	Procurement of fish feed making machines	20,000,000
39.	Procurement of Garbage disposal land	10,000,000
40.	Procurement of windows and doors for batalika S/C	4,574,000
41.	Procurement of 5 motorcycles for extension workers	65,000,000
42.	Rehabilitation of Kahungera-Butare-Mabale road	11,000,000
43.	Rehabilitation of Rwabaganda-Kanoni road	7,800,000
44.	Renovation of Katooke t/c social hall phase II	8,331,656
45.	Renovation of pediatric ward	20,000,000
46.	Sport marram improvement at Nyamabale-Mukahanga- Isiroma rd	2,000,000
47.	Survey of Katooke s/c land	2,155,064
48.	Survey of kyembogo government land	2,000,000
49.	Survey of kyembogo S/C land	2,000,000
50.	Coffee brewing machine	3,589,694
51.	Supply and installation of sign posts at irrigation schemes	54,300,000
52.	Solar system for veterinary vaccine cold chain	12,000,000
53.	Periodic maintenance of kibaale b- kamazima-kisenyi b 3km road	6,462,318
54.	2 stance VIP latrine at rugombe ward	10,000,000
55.	Opening of butara kagera road section	4,314,682
56.	Rehabilitation of isanda -igulika kabale road	7,684,128
57.	Rehabilitation of bwenzi hakelizia 2km road	3,500,000
58.	Construction of butiiti s/c HQ phase 2	15,000,000
59.	Rehabilitation of nyarubingo-kyarugaya rd 3km, kabale-kijagara-kyarugaya 2km & nyondo-bukamamu 2km roads	17,184,128
60.	Periodic maintenance of kibira-nyabuhoho road	7,441,914
61.	Periodic maintanance of kidudu-rwamujoje-buraro 3km road	6,000,000
62.	Grading of ruhoko trading centre	3,000,000
63.	Periodic maintanance of mukatete-kyente-bihehe 3km road	9,600,000
64.	Sport improvement of kaswa- nswiga-kibangali rd	8,858,249
65.	Routine maintanance of kisojo-kisara-kijonjoza 2km & kisojo-kijuma 2km roads	14,305,859
66.	Laptop and printer for kigoyera S/C	9,100,000
67.	Surveying of T/C office land for rugombe	4,314,682
68.	Construction of a slab at kaihaur kamukende land	3,500,000
	Total	**1,111,367,842**

Appendix 4: Irregular purchasing of commonly used items

No	Description	Payment date	Amount (UGX)	Name of staff
1.	Advance to purchase camera accessories	5-Feb-25	422,000	Johnson Atuhaire
2.	Advance to purchase vet supplies	5-Jun-25	2,000,000	Mugisa Adolf Kabagambe
3.	Advance to purchase refreshments	5-Jun-25	700,000	Priscilla Twinomujuni
4.	Advance to purchase solar items	26-Jun-25	3,000,000	Ssekyanzi Shem
5.	Advance to purchase welfare items for the department	11-Jul-24	500,000	Kanyunyuzi Lydia
6.	Advance to purchase office furniture	20-Jun-25	5,650,000	Priscilla Twinomujuni
7.	Advance to purchase solar equipment	26-Jun-25	5,000,000	Ssekyanzi Shem
8.	Advance to purchase sign posts	26-Jun-25	500,000	Vicent Kayonjo
9.	Advance to purchase coffee machine	26-Jun-25	3,000,000	Ssekyanzi Shem
10	Advance to purchase agriculture supplies	5-Jun-25	5,000,000	Mugabe Kamwenge Robert
11	Advance to purchase vet consumes	26-Jun-25	2,000,000	Amanyire Wilson
12	Advance to purchase rabies vaccine	3-Apr-25	3,000,000	Amanyire Wilson
13	Advance to buy grader spare parts	22-May-25	4,860,000	Kusemererwa Stephen
14	Advance to buy demonstration materials for fisheries department	23-Jan-25	2,550,000	Patrick Nyakoojo
15	Advance to buy grader spare parts	22-May-25	4,800,000	Kusemererwa Stephen
16	Advance to buy sigh posts	26-Jun-25	5,000,000	Vicent Kayonjo
17	Advance to buy sign posts	26-Jun-25	2,800,000	Vicent Kayonjo
18	Advance to buy grader spare parts	22-May-25	4,928,000	Kusemererwa Stephen
19	Advance to buy sign posts	26-Jun-25	4,900,000	Vicent Kayonjo
20	Advance to buy sign posts	26-Jun-25	2,426,738	Vicent Kayonjo
21	Advance to buy suture materials	26-Jun-25	500,000	Mugisa Adolf Kabagambe
22	Advance to buy laptop	26-Jun-25	2,025,000	Bigabwa Julius
23	Advance to buy sign posts	26-Jun-25	4,945,000	Vicent Kayonjo
24	Purchase of pipes and rods	26-Jun-25	3,465,000	Ainomugisha Anthony
25	Payment to purchase welfare items	26-Jun-25	600,000	Katusabe Doreen
26	Purchase of pipes and rods	26-Jun-25	4,750,000	Ainomugisha Anthony
27	Purchase of nitrogen	20-Jun-25	2,500,000	Mugisa Adolf Kabagambe
28	Purchase of pipes and rods	26-Jun-25	4,895,000	Ainomugisha Anthony
29	Being payment to purchase fish feed ingredients	20-Jun-25	1,520,000	Patrick Nyakoojo
30	Purchase of pipes and rods	26-Jun-25	2,000,000	Ainomugisha Anthony

No	Description	Payment date	Amount (UGX)	Name of staff
31	Purchase of pipes and rods	26-Jun-25	4,450,000	Ainomugisha Anthony
32	Purchase of pipes and rods	26-Jun-25	4,800,000	Ainomugisha Anthony
33	Purchase of pipes and rods	26-Jun-25	3,900,000	Ainomugisha Anthony
34	Purchase of rods and pipes	26-Jun-25	4,080,000	Ainomugisha Anthony
35	Flash disc, stationery and small office equipment	12-Jun-25	284,000	Bakura Peter
36	Stationery, cartridge refilling and airtime	20-Feb-25	590,000	Bakura Peter
37	Printing and stationery	12-Dec-24	270,800	Bakura Peter
38	Refund for stationery services	12-Dec-24	275,000	Expedito Kasaija
39	Stationery for PDM activities	26-Jun-25	4,900,000	Julius Muzigura
40	Travel and stationery expenses	26-Jun-25	363,000	Alicwamu Jordan
41	Stationery items refund	11-Jul-24	346,860	Birungi Adiija
42	Airtime and stationery for the department	11-Jul-24	541,000	Katusabe Doreen
43	Sitting allowance, travel and stationery	10-Apr-25	735,000	Kaganzi Samuel
44	Stationery and photocopying expenses	26-Jun-25	300,000	Friday William
45	Stationery for PDM activities	26-Jun-25	5,000,000	Julius Muzigura
46	Facilitation for staff and stationery during council	20-Jun-25	274,000	Kaganzi Samuel
47	Refund of stationery expenses	11-Jul-24	210,000	Olive Katuutu
48	Stationery items	22-May-25	289,000	Katuutu Jackline
49	Stationery for DEC	26-Jun-25	825,000	Businge Joyce Doreen
50	Stationery expenses for PDM	26-Jun-25	1,649,490	Julius Muzigura
51	Allowance and stationery for council	2-Oct-24	276,000	Kaganzi Samuel
52	Stationery items	26-Jun-25	450,000	Kyakuha Robert
53	Airtime and stationery items	24-Jan-25	501,000	Katuutu Jackline
54	Stationery, airtime and newspapers	30-Apr-25	686,200	Bakura Peter
55	Refund for stationery items	11-Jul-24	900,000	Kaganzi Samuel
56	Cartridge refilling and stationery items and services	28-Mar-25	418,000	Bakura Peter
57	Cartridge refilling, stationery and airtime	15-May-25	787,800	Bakura Peter
58	Refund for stationery items	30-Apr-25	400,000	Komuhendo Beatrice
59	Travel and stationery refund for HRO	15-Aug-24	1,090,000	Kaita M Harriet
60	Stationery services and photocopying	26-Jun-25	697,000	Kasembo Beatrice
61	Advance of stationery expenses	11-Jul-24	1,170,000	Shalot Hana

No	Description	Payment date	Amount (UGX)	Name of staff
62	Stationery for planning unit	11-Jul-24	300,000	Immaculate Atuhurra
			131,995,888	

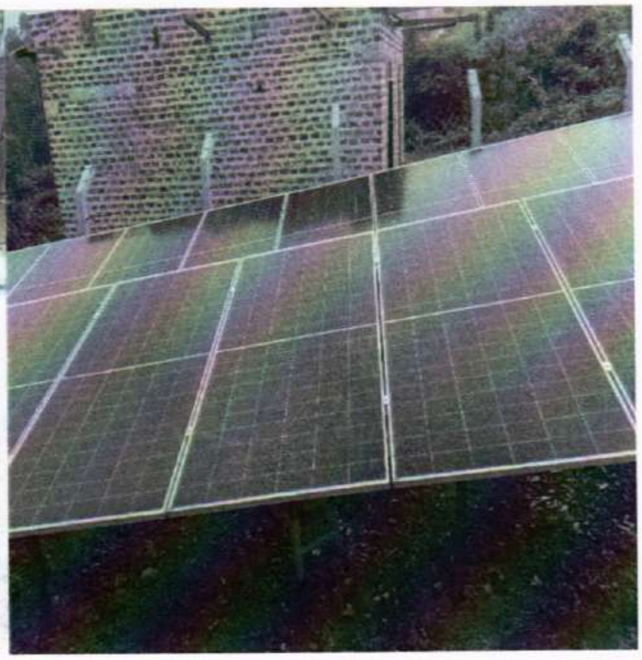
Appendix 5: Physical Verification pictures as at 19th March 2026

The Authority conducted a physical verification exercise of seven sampled projects worth UGX 3,758,544,291 as detailed in the table below:

Contract: Construction of a storied multi-purpose hall phase vi and a water borne toilet at district Head Quarters
Provider: Mulumba & Co. Construction Ltd
Contract value UGX: 374,911,178
Status of Works: The works were complete

Contract: Construction of Mahasa-Kawaruju water supply system in Kihuura s/c	
Contract value: UGX 310,690,258	
Provider: Baken Investments Ltd	
Status of Works: The works were complete and in use	



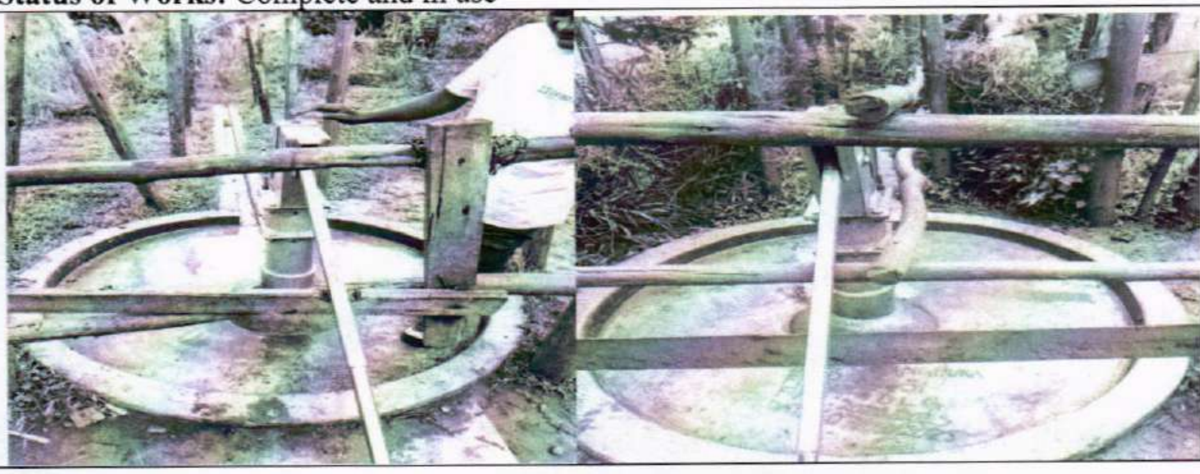


Contract: Supply and installation of microscale irrigation system to Kusiima Rimon and Gold Phionah
Contract value (UGX): 48,000,000
Provider: Water and Energy Solutions Ltd
Status of Works: The works were complete and the facility was in use.
 

Contract: Construction of a two-classroom block without office at Hakatoma Primary School
Contract value (UGX): 81,922,755
Provider: Almond Intergral Ltd
Status of Works: The works were complete and the facility was in use.


Contract: Construction of production vet-laboratory block phase IV at the district Head Quarter	
Contract value (UGX): 79,862,400	
Provider: Ronex Consult Engineering Ltd	
Status of Works: The works were still ongoing at the time of the audit	

Contract: Drilling and installation of 8 hand pump boreholes & 2 production bore holes in selected sub counties	
Contract value (UGX): 279,503,000	
Provider: KLR Uganda Ltd	
Status of Works: Complete and in use	



Contract: Construction of Kyarusozi Seed Secondary School

Contract value (UGX): 2,583,654,700

Provider: Bamk Real Estates and Contractors LTD

Status of Works: The works were still ongoing at the time of the audit

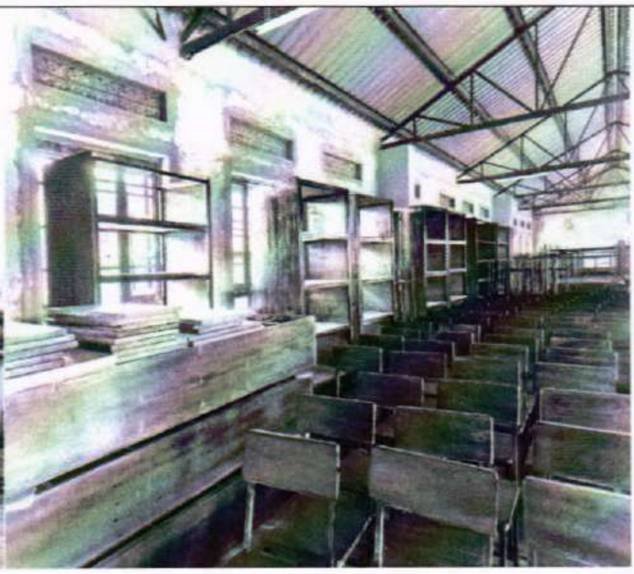
ICT Laboratory and Library

Multi-purpose hall

Administration Block

Science Laboratory

5 stance latrine



Furniture