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

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

JULY 2026

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

ACRONYMS

BOQs	Bill of quantities
CC	Contracts Committee
EC	Evaluation Committee
ESHS	Environmental, Social and Health Safety
LTD	Limited
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
UGX	Uganda Shillings

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority conducted a procurement and disposal audit of Kibuku District Local Government, covering a representative sample of 21 procurement transactions for the Financial Year 2024/2025.

The overall objective of the procurement and disposal audit was to assess and establish the degree of compliance of Kibuku District Local Government's procurement and disposal system and processes with the provisions of the PPDA Act, Cap. 205, the attendant PPDA Regulations and the PPDA Guidelines, and to assess the level of procurement and disposal performance over the audit period.

The Authority noted significant weaknesses in the Entity's procurement and disposal system and processes, including poor records management characterized by the absence of bidding documents and contract management records, irregularities in bid evaluation and contract award, approval of inadequate solicitation documents, non-compliance with prescribed procurement procedures, and defects in completed projects among others.

These findings indicate weaknesses in governance arrangements, oversight mechanisms, internal controls, and the capacity of procurement structures to effectively discharge their responsibilities. Consequently, the Entity is exposed to heightened risks of non-compliance with the PPDA legal framework, financial loss, procurement inefficiencies, poor contract performance, diminished value for money, and failure to achieve planned service delivery outcomes.

The performance of Kibuku District Local Government for Financial Year 2024/2025 is therefore assessed as **Moderately Satisfactory,** with an overall weighted average risk rating of **68%.** There is need for immediate management action to strengthen records management, enhance oversight and compliance with procurement and disposal requirements, improve the quality of procurement processes and enforce accountability among procurement actors.

The following key exceptions were noted:

1. In contravention of Section 44 of the PPDA Act, Cap. 205, which obligates an Entity to retain records of procurement and disposal proceedings for seven years from the date of termination of the procurement or disposal process, or from contract completion, it was observed that the Entity had not established a central repository for procurement records. Key documents, including solicitation and bidding documents and contract management records, were not maintained in the respective procurement action files, which greatly affected the audit trail;

2. Regulation 53 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 states that "the Procurement and Disposal Unit shall, before issuing the bidding document, record the proposed shortlist, with reasons for the selection of each provider, and shall submit it to the Contracts Committee for approval". However, the Authority noted that the PDU did not submit the shortlisted bidders to the Contracts Committee for approval. This undermined the Contracts Committee's oversight role, thereby exposing the Entity to risks of arbitrary selection, favouritism, or the exclusion of eligible providers;

3. Regulation 56 (1) (e) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023, stipulates a minimum bidding period of five working days for procurements conducted using the Request for Quotations method. However, in three procurements worth UGX 227,825,072, the Authority noted that bidders were allowed only two working days, from 12th March 2025 to 17th March 2025. This does not allow bidders sufficient time to prepare responsive bids;

4. Regulation 6 (1) (b) of the PPDA (Contracts) Regulations, 2023 prohibits an Accounting Officer from signing a contract whose value exceeds the market price established at the initiation stage. However, the Authority noted that this provision was contravened when a contract for the construction of a two-classroom block with an office and store at Bugiri Primary School was signed for UGX 99,955,706, against an established market price of UGX 68,000,000. This resulted in a budget variance of UGX 31,955,706, representing 47% above the estimated cost. This may lead to domestic arrears and the failure to implement other planned procurements;

5. Contrary to Regulation 12 (5) of the PPDA (Evaluation) Regulations, 2023, which requires evaluation reports for the technical compliance evaluation method to be prepared using Form 14 of the Schedule, the Authority noted that in seven procurements worth UGX 487,329,906, the Entity did not use the prescribed format, as the evaluation assessment forms required under Form 14 were not attached to the evaluation reports. In addition, contrary to Regulation 4 (11) of the PPDA (Evaluation) Regulations, 2023, the Authority noted that in one procurement worth UGX 128,779,000, the evaluation report had not been signed by all members of the Evaluation Committee who participated in the evaluation. Furthermore, contrary to Section 39 (6) of the PPDA Act, Cap. 205, the Authority noted that in two procurements worth UGX 213,825,072, the Evaluation Committee members had not signed the required Code of Ethical Conduct. These irregularities weaken the credibility and audit trail of the bid evaluation process, increasing the risk of biased or unsubstantiated evaluation decisions and procurement disputes.

6. Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023 requires the Accounting Officer, in each Financial Year, to review the public assets of a Procuring and Disposing Entity and identify those to be disposed of in the subsequent Financial Year. Additionally, Regulation 3 (1) of the same Regulations empowers the responsible User Department to initiate the disposal process for the Assets identified in the Board of Survey Report. However, although the Entity conducted a Board of Survey and drafted a disposal plan, no disposal process was initiated. Failure to dispose of obsolete assets inhibits the achievement of value for money, as funds are tied up in these assets and are also lost through their depreciation;

7. Section 66 of the PPDA Act, Cap. 205 provides that a Procuring and Disposing Entity shall, for each procurement, take into account environmental protection, social inclusion, and the stimulation of innovation. However, the Authority noted that the Entity did not clearly stipulate Environmental, Social, Health and Safety issues in three procurements worth UGX 291,817,335. Failure to clearly define Environmental, Social, Health and Safety (ESHS) requirements in the solicitation documents may lead to inconsistent or inadequate implementation of ESHS measures by contractors, exposing the Entity to environmental degradation, health and safety risks; and

In light of the above findings, the Authority recommends the following;

1. The Accounting Officer should:

   i. Task the Head, Procurement and Disposal Unit and the contract managers who failed to maintain contract management records to show cause why disciplinary action should not be taken against them for failing to maintain complete procurement action files in accordance with Section 33 (o) of the PPDA Act, Cap. 205 and Regulation 52 (3) (a) (vii) of the PPDA (Contracts) Regulations, 2023, respectively.

   ii. Direct the Head, Procurement and Disposal Unit to ascertain that, prior to issuance of any bidding documents under Restricted or Request for Quotations procurement methods, a shortlist of providers is formally prepared for each procurement, justified, and submitted to the Contracts Committee for approval in accordance with Regulation 53 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. In addition, the Contracts Committee should enforce compliance by rejecting any procurement submissions that are not accompanied by respective shortlists;

   iii. Direct the District Planner and the Vote Controller (Administration) to prioritise and allocate sufficient funds to the Procurement and Disposal Unit for the procurement of appropriate storage facilities, such as lockable filing cabinets and drawers, to ensure the safe custody and proper organisation of procurement records in accordance with Section 44 of the PPDA Act, Cap. 205.

   iv. Refrain from signing contracts above the market price in accordance with Regulation 6 (1) (b) of the PPDA (Contracts) Regulations, 2023.

   v. Seek authorisation from the respective owning Agencies, such as the Ministry of Works and Transport and Pallisa DLG, to dispose of the vehicles. If authorisation is not granted, the Entity should hand over the assets to the respective owning Agencies for disposal in accordance with Regulations 5 and 6 of the PPDA (Disposal) Regulations, 2023.

2. The Contracts Committee should

   i. Establish and enforce a standardised procurement file checklist so that all mandatory documents, including bids, bidding documents, evaluation reports and contracts approved by the Contracts Committee, are properly filed before proceeding to subsequent stages, in accordance with Section 44(1) of the PPDA Act, Cap. 205;

   ii. Prior to approval of the bidding documents, scrutinise the proposed procurement schedule to assess its reasonableness and compliance with minimum statutory timelines in accordance with Regulation 10 (e) of the PPDA (PDEs) Regulations, 2023;

   iii. Ascertain that all evaluation reports are prepared using the prescribed forms and that all required evaluation assessment forms are completed and attached to provide a complete and verifiable evaluation record in accordance with Regulation 12 (5) of the PPDA (Evaluation) Regulations, 2023.

iv. Refrain from making contract award decisions above the estimated market price, except where it is subject to negotiations in accordance with Regulation 3 (2) of the PPDA (Negotiation) Regulations, 2023.

3. The Head, Procurement and Disposal Unit should:
   i. Involve the District Environmental Officer, the District Community Development Officer and the District Labour Officer during the preparation of the solicitation document to ensure that the Environmental, Social and Health Standards (ESHS) requirements are clearly captured in accordance with Section 66 of the PPDA Act, Cap. 205; and

   ii. Require all Evaluation Committee members to sign the Code of Ethical Conduct before participating in any bid evaluation to safeguard the integrity and impartiality of the evaluation process in accordance with Section 39 (6) of the PPDA Act, Cap. 205.

Kibuku District Local Government should implement the recommended action plan on page **25** of the audit report.

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority conducted a procurement and disposal audit of Kibuku District Local Government, covering a representative sample of 21 procurement transactions for Financial Year 2024/2025. The audit assessed procurement structures, procurement and asset disposal processes, and contract performance in accordance with the PPDA Act, Cap. 205, and the attendant PPDA Regulations.

1.2 Audit Objectives

The overall objective of the procurement and disposal audit was to assess and establish the degree of compliance of Kibuku District Local Government's procurement and disposal system and processes with the provisions of the PPDA Act, Cap. 205, and the attendant PPDA Regulations, and to assess the level of procurement and disposal performance over the audit period.

The specific objectives were to:

1. Establish the level of compliance by the Entity with the general provisions of the PPDA Act, Cap. 205, and the attendant PPDA Regulations regarding the performance of the procurement structures and the conduct of the procurement processes;
2. Assess the extent to which the Entity's disposal process complies with the provisions of the PPDA Act, Cap. 205, and the PPDA (Disposal of Public Assets) Regulations 2023; and
3. Assess the efficiency and effectiveness of contract implementation, including the application of Environmental, Social, Health and Safety (ESHS) Requirements in the procurement process.

1.3 Structure of the Entity

The key players in the procurement structure at Kibuku District Local Government include the Chief Administrative Officer as Accounting Officer, the Contracts Committee, the Procurement and Disposal Unit and the User Departments.

i. Accounting Officer

Section 28 (1) of the PPDA Act, Cap. 205 gives the Accounting Officer the overall responsibility for the successful execution of procurement, disposal and contract management in the Procuring and Disposing Entity. The Chief Administrative Officer; Ms. Roseline Adongo Luhoni was designated as the Accounting Officer of the Entity during the Financial Year 2024-2025.

ii. Staffing of the Procurement and Disposal Unit

During the year under audit, the Entity's procurement and disposal unit was fully staffed with two members of staff in the Unit at the level of Senior Procurement Officer and Procurement Officer. The details of the Procurement and Disposal Unit staff are shown in Table 1 below:

Table 1: Staff in the Procurement and Disposal Unit

No	Name	Academic and professional Qualifications and certifications	Experience	Job title
1	Mr. Kefa Kereba	MCIPS, Bachelors of procurement and logistics management	14 years	Senior Procurement Officer

No	Name	Academic and professional Qualifications and certifications	Experience	Job title
2	Mr. Nicodemus Busolo	Bachelors of procurement and supply chain management	5 years	Procurement Officer

iii. Composition of the Contracts Committee

During the audit period, the Entity's Contracts Committee was fully constituted in accordance with the provisions of Section 29 of the PPDA Act, Cap. 205. The Contracts Committee was comprised of five members as shown in Table 2 below:

Table 2: Showing Contracts Committee membership during the audit period

No	Name	Job title	Committee position	Date of appointment
1.	Mr. Joseph Emmah Wandera	Principal Fisheries Officer	Chairperson	19th May 2023
2.	Mr. Emmanuel Joel Mukula	District Forestry Officer	Secretory	16th January 2025
3.	Mr. Wilberforce Sajja	SAS	Member	01st Sept. 2023
4.	Mr. Stephen Otem	Inspector of schools	Member	08th Sept 2023
5.	Ms. Caroline Nakirya	Senior Clinical Officer	Member	18th July 2025

1.4 Audit Scope

The audit involved a review of the procurement process, disposal process, general compliance issues and contract implementation of 21 transactions under Financial Year 2024/2025 (Annex 2).

1.5 Methodology

On **31st October 2025**, the Entity was notified about the compliance inspection. A sample of 21 procurement transactions conducted in the Financial Year 2024/2025 was selected based on stratified random sampling. The launch meeting was held on **24th November 2025** between the Authority's team and the Entity's officials.

Two officers conducted the exercise under the supervision of the Manager, Performance Monitoring. During the exercise, the team examined records and documents of the sampled procurement transactions. This involved a review of the Entity's procurement/disposal planning, initiation, bidding, evaluation, contract placement and processes.

On completion of file review, the team met with various stakeholders to discuss and obtain clarifications on some of the preliminary findings. A debrief meeting was held on **3rd December 2025** between the team and the Entity's officials. A management letter was issued to the Entity for management's response on **10th March 2026** and the Entity's responses to the raised issues were received on **10th March 2026**.

On completion of data collection and before writing the report, the Manager reviewed the working papers for completeness. The working papers contained a detailed chronology of findings on each of the sampled transactions. The audit report presents the key findings and conclusions arising from the audit.

CHAPTER TWO: KEY FINDINGS AND RECOMMENDATIONS

2.1 COMPLIANCE BY THE ENTITY WITH THE GENERAL 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

2.1.1 Failure to implement previous audit recommendations

In contravention of Section 10 (1) (a) of the PPDA Act, Cap. 205, which obliges Entities to take corrective action on the recommendations issued by the Authority, it was observed that the Entity had not fully implemented the recommendations from the Financial Year 2020/2021 audit report issued in July 2023. Out of 12 recommendations made, only four (33%) were implemented, five (42%) were partially implemented and the remaining three (25%) were not implemented as detailed in Table 3 below:

Table 3: Implementation of previous audit recommendations

No.	Recommended Action	Target Date
1.	The Accounting Officer with support from Internal Audit should come up with a strong mechanism that will ensure that all audit recommendations are regularly monitored and implemented so as to improve the Entity's performance.	Partially Implemented
2.	• The Head, Procurement and Disposal Unit should ensure that all documents pertaining to contract management are kept on their respective procurement action files in accordance with Section 33 (o) of the PPDA Act, Cap. 205. • The Accounting Officer should task the District Chief Finance Officer to provide to the Procurement and Disposal Unit with copies of payment record for the disposed Prado.	Not Implemented
3.	The Head, Procurement and Disposal Unit should ensure that the bidding document prepared define the requirements, the evaluation criteria and the contract terms precisely and in a manner that promotes competition and achieves value for money in accordance with Section 49 of the PPDA Act, Cap. 205.	Not Implemented
4.	• Evaluation Committees should ensure that evaluations are conducted according to the criteria set in the bidding document in accordance with Section 76 (3) of the PPDA Act, Cap. 205. • The Contracts Committee should ensure that the principles of fairness and transparency are observed in the evaluation process in accordance with Section 48 of the PPDA Act, Cap. 205.	Partially implemented
5.	The Accounting Officer should task the Heads of User Departments to ensure that the Statements of Requirements defines the needs of the Entity precisely and in a manner that leaves no doubt about the requirements and needs of the Entity in accordance with Regulation 35 (2) of PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023	Partially Implemented
6.	• The Entity should increase the number of shortlisted bidders to more than a minimum of three in order to encourage maximum competition. • The Accounting Officer should direct effort towards addressing the low participation of bidders by analyzing the causes and	Not Implemented

No.	Recommended Action	Target Date
	devising mechanisms of increasing bidder participation in the Entity's bidding processes. • The Head, Procurement and Disposal Unit should aggregate procurements and use the open bidding method which may attracts more firms to participate in the bidding process to avoid collusion.	
7.	The Contracts Committee should prior to approval of any submissions made by PDU such as solicitation documents, contract documents etc. scrutinize them for accuracy and completeness in accordance with Regulation 10 (e) of the PPDA (PDEs) Regulations, 2023.	Partially Implemented
8.	The contract supervisors should ensure that the implemented works are technically assessed for quality before issuing payment certificates to pay the contractors.	Partially Implemented

Implication

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

Management Response

Management has taken into consideration the recommendation of the Authority and a task force will be appointed to follow up and ensure that the recommendations are implemented.

Recommendation

The Accounting Officer should put in place a strong mechanism to implement recommendations made by the Authority so as to improve the Entity's performance in accordance with Section 10 of the PPDA Act, Cap. 205. This could include appointing a task force that will be responsible for ensuring full implementation of the Authority's recommendations.

2.1.2 Limitation of scope due to poor record keeping

In contravention of Section 44 of the PPDA Act, Cap. 205, which obligates an Entity to retain records of procurement and disposal proceedings for a period of seven years from the date of termination of the procurement or disposal process, or from contract completion, it was observed that the Entity had not established a central repository for procurement records. Key documents, including, bidding documents and contract management records, were not maintained on the respective procurement files and were not provided to the audit team despite persistent requests, this greatly affected the audit trail. Examples are provided below:

i. Lack of bidding documents

The Authority noted that there were no bidding documents on all the 21 sampled procurement action files reviewed. While the Authority was informed that the Entity had used MS Word soft copies of the bidding documents, none of the MS word copies were provided during the audit. The Authority further noted that it may not satisfy itself on adherence to the evaluation criteria and other requirements in the bidding document approved by the Contracts Committee given the risk of manipulation/alteration presented by documents in the MS word format.

Implication
The absence of bidding documents creates a significant risk of irregular procurement practices, fraud and manipulation of procurement outcomes, and payments for works, supplies, or services that do not conform to the Entity requirements.

Management Response
The Authority's review coincided with the National Assessment and External Audit for FY 2024/2025, during which some records were in use by other review teams. The documents have since been retrieved and are available for verification.

Authority's comment
The Authority noted Management's response. However, the bidding documents were not availed for any of the sampled procurements, even after the exit meeting.

Recommendations
1. The Contracts Committee should establish and enforce a standardized procurement file checklist so that all mandatory documents, including bids, bidding documents, evaluation reports and contracts approved by the Contracts Committee, are properly filed before proceeding to subsequent stages in accordance with Section 44 (1) of the PPDA Act, Cap. 205.
2. Where soft copies are used, the Head, Procurement and Disposal Unit should use versions that cannot be edited to minimize document tampering in accordance with Section 44 (4) of the PPDA Act, Cap. 205.

ii. Missing procurement and contract management records
Contrary to Section 33 (o) of the PPDA Act, Cap. 205 that requires the Procurement and Disposal Unit to maintain and archive records of the procurement and disposal process; the Authority noted that eight procurement action files worth UGX 2,194,708,981 had missing records. Details are provided in Table 4 below.

Table 4: Procurements with missing records

No	Subject of Procurement	Contract Amount (UGX)	Observation
1.	Construction of a two-classroom block with office and store at Bugiri Primary School	99,955,706	No payment records provided
2.	Repair and maintenance of a classroom block at lyama	33,906,474	• No bid • No solicitation document. • Partial payment, only UGX 14,942,375, was paid out of a total of UGX 33,906,474.
3.	Construction of a 2-classroom block at GoliGoli	91,905,923	• No evidence of bid invitation • No solicitation document • No bids on file • No requisition form on file
4.	Construction of 5 stance pit latrine at Nambiri P/S	34,000,000	• Bids • Solicitation document
5.	Rehabilitation of 13.6km of community access roads in	1,363,042,172	Whereas, the contract expired on 19th October 2025, the following documentation were not availed.

No	Subject of Procurement	Contract Amount (UGX)	Observation
	Kasasira Subcounty in Kibuku District under batch A		• Evaluation report • Payment records • Payment certificates • Material testing provided for at UGX 2,000,000 was not done
6.	Construction of a two-classroom block with office and store at Bugiri Primary School	99,955,706	No payment records
7.	Design, supply and installation of UGIFT Micro scale irrigation systems Lot 2 (9 Farmers)	199,722,000	**Missing records** • Requisition form • Record of issue, receipt and opening of bids • Evaluation report
8.	Design, supply and installation of UGIFT Micro scale irrigation systems Lot 2 (13 Farmers)	272,221,000	
Total		**2,194,708,981**	

Implication

Failure by the Entity to maintain and provide complete procurement and contract management records undermines transparency, accountability, and the integrity of the procurement process. It limits the ability of oversight bodies to verify whether procurements were conducted in accordance with the provisions of the PPDA Act and Regulations, and whether value for money was achieved.

Management Response

Management acknowledges the recommendation to establish and enforce a standardized procurement file checklist to ensure completeness of records before progression to subsequent stages. However, the Authority's review coincided with the National Assessment and External Audit for FY 2024/2025, during which some records were in use by other review teams. The documents have since been retrieved and are available for verification.

Authority's comment

The Authority noted Management's response. However, the missing procurement and contract management records were not availed even after the exit meeting.

Recommendations

1. The Contracts Committee should establish and enforce a standardized procurement file checklist so that all mandatory documents, including bids, bidding documents, evaluation reports and contracts approved by the Contracts Committee, are properly filed before proceeding to subsequent stages in accordance with Section 44 (1) of the PPDA Act, Cap. 205.
2. The Accounting Officer should task the Head, Procurement and Disposal Unit, and the contract mangers that did not maintain contract management records to show cause why disciplinary action should not be taken against them for failing to maintain complete procurement action files in accordance with Section 33 (o) of the PPDA Act, Cap. 205 and Regulation 52 (3) (a) (vii) of the PPDA (Contracts) Regulations, 2023 respectively.

2.1.3 Procurement plan implementation rate

Regulation 15 (1) of the PPDA (PDEs) Regulations, 2023 requires a Procuring and Disposing Entity to submit, by the fifteenth day of the following month, a report detailing procurement activities undertaken, including the providers involved. However, the Entity did not submit the monthly procurement report for January 2025 to the Authority. As a result, the Authority could not fully verify the completeness of procurement activities undertaken during the financial year, thereby limiting the reliability of the procurement plan implementation analysis. Nevertheless, based on the procurement records that were available, a comparison of the planned procurement budget against the actual procurement expenditure revealed a budget overrun of UGX 193,205,085, representing a procurement plan implementation rate of 106%, as shown in Table 5 below.

Table 5: Analysis of implementation of the procurement plan

Total procurement plan value inclusive of VAT (UGX)	3,092,902,944
Procurement spend value inclusive of VAT (UGX)	3,286,108,029
Procurement plan Implementation Rate (%)	106
Budget variance (UGX)	(193,205,085)

Implications

- Failure to report on procurements indicates non transparency and inhibits accountability.
- Budget overruns may result in accumulation of arrears, inability to fully settle providers' obligations, and disruption or scaling back of planned activities.

<u>Management Response</u>

The documents are available for verification.

Authority's comment

The Authority reviewed the documentation provided; however, the monthly procurement report for January 2025 remained outstanding. Consequently, the Entity did not comply with the reporting requirements under Regulation 15 (1) of the PPDA (PDEs) Regulations, 2023. The absence of this report undermines the completeness and reliability of procurement data submitted to the Authority and limits effective monitoring of procurement plan implementation.

Recommendations

1. The Accounting Officer should task the Head, Procurement and Disposal Unit to submit all monthly procurement reports to the Authority in accordance with Regulation 15 (1) of the PPDA (PDEs) Regulations, 2023.
2. The Accounting Officer, together with Management, should regularly monitor the implementation of the Procurement Plan, promptly investigate and address any variances, and update the procurement plan where necessary in accordance Section 60 (7) of the PPDA Act, Cap. 205 to prevent budget overruns and ensure procurement commitments remain within the approved budget.

2.1.4 Failure by the PDU to make submissions of shortlisted bidders to the Contracts Committee

Regulation 53 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 states that, "*the Procurement and Disposal Unit shall, before issuing the bidding document, record the proposed shortlist, with reasons for the selection of each provider and shall submit it to the Contracts Committee for approval*".

However, the Authority noted that the PDU did not make submissions of shortlisted bidders to the Contracts Committee for approval. Details are provided in Table 6 below:

Table 6: Procurements for which shortlisted bidders were not approved by the Contracts Committee

No.	Subject of Procurement	Contract Amount (UGX)
1.	Supply of 1000 3-seater desks Lot A under NWR	180,000,000
2.	Construction of a 2-classroom block with office and store at Bugiri P/S in Education Department under maintenance Grant	99,955,706
3.	Maintenance and repair of a classroom block at Buseta P/S in Education Department under Maintenance Grant	33,989,990
4.	Construction of a 2-classroom block at Goli-Goli P/S in Education Department under Maintenance Grant	91,905,923
5.	Siting, drilling, casting and installation of 1 production well in Lwatama S/C under DWSCG	39,875,055
6.	Construction of a 2 stance VIP lined pit latrine at Kibuku HC IV under PHC	19,938,111
7.	Construction of 5 stances lined pit latrine at Midiri P/S in Education Department under Maintenance Grant	33,774,397
8.	Maintenance and repair of a classroom block at Kibuku P/S in Education Department under Maintenance Grant	33,960,000
9.	Maintenance and repair of a classroom block at Lyama P/S in Education Department under Maintenance Grant	33,906,474
10.	Construction of 2 stances lined pit latrine at Nanoko P/S in Education Department under Maintenance Grant	33,985,770
11.	Construction of 2 stances lined pit latrine at Nabumali P/S in Education Department under Maintenance Grant	33,972,141
12.	Emptying of 5 stances line pit latrine at Mikombe, Pulaka P/S, Katyaime P/S, Kanyolo, St. Peter P/S	14,000,000
13.	Construction of 5 stances lined pit latrine at Nambiri P/S in Education Department under Maintenance Grant	33,736,731
14.	Construction of 5 stances lined pit latrine at Nabulanghangha P/S in Education Department under Maintenance Grant	33,825,072
Total		**716,825,370**

Implication

This undermines the oversight role provided by the Contracts Committee thereby exposing the Entity to risks of arbitrary selection, favouritism, or exclusion of eligible providers, which may compromise fairness, transparency, and competition.

Management Response

The Entity has been using the approved prequalification list to invite bidders for the procurement of works, supplies and services. However, going forward the entity shall always develop a shortlist of providers and submit to Contracts committee for approval.

Recommendations

3. The Accounting Officer should direct the Head, Procurement and Disposal Unit to ascertain that, prior to issuance of any bidding documents under Restricted or Request for Quotations procurement methods, a shortlist of providers is formally prepared for each procurement, justified, and submitted to the Contracts Committee for approval in accordance with

Regulation 53 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

4. In addition, the Contracts Committee should enforce compliance by rejecting any procurement submissions that are not accompanied by respective shortlists.

2.1.5 Inadequate facilitation of Procurement and Disposal Unit

In contravention of Section 44 of the PPDA Act, Cap. 205, which obligates an Entity to retain records of the procurement and disposal proceedings for a period of seven years from the date of termination of the procurement or disposal process, or from contract completion, the Authority noted that the Entity did not have enough space and filing cabins to securely keep the procurement and disposal files and records. The procurement files and documents were cluttered all around the Procurement and Disposal Unit office with documents precariously stacked one on top of the other as evidenced in Figure 1 below:

Figure 1: Showing the cluttered PDU office

Figure 1 above shows the Procurement files and documents piled within the PDU office as a result of insufficient storage space and filing cabinets as observed on 25th November 2025.

Implication

Failure to have ample and safe storage of procurement records exposes the records to destruction, theft and misplacement that could compromise the principle of accountability of public funds.

Management Response

Management acknowledges the recommendation and adequate office space and storage facilities shall be provided following the completion of the planning Unit Block.

Authority's comment

Whereas Management has committed to providing adequate office space and storage facilities upon completion of the Planning Unit Block, this is a long-term intervention that does not address the immediate risk to the integrity and security of procurement records. In the interim, the current storage conditions remain inadequate and expose the Entity to potential loss, damage, or unauthorized access to critical documents. The Authority therefore emphasizes the need for urgent remedial measures, including prioritizing budgetary allocation to the Procurement and Disposal Unit to facilitate the acquisition of appropriate storage equipment.

Recommendation

The Accounting Officer should direct the District Planner and the Vote Controller (Administration) to prioritize and allocate sufficient funds to the Procurement and Disposal Unit for the immediate procurement of appropriate storage facilities, such as lockable filing cabinets and drawers, to ensure safe custody and proper organization of procurement records in compliance with Section 44 of the PPDA Act, Cap. 205.

2.1.6 Noncompliance with the required minimum bidding period

Regulation 56 (1) (e) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 stipulates a minimum bidding period of five working days for procurements conducted using the Request for Quotation method. However, in the following procurements worth UGX 227,825,072, the Authority noted that bidders were only allowed four working days from 12th March 2025 to 17th March 2025. Details are provided in Table 7 below:

Table 7: Procurements with inadequate bidding periods

No.	Subject of Procurement	Contract Amount (UGX)
1.	Construction of a Five-Stance Lined VIP Latrine	33,825,072
2.	Emptying of 5 stances line pit latrine at Mikombe, Pulaka P/S, Katyaime P/S, Kanyolo, St. Peter P/S	14,000,000
3.	Supply of school furniture – 1000, 3-Seater desks	180,000,000
Total		**227,825,072**

Implication

This denies bidders ample time to prepare responsive bids.

Management Response

Management acknowledges and takes the recommendation and will allow bidders appropriate minimum bidding period as required by law.

Recommendation

1. The Contracts Committee should prior to approval of bidding documents scrutinize the proposed procurement schedule to ascertain rationality and compliance with minimum statutory timelines in accordance with Regulation 10 (e) of the PPDA (PDEs) Regulations, 2023.
2. The Head, Procurement and Disposal Unit should allow bidders the appropriate minimum bidding periods as stipulated under Regulation 56 (1) (e) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.1.7 Limited competition in the Entity's procurement processes

Contrary to Section 49 of the PPDA Act, Cap. 205 which provides that all procurement and disposal shall be conducted in a manner to maximize competition and achieve value for money, the Authority noted that the Entity engaged in practices that inhibited competition and achievement of value for money in the Entity's procurement processes. Details are provided below:

i. Low bidder participation

The audit revealed that in nine procurements worth UGX 497,342,884, the Entity received an average of one bid in response to invitations to bid under the Request for Quotations procurement method, an indicator of lack of confidence by bidders in the Entity's procurement processes. The procurements with low bidder participation are indicated in Table 8 below:

Table 8: Indicating procurements with low bidder participation

S/No	Procurement	Amount (UGX)	Bids received
1.	Maintenance and repair of a classroom block at Nabuli P/S	33,972,141	1
2.	Maintenance and repair of a classroom block at Nanoko P/S	33,985,770	1
3.	Maintenance and repair of a classroom block at Kibuku P/S	33,960,990	1
4.	Construction of a Five-Stance Lined VIP Latrine at Nabulanghangha Primary School	33,825,072	1
5.	Emptying of seven 5 stance lined pit latrines	14,000,000	1
6.	Supply of school furniture – 1000, 3-Seater desks	180,000,000	1
7.	Construction of 5 stance pit latrine at Nambiri Primary School	33,736,731	1
8.	Repair and maintenance of a classroom block at Lyama	33,906,474	1
9.	Construction of a two-classroom block with office and store at Bugiri Primary School	99,955,706	1
Total/Average		**497,342,884**	**1**

Implication

The absence of competition may lead to procurement at non-competitive prices, exposing the Entity to the risk of paying higher prices than the prevailing market rates and consequently inhibiting achievement of value for money.

Management Response

Management takes note of the recommendations, and acknowledges the challenge with guarantying competition.

Recommendation

The Accounting Officer should conduct annual supplier engagement forums, update supplier databases, expand advertisement channels and periodically analyse causes of low participation to improve competition and value for money in line with Section 49 of the PPDA Act, Cap. 2025.

ii. Collusion during bidding

The Authority observed that for all procurements conducted using the Request for Quotations (RFQ) method, the Entity received only one bid, despite inviting all 26 prequalified bidders for each procurement. Notably, these procurements were of a similar nature, meaning that potential bidders could reasonably have participated in more than one procurement. The consistent receipt of a single bid across all the procurements raises concerns about possible bidder syndication and collusive practices among bidders, as well as potential involvement of the Entity's procurement personnel. This situation undermines the principles of competition, transparency, and value for money in the procurement process contrary to Section 59 of the PPDA Act, Cap. 205.

Implication

Collusion and persistent non-competitive procurement practices may damage the credibility of the Entity and erode public confidence in its ability to manage public resources prudently.

Management Response

Management takes note of the recommendations, and acknowledges the challenge with guarantying competition.

Recommendation

The Contracts Committee should scrutinize the proposed shortlist of bidders invited to bid to confirm that the shortlisted bidders are diverse and independent to minimize the risk of collusion, and that they possess the requisite capacity and competence to execute the procurement requirements in accordance with Regulations 20 (1) and 29 (6) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

iii. Lack of evidence of invitation of bidders

Regulation 51 (c) of of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 requires an Entity to invite shortlisted bidders to bid. However, in 14 procurements worth UGX 716,825,370, there was no evidence on file of the receipt of invitations to bid by the respective bidders. Details are provided in Table 9 below:

Table 9: Procurements for which bidders were not formally invited

No.	Subject of Procurement	Contract Amount (UGX)
1.	Supply of 1000no.3-seater desks Lot A under NWR	180,000,000
2.	Construction of a 2-classroom block with office and store at Bugiri P/S in Education Department under maintenance Grant	99,955,706
3.	Maintenance and repair of a classroom block at Buseta P/S in Education Department under Maintenance Grant	33,989,990
4.	Construction of a 2-classroom block at Goli-Goli P/S in Education Department under Maintenance Grant	91,905,923
5.	Siting, drilling, casting and installation of 1 production well in Lwatama S/C under DWSCG	39,875,055
6.	Construction of a 2 stance VIP lined pit latrine at Kibuku HC IV under PHC	19,938,111
7.	Construction of 5 stances lined pit latrine at Midiri P/S in Education Department under Maintenance Grant	33,774,397
8.	Maintenance and repair of a classroom block at Kibuku P/S in Education Department under Maintenance Grant	33,960,000
9.	Maintenance and repair of a classroom block at Lyama P/S in Education Department under Maintenance Grant	33,906,474
10.	Construction of 2 stances lined pit latrine at Nanoko P/S in Education Department under Maintenance Grant	33,985,770
11.	Construction of 2 stances lined pit latrine at Nabumali P/S in Education Department under Maintenance Grant	33,972,141
12.	Emptying of 5 stances line pit latrine at Mikombe, Pulaka P/S, Katyaime P/S, Kanyolo, St. Peter P/S	14,000,000
13.	Construction of 5 stances lined pit latrine at Nambiri P/S in Education Department under Maintenance Grant	33,736,731

No.	Subject of Procurement	Contract Amount (UGX)
14.	Construction of 5 stances lined pit latrine at Nabulanghangha P/S in Education Department under Maintenance Grant	33,825,072
Total		**716,825,370**

Implication

Without proof of receipt of invitation, the audit could not ascertain whether all shortlisted bidders had been invited, this may lead to low bidder participation.

Management Response

Management takes note of the recommendations, and acknowledges the challenge with guarantying competition. However, management requests the authority to fast track the implementation of the electronic Government Procurement (eGP) so that some of these anomalies are addressed.

Authority's comment

The Authority reviewed Management's response and found it inadequate. While the rollout of the electronic Government Procurement (e-GP) system may enhance transparency and competition in the long term, it does not absolve the Entity from complying with the existing legal and regulatory framework. The Authority therefore maintains that the Entity must institute measures to promote competition, ensure transparency, and achieve value for money in line with the PPDA Act and attendant Regulations.

Recommendation

The Accounting Officer should put in place controls aimed at ascertaining that all bidders shortlisted for a particular procurement are formally invited in accordance with Regulation 51 (c) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.1.8 Signing a contract above the estimated market price

Regulation 6 (1) (b) of the PPDA (Contracts) Regulations, 2023 prohibits an Accounting Officer from signing a contract whose value exceeds the market price determined at the initiation stage. However, the Authority noted that this provision was contravened when a contract for the construction of a two-classroom block with an office and store at Bugiri Primary School was signed at UGX 99,955,706, against an established market price of UGX 68,000,000. This resulted in a budget variance of UGX 31,955,706, representing 47% above the estimated cost.

Implication

This may lead to domestic arrears and failure to implement other planned procurements.

Management Response

This has been noted and going forward, management shall ensure that thorough market assessment and adequate estimation of requirements is conducted.

Recommendations

1. The Accounting Officer should desist from signing contracts above the market price in accordance with Regulation 6 (1) (b) of the PPDA (Contracts) Regulations, 2023.

2. The Contracts Committee should desist from making contract award decisions above the estimated market price, except where it is subject to negotiations in accordance with Regulation 3 (2) of the PPDA (Negotiation) Regulations, 2023.

2.1.9 Irregularities at bid evaluation

Contrary to Regulation 12 (5) of the PPDA (Evaluation) Regulations, 2023, which requires evaluation reports for the technical compliance evaluation method to be prepared using Form 14 of the Schedule, the Authority noted that in seven procurements worth UGX 487,329,906, the Entity did not use the prescribed format, as the evaluation assessment forms required under Form 14 were not attached to the evaluation reports. In addition, contrary to Regulation 4 (11) of the PPDA (Evaluation) Regulations, 2023, the Authority noted that in one procurement worth UGX 128,779,000, the evaluation report had not been signed by all members of the Evaluation Committee who participated in the evaluation. Furthermore, contrary to Section 39 (6) of the PPDA Act, Cap. 205, the Authority noted that in two procurements worth UGX 213,825,072, the Evaluation Committee members had not signed the required Code of Ethical Conduct. Details are provided in Table 10 below.

Table 10: Procurements for which irregularities at evaluation were noted

No.	Subject of the procurement	Contracts Value (UGX)	Observation
1.	Supply, delivery, installation and commissioning of assorted	128,779,000	Mr. Egwayu Stephen, Dr. Tumuhairwe Imeda, Mr. Kainan Hibbombo and Dr. Mulwani Erisa did not sign the evaluation report.
2.	Construction of a Five-Stance Lined VIP Latrine at Nabulanghangha Primary School	33,825,072	i) Incomplete evaluation report. The evaluation assessment forms were not attached to confirm adherence to contractual terms. ii) Absence of Signed Code of Ethical Conduct. There was no evidence that Evaluation Committee members signed the Code of Ethical Conduct,
3.	Emptying of seven 5 stance lined pit latrines	14,000,000	
4.	Supply of school furniture – 1000, 3-Seater desks	180,000,000	
5.	Construction of a two-classroom block at Goli Goli P/S	91,905,923	Incomplete evaluation report. The evaluation assessment forms were not attached to confirm adherence to contractual terms.
6.	Construction of a two-classroom block with office and store at Bugiri Primary School	99,955,706	
7.	Repair and maintenance of a classroom block at Lyama	33,906,474	
8.	Construction of 5 stance pit latrine at Nambiri ps	33,736,731	
Total		**616,108,906**	

Implications

- Failure to prepare evaluation reports using the prescribed format weakens the completeness and consistency of the evaluation record, making it difficult to demonstrate that bids were evaluated fairly, objectively, and in accordance with the prescribed criteria.
- The absence of signed Codes of Ethical Conduct weakens assurance that the evaluation process was conducted impartially and free from conflicts of interest.
- Failure by all Evaluation Committee members to sign the evaluation report undermines accountability and the credibility of the evaluation process, and may cast doubt on whether the evaluation findings were collectively agreed upon by the Committee.

Management Response

This has been noted, however the missing evaluation assessment forms and the signed code of ethical conduct of the evaluation committee members are available for verification.

Authority's comment

The Authority noted Management's response; however, the supporting documentation, including the evaluation assessment forms and signed Codes of Ethical Conduct for Evaluation Committee members, were not availed for verification.

Recommendations

1. The Contracts Committee should ascertain that all evaluation reports are prepared using the prescribed forms and that all required evaluation assessment forms are completed and attached to provide a complete and verifiable evaluation record in accordance with Regulation 12 (5) of the PPDA (Evaluation) Regulations, 2023.
2. The Head, Procurement and Disposal Unit should require all Evaluation Committee members to sign the Code of Ethical Conduct before participating in any bid evaluation to safeguard the integrity and impartiality of the evaluation process in accordance with Section 39 (6) of the PPDA Act, Cap. 205.
3. The Contracts Committee should not approve any evaluation report that has not been signed by all Evaluation Committee members who participated in the evaluation, unless the absence of a member's signature is supported by a written justification in accordance with Regulations 4 (14) and 4 (15) of the PPDA (Evaluation) Regulations, 2023.

2.1.10 Approval of poor-quality solicitation documents by the Contracts Committee

Regulation 10 of the PPDA (Procuring and Disposing Entities) Regulations, 2023 requires the Contracts Committee to scrutinize the bidding documents for quality before approval. This includes confirming that the statement of requirements is complete and fit for purpose, and that the Special Conditions of Contract are appropriate for the procurement. However, the Authority observed that the Committee approved solicitation documents containing unclear items in the Bills of Quantities and unsuitable contractual provisions in the Special Conditions of Contract in three procurements worth UGX 225,768,103. Details are provided in Table 11 below:

Table 11: Procurements where inadequate solicitation documents were prepared

S/No	Subject of Procurement	Contract amount (UGX)	Observation
1.	Renovation of a classroom block at Lyama	33,906,474	**Unclear requirements in the BOQs.** Requirement D under preliminaries required the contractor to "Allow for safe storage of materials and general site security". However, the requirement was

S/No	Subject of Procurement	Contract amount (UGX)	Observation
2.	Construction of a two-classroom block at Goli Goli	91,905,923	not specific on what this entailed thus creating ambiguity.
3.	Construction of a two-classroom block with office and store at Bugiri Primary School	99,955,706	• **Exorbitant performance security requirements.** Bidders were required to submit a performance security of 10%, which was beyond the required cap of 5% in accordance to Guideline No 3/2024 on Bid and Performance Securities. • **Unclear requirements in the BOQs.** Requirement D under preliminaries required the contractor to "Allow for safe storage of materials and general site security". However, the requirement was not specific on what this entailed thus creating ambiguity.
Total		**225,768,103**	

Implication

Inadequate solicitation documents mislead providers which results in to submission of non-responsive bids, cause challenges during evaluation and contract implementation, deter competition and may also lead to contracting of incompetent providers.

Management Response

This has been noted and going forward management is ensuring that the quality of the bidding documents is taken into consideration especially the BOQs before approvals are made.

Recommendation

The Accounting Officer should task the Contracts Committee to scrutinize the bidding documents for quality before approval in line with Regulation 10 of the PPDA (Procuring and Disposing Entities) Regulations, 2023.

2.2 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

2.2.1 Failure to dispose obsolete assets

Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023 requires the Accounting Officer, in each financial year, to undertake a review of the public assets of a Procuring and Disposing Entity and identify those to be disposed of in the subsequent Financial Year. Additionally, Regulation 3 (1) of the same Regulations, empowers the responsible User Department to initiate the process for disposal of the Assets identified in the Board of Survey Report. However, whereas, the Entity conducted a board of survey and drafted a disposal plan, no disposal process was initiated. Table 12 below details the Assets identified for disposal:

Table 12: Assets identified for disposal

No	Asset Registration Number	Entity with registration documents	Condition
1.	Double cabin pick-up JMC LG0003-052	Ministry of Works and Transport	Faulty
2.	Dump Truck FAW LG0003-052	Ministry of Works and Transport	Worn Out
3.	Motor Grader Changlin LG0001-052	Ministry of Works and Transport	Worn Out
4.	Motorcycle Jincheng LG0004-052	Ministry of Works and Transport	Obsolete
5.	Motorcycle Yamaha YBR LG0090-40	Pallisa DLG	Scrap
6.	Motorcycle Yamaha AG LG0121-40	Pallisa DLG	Scrap
7.	Motorcycle Yamaha Numberless (2No)	Pallisa DLG	Scrap
8.	Motorcycle Yamaha YBR LG0090-40	Pallisa DLG	Scrap
9.	Motorcycle DT UEC061Y	Pallisa DLG	Scrap
10.	Motorcycle Yamaha UG 4443M	Pallisa DLG	Scrap
11.	Motorcycle Yamaha UG 5172M	Pallisa DLG	Scrap

Implication

Failure to dispose of obsolete assets inhibits achievement of value for money as funds are held up in assets and also lost through depreciation of these assets.

Management Response

There was an effort by the entity to dispose off assets in the financial year 2023/2024 as evidenced by the submission of information on assets due for disposal to PPDA in reference to the letter dated 14th September 2023 and referenced PPDA/RGF/005 and the board of survey report for 2023/24, which are available for verification.

Authority's comment

The Authority acknowledges the Entity's response. However, focus should be directed at obtaining consent from the Ministry of works and Transport and Pallisa DLG to dispose of the Assets, since they own the Assets.

Recommendation

The Accounting Officer should seek authorization to dispose of the vehicles from the respective owning Agencies, such as the Ministry of Works and Transport and the Pallisa DLG. If authorization is not granted, the Entity should hand over the assets to the respective owning Agencies so that they handle their disposal in line with Regulation 5&6 of the PPDA (Disposal) Regulation, 2023.

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 No evidence that the Entity conducted due diligence on the performance security submitted by the contractor

Contrary to the circular from the Ministry of Finance Planning and Economic Development on conducting due diligence on the information submitted by bidders dated 7th August 2014. The Authority noted that in the procurement for rehabilitation of 13.6km of community access roads worth UGX 1,363,042,172, the Entity did not conduct due diligence on the performance security submitted by the contractor, Bresun Enterprises (U) Limited valued at UGX 136,304,217.

Implication:

Failure to conduct due diligence on the performance security exposes the Entity to the risk of accepting fraudulent, invalid, or unenforceable securities. In the event of contractor default or non-performance, the Entity may be unable to call on the security to recover losses, thereby weakening the Entity's financial protection and fallback position and potentially leading to loss of public funds.

Management Response

Management takes note of this anomaly and going forward the entity shall ensure due diligence is conducted on such projects as required.

Recommendation:

The Accounting Officer should require the Procurement and Disposal Unit, in collaboration with the Contract Management Teams, to verify the authenticity and validity of all performance securities submitted by contractors. This should include confirmation with the issuing financial institution to ascertain that the security is genuine, valid, and enforceable, in accordance with the PS/ST Circular Ref: FAD154/308/01 issued on 7th August 2014.

2.3.2 Delayed completion of works

Regulation 52 (3) (a) (vi) of the PPDA (Contracts) Regulations, 2023 requires a contract manager to ensure that all contractual obligations are completed before the expiry of the contract. However, the Authority observed delayed completion of works in the rehabilitation of 13.6km of community access roads in Kasasira Subcounty worth UGX 1,363,042,172. Although the contractual completion date was 19th October 2025, physical verification conducted on 25th November 2025 revealed that the works had not been completed and the contractor was not on site as evidenced in the pictures below, additionally, the Authority was not availed with progress reports to ascertain the level of progress.

Figure 2: Showing the physical progress as at 25th November 2025

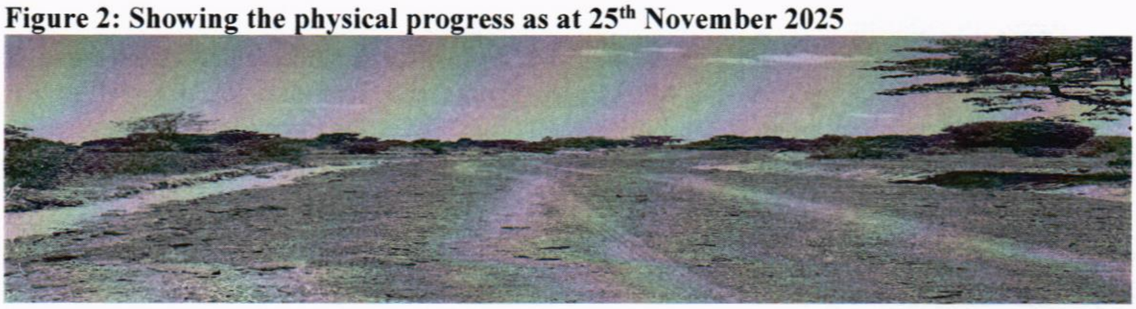


Figure 2 above shows the incomplete road rehabilitation works on the 13.6 km community access roads in Kasasira Subcounty as observed on 25th November 2025.

Current status

The Authority noted from the substantial completion certificate dated 28th February 2026, the project had been completed, however without format extension.

Implication

- Delayed contractual completion results into delayed service delivery and failure to attain value for money.
- Prolonged project completion results into commitment of more resources in terms of staff and time to projects that would have otherwise been completed.

Management Response

The contract was extended to a revised completion date of 28th February 2026 as justified by the heavy rains experienced over the original implementation period and the Contractor has indeed completed the works and arrangements are underway for final inspection and handing over.

Authority's comment

The Authority noted the Entity's response. However, there was no documentary evidence provided, such as evidence of contractual period extension and progress reports highlighting the challenges of heavy rains.

Recommendation

The Accounting Officer should ensure that where project implementation is affected by unforeseen circumstances, the Contract Manager promptly documents the challenges encountered through progress reports and other relevant contract management records, and where justified, initiates and processes the necessary contract amendments or extensions in accordance with Regulation 53 of the PPDA (Contracts) Regulations, 2023. Management should also strengthen supervision of ongoing works to ensure timely completion of projects and minimise delays in service delivery and additional contract management costs.

2.3.3 Failure to implement ESHS issues

Section 66 of the PPDA Act, Cap. 205 provides that a Procuring and disposing entity shall for each procurement take into account environmental protection, social inclusion and stimulating innovation. However, the Authority noted that the Entity did not clearly stipulate Environmental, Social, Health and Safety issues in the procurements indicated in Table 13 below:

Table 13: Procurements without ESHS Issues

No	Subject of Procurement	Contract Amount (UGX)	observation
1.	Construction of a two-classroom block with office and store at Bugiri Primary School	99,955,706	The ESHS requirements were not clearly defined. The specification indicated that environmental mitigation measures, including tree planting and management, would be undertaken under the guidance of the District Natural Resources Officer. However, key details such as the
2.	Construction of a two-classroom block with	99,955,706	

No	Subject of Procurement	Contract Amount (UGX)	observation
	office and store at Bugiri Primary School		number and species of trees to be planted were left unspecified and were to be determined at a later stage.
3.	Construction of a 2-classroom block at GoliGoli	91,905,923	
Total		**291,817,335**	

Implication

Failure to clearly define Environmental, Social, Health and Safety (ESHS) requirements in the solicitation documents may lead to inconsistent or inadequate implementation of ESHS measures by contractors, exposing the Entity to environmental degradation, health and safety risks.

Management Response

Environmental and social screening were conducted identifying the likely negative effects of the projects to the environment and the surrounding communities. This leads to development of Environment and Social Management Plans (ESMPs) in order to propose the Environmental and social mitigation measures to be implemented by the contractors. Finally, compliance monitoring and supervision of the implementation of the environment and social mitigation measures during and after project implementations were effectively conducted by the Natural resources officer, Environment officer, labour officer and the district community Development Officer. The respective departments have been doing and identifying the ESHS, however documentation has been poor but now we have improved.

Recommendation

The Head, Procurement and Disposal Unit should involve the District Environmental Officer, District Community Development Officer and the District Labor Officer during the preparation of the solicitation document to guarantee that the Environmental Social and Health Standards (ESHS) requirements are captured clearly in accordance with Section 66 of the PPDA Act, Cap. 205.

2.3.4 Physical verification of selected projects

Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023 requires a contract manager to make certain that the provider performs the contract in accordance with the terms and conditions specified in the contract.

The Authority noted during physical verification on 25th November 2025 that five procurements worth UGX 227,628,221 had anomalies for management attention including cracked floors, defective window frames, completed projects that had not been handed over and failure to implement environmental mitigation measures.

Current status

After the exit meeting, the Authority reviewed the Entity's snag list dated 30th March 2026 and the status report recommending payment of retention dated 28th May 2026, which indicated that all the identified defects had been rectified except for the defective window frames on the two-classroom block constructed at GoliGoli Primary School. The Entity attributed this outstanding defect to designs that were not fit for purpose. Details are provided in Table 14 below:

Table 14: Findings at physical verification

Subject of Procurement	Issues Noted at Physical Verification
Subject: Construction of a 2-classroom block at GoliGoli **Procurement method**: RFQ **Contractor**: Kibalama General Consult Ltd **Contract value:** UGX91,905,923 **Intended completion:** 30th April 2025	The window frames were deformed and weak and as such could not lock properly

Pictured above is the 2-classroom block at GoliGoli Primary School as observed on 25th November 2025. A follow-up with the District Engineer on 2nd July 2026 confirmed that the identified defect had not been rectified.

Implication
This leads to projects that fail to meet user requirements, leading to additional remedial costs and reduced value for money.

Management Response
Management takes note of the advice and shall ensure that defects are made good before retentions are redeemed. We have planned to conduct joint monitoring of all 2024/2025 construction projects, identify defects, and communicate with contractors to correct them before we can pay retention.

Authority's comment
The Authority noted from the status report dated 28th May 2026 recommending payment of retention that the defects were corrected except for the defective window frames.

Recommendation
The Accounting Officer should task the Heads of User Departments, in collaboration with the District Engineer, to ensure that all procurement requirements are supported by fit-for-purpose specifications and designs before initiation of procurement. The Accounting Officer should further ensure that the District Engineer closely monitors contract implementation and promptly identifies and addresses any deficiencies during execution to ensure that works are completed in accordance with the approved specifications, quality standards, and contractual

requirements in accordance with Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023.

2.3.5 Failure to deliver services

In contravention of Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023, which mandates the contract manager to ensure that the provider fulfills all performance and delivery obligations, it was observed that in the procurement for siting, drilling, casting, and installation of a production well in Lwatama Sub County worth UGX 39,875,085, the contractor, Icon Projects Limited, did not deliver a functional well.

Whereas the Bills of Quantities (BOQs) provided for a siting component intended to identify a viable drilling location before commencement of drilling, the bidding document did not prescribe commensurate technical requirements for assessing bidders' capacity to undertake this critical activity. Consequently, the contractor, Icon Projects Limited, failed to obtain a productive well despite multiple drilling attempts.

Implication

This denied the community in Lwatama subcounty access to clean water.

Authority's comment

The procurement action file for this procurement was not availed to the Authority during the audit and was only submitted after the exit meeting. Consequently, Management did not have the opportunity to provide a response to this finding.

A review of the subsequently submitted procurement records confirmed that, whereas the Bills of Quantities (BOQs) included a siting component intended to identify a viable drilling location before drilling commenced, the bidding document did not prescribe commensurate technical requirements for assessing bidders' capacity to undertake this critical activity. Consequently, the evaluation process could not adequately assess the technical competence of bidders to undertake hydrogeological investigations, which may have contributed to the unsuccessful drilling outcome and the failure to deliver a functional production well.

Recommendation

The Head, Procurement and Disposal Unit, in collaboration with the Water Engineer, should strengthen future evaluation criteria, particularly for the siting component by requiring bidders to demonstrate possession and availability of a qualified hydrogeological expert to verify the siting process prior to drilling, thereby improving the likelihood of successful outcomes and ensuring value for money.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

3.1 Overall Audit Conclusion

The performance of Kibuku District Local Government for the Financial Year 2024/2025 was **Moderately satisfactory** with overall weighted average risk rating of **68%.**

3.2 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 15 below:

Table 15: Summary of performance of Kibuku District Local Government

Risk Category	Number of Sampled Procurements	% No	Value (UGX)	% Value	Weights	Total weighted average	
						By No.	By Value
High	8	38.1	2,272,662,063	76.2	0.6	22.9	45.7
Medium	5	23.8	211,673,022	7.1	0.3	7.1	2.1
Low	6	28.6	284,160,380	9.5	0.1	2.9	1.0
Satisfactory	2	9.5	215,531,000	7.2	0.0	0.0	0.0
Total	**21**	**100.0**	**2,984,026,465**	**100.0**	**1.0**	**32.9**	**48.8**

Weighted Average (By no.) = $\frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{32.9}{60} \times 100 = 55\%$

Weighted Average (By Value) = $\frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{48.8}{60} \times 100 = 81\%$

The average weighted risk rating = $\frac{55+81}{2}$ = **68%**

Since 68% falls within the 31% - 70% risk range, the performance of the Entity is rated **Moderately Satisfactory** as detailed in Table 16 below:

Table 16: The risk rating is as follows

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

Figure 3: Showing performance by number of contracts

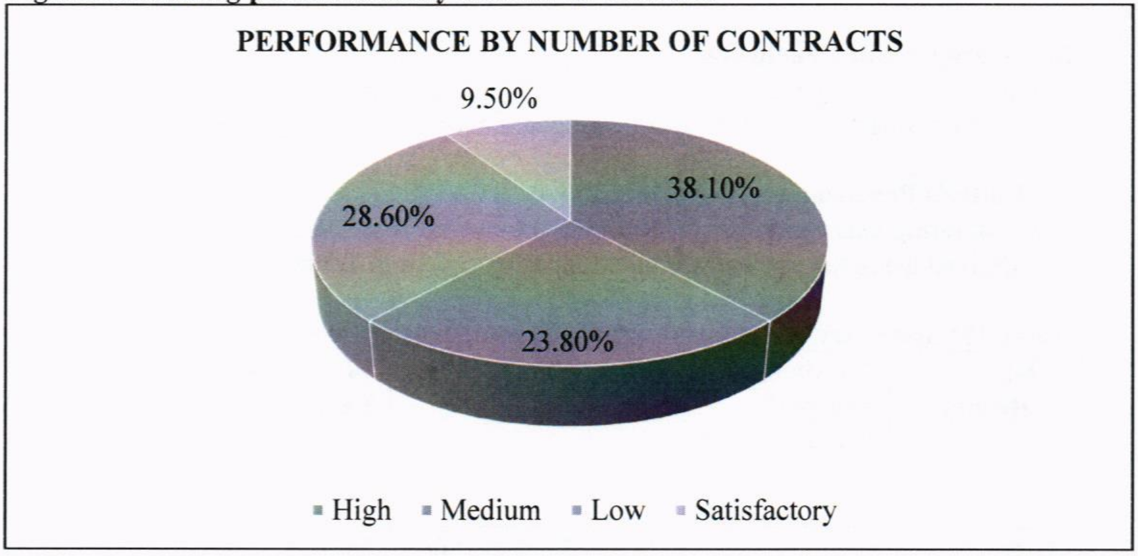
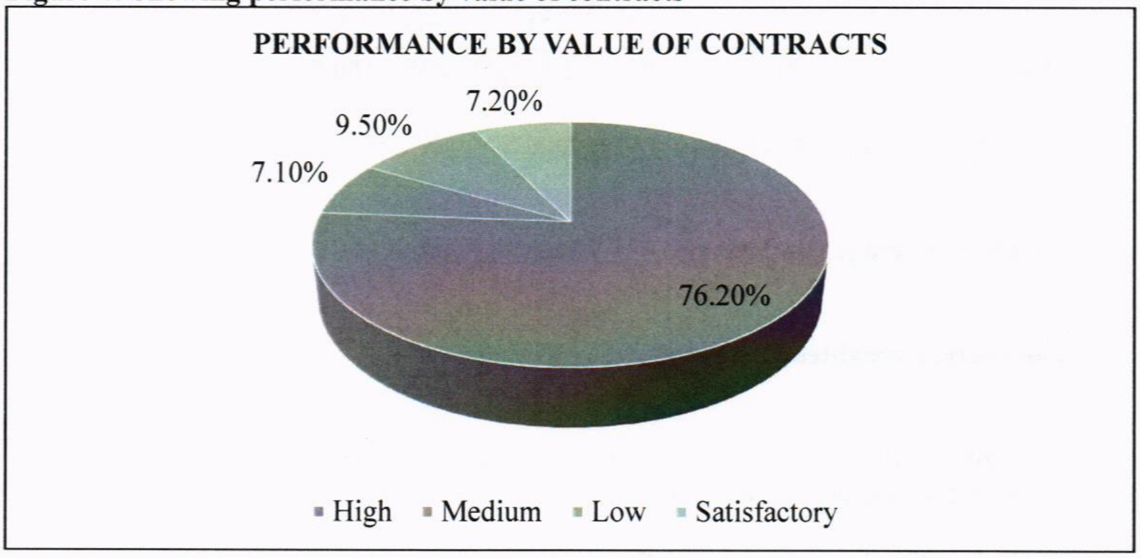


Figure 4: Showing performance by value of contracts



3.3 Audit Opinion/Conclusion

The Authority noted significant weaknesses in the Entity's procurement and disposal system and processes, including poor records management characterized by the absence of bidding documents and contract management records, irregularities in bid evaluation and contract award, approval of inadequate solicitation documents, non-compliance with prescribed procurement procedures, defects in completed projects among others.

These findings indicate weaknesses in governance arrangements, oversight mechanisms, internal controls, and the capacity of procurement structures to effectively discharge their responsibilities. Consequently, the Entity is exposed to heightened risks of non-compliance with the PPDA legal framework, financial loss, procurement inefficiencies, poor contract performance, diminished value for money, and failure to achieve planned service delivery outcomes.

The performance of Kibuku District Local Government for Financial Year 2024/2025 is therefore assessed as **Moderately Satisfactory,** with an overall weighted average risk rating of **68%.** There is need for immediate management action to strengthen records management, enhance oversight and compliance with procurement and disposal requirements, improve the quality of procurement processes and enforce accountability among procurement actors.

3.4 Recommended Action Plan

Kibuku District Local Government should implement the following recommendations in Table 17 within the timeframe given in order to improve its performance in Procurement and Disposal.

Table 17: Recommended Action plan

Finding	Action/Recommendation	Responsible Officer	Timeline
Failure to maintain complete procurement and contract management records	Require the Head, PDU and Contract Managers responsible for incomplete records to explain the omissions and strengthen record management to ensure complete procurement and contract management files are maintained.	Accounting Officer / Head, PDU / Contract Managers	Within 30 days
Failure to prepare and approve shortlists under Restricted and RFQ methods	Ensure that procurement shortlists are prepared, justified and approved by the Contracts Committee before issuance of bidding documents. Procurement submissions without approved shortlists should not be considered.	Head, PDU / Contracts Committee	Ongoing
Inadequate storage of procurement records	Allocate funds and procure lockable filing cabinets and other storage facilities to ensure secure custody and proper organisation of procurement records.	Accounting Officer / District Planner / Vote Controller (Administration)	Within 90 days
Award of contracts above market prices	Strengthen market price assessments and refrain from awarding or signing contracts above prevailing market prices except where permitted through negotiations.	Accounting Officer / Contracts Committee / Head, PDU	Ongoing
Failure to dispose of obsolete assets	Obtain authorisation from the respective owning agencies to dispose of identified assets or hand them over to the owning agencies for disposal.	Accounting Officer / Head, PDU	Within 60 days
Weak contract management and supervision	Strengthen monitoring of contract implementation, promptly address performance issues and enforce contractual obligations. Provide a status update to the Authority on corrective actions taken.	Contract Managers / Accounting Officer	Within 2 months and ongoing thereafter

ANNEXES

ANNEX 1: Risk Rating Per Case

No	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
1.	**Subject**: Rehabiliatation of 13.6km of community access roads **Procurement method**: Open domestic bidding **Contractor**: Bresun Enterprises Ltd **Contract value:** UGX 1,363,042,172	1. Whereas, the contract expired on 19th October 2025, the following documentation were not availed: a. Evaluation report b. Payment records c. Payment certificates d. Material testing provided for at least UGX 2,000,000 was not done. 2. **Delayed completion of works.** Although the contractual completion date was 19th October 2025, physical verification conducted on 17th September 2025 revealed that the works had not been completed. 3. No evidence that the Entity conducted due diligence on the performance security submitted by the contractor
2.		
3.	**Subject of procurement:** Supply of school furniture – 1000, 3-Seater desks **Procurement ref no**: KIBU862/SUPLS/24/25/00010 **Procurment method**: RFQ **Contract signature**: June 18, 2025 **Contract Sum**: UGX 180,000,000 **Contractor:** Kimasa Terminal Consults Ltd Contract Commencement Date: After contract signing **Completion date**: June 10, 2025 **Defects liability period:** 180 Days	• **Low Bidder Participation** The procurement process exhibited low bidder participation as only one bidder was invited and subsequently responded. • There was no evidence that the Contracts Committee approved the shortlist of bidders. • **Non-Compliance with the Minimum Bidding Period.** The minimum bidding period of five (5) working days was not adhered. • **Incomplete evaluation report.** The evaluation assessment forms were not attached to confirm adherence to contractual terms. • **Absence of Signed Code of Ethical Conduct** There was no evidence that Evaluation Committee members signed the Code of Ethical Conduct, contrary to Section 39(6) of the PPDA Act, Cap. 205.
4.	**Reference:** KIBU/862/WRKS/24-25/00001 **Subject:** Siting, drilling, casting and installation of 1 production well in Lwatama S/C under DWSCG **Method:** Request for quotation Contractor: Contractor: Icon projects Ltd **Contract Amount:** 39,875,055	**Failure to deliver services.** The contractor, Icon Projects Limited, did not deliver a functional well. According to the Water Engineer's report dated 7th June 2025, although the Bills of Quantities (BOQs) included a siting component intended to identify a viable drilling location, the contractor failed to obtain a productive well despite multiple attempts. This raises concerns

No	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
		regarding the effectiveness and reliability of the siting process, which is intended to mitigate such risks.
5.	KIBU/862/WRKS/24-25/000023 **Subject:** Maintenance and repair of a classroom block at Buseta P/S in Education Department under Maintenance Grant **Method:** Request for quotation **Contract Amount:** 33,989,990	• Failure by the PDU to make submissions of shortlisted bidders to the Contracts Committee • Low bidder participation, only one bid received • No evidence of invitation of bidders **Physical verification** The newly repaired floor had already disintegrated with the floor peeling off an indicator of poor workmanship
6.	**Reference:** KIBU/862/WRKS/24-25/Lot 2 **Subject:** Design, supply and installation of UGIFT Micro scale irrigation systems Lot 1 (9 Farmers) **Method:** Restricted bidding Sesom(U) **Ltd** **Contract Amount:** 199,722,000	• Requisition form • Record of issue, receipt and opening of bids • Evaluation report
7.	**Reference:** KIBU/862/WRKS/24-25/Lot 2 **Subject:** Design, supply and installation of UGIFT Micro scale irrigation systems Lot 2 (13 Farmers) **Method:** Restricted bidding **Contractor:** Yistam Investments Limited **Contract Amount:** 272,221,000	• Requisition form • Record of issue, receipt and opening of bids Evaluation report
8.	**Subject**: Construction of a 2-classroomblock at GoliGoli Primary School **Procurement method**: RFQ **Contractor**: Kibalama General Consult Ltd **Contract signature date:** 30th April 2025 Start date: 30th/04/2025 **Contract value:** UGX91905,923 **Intended completion:** 30th/04/2025	**Bidding document** • Unclear requirements in the BOQs, requirement D under preliminaries required the contractor to "Allow for safe storage of materials and general site security". However, the requirement was not specific on what this entailed thus creating ambiguity. • Unclear ESHS issues, the requirement stated that "Allow for environmental mitigation measures (tree planting and management) to be guided by the district natural resource officer. However, the details such as the number of trees, type of trees were to be determined at a later date. **Bidding** • Low bidder participation. Only one bid was received i.e. Kibalama General Consult Limited **Evaluation**

No	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
		• Incomplete evaluation report. The evaluation assessment forms were not attached. • No evidence of bid invitation • No solicitation documents • No bids on file • No requisition form on file

No	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
1.	**Subject**: Supply, delivery, installation and commissioning of assorted **Reference number:** MOH/SUPLS/24-25/00023- LOT 9 **Procurement method**: Open National bidding **Contractor**: Circular Supply Ltd **Contract signature date:** 5th March 2025 **Contract value:** UGX 128,779,000	**Evaluation** • There was delayed evaluation. The planned evaluation according to activity schedule was 15/11/2024 while evaluation was conducted on 22/11/2024. • Mr. Egwayu Stephen, Dr. Tumuhairwe Imeda, Mr. Kainan Hibbombo and Dr. Mulwani Erisa did not sign the evaluation report. **Missing records** • Payment documents. • Delivery note yet intended delivery was on 30/04/2025.
2.	**Subject**: Repair and maintenance of a classroom block at Lyama **Reference number:** KIBU/862/Wrks/24-25/00002 **Procurement method**: RFQ **Contractor**: District Engineer **Contract signature date:** 29th April 2025 Start date: 30th/04/2025 **Contract value:** UGX 34,000,000 **Intended completion:** 30th/04/2025	**Bidding Document** • Unclear requirements in the BOQs, requirement D under preliminaries required the contractor to "Allow for safe storage of materials and general site security". However, the requirement was not specific on what this entailed thus creating ambiguity. **Bidding** • There was no evidence of invitation of bidders. • Low bidder participation. Only one bid was received i.e., Kuusa General construction Limited **Evaluation** • Incomplete evaluation report. The evaluation assessment forms were not attached **Contracting** Partial payment, only UGX 14,942,375, was paid out of a total of UGX 33,906,474, yet the payment certificate dated 19 June 2025
3.	**Subject**: Maintenance and repair of a classroom block at Nanoko P/S **Reference number:** KIBU/862/24-25/00020 **Procurement method**: RFQ	**Bidding** Low bidder participation. Only one firm returned their bid. • Lack of evidence of invitation of bidders

No	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
	Contractor: Ezlon (U) Ltd **Start date:** 30th/04/2025 **Contract signature date:** 29th April 2025 **Contract value:** UGX 33,985,770 **Intended completion:** 30th/06/2025	**Physical verification** • There were no environmental mitigation measures • There was no lightening arrestor installed on the facility • No evidence of CC approval of shortlisted bidders
4.	**Subject**: Maintenance and repair of a classroom block at Bueseta P/S **Reference number:** KIBU/862/24-25/00018 **Procurement method**: RFQ **Contractor**: Kuusa General Construction Ltd, **Contract signature date:** 29th April 2025 Start date: 30th/04/2025 **Contract value:** UGX 33,989,487 **Intended completion:** 30th/06/2025	**Bidding** • Low bidder participation. Only one firm returned their bid. • The newly repaired floor had already disintegrated with the floor peeling off an indicator of poor workmanship
5.	**Subject**: Construction of a 2-classroom block with office and store at Bugiri P/S **Reference number:** KIBU/862/Wrks/24-25/00002 **Procurement method**: RFQ **Contractor**: Kaderema Investments Ltd, **Contract value:** UGX 99,955,706	**Bidding document** • Exorbitant performance security requirements, bidders were required to submit a performance security of 10% which was beyond the required cap of 5% accordance to Guideline No 3/2024 on Bid and Performance Securities. • Unclear requirements in the BOQs, requirement D under preliminaries required the contractor to "Allow for safe storage of materials and general site security". However, the requirement was not specific on what this entailed thus creating ambiguity. • Unclear ESHS issues, the requirement stated that "Allow for environmental mitigation measures (tree planting and management) to be guided by the district natural resource officer. However, the details such as the number of trees, type of trees were to be determined at a later date. **Bidding** • There was no evidence of invitation of bidders • Low bidder participation. Only one bid was received i.e. Kaderema Investments (U) SMC Limited. **Evaluation** • Incomplete evaluation report. The evaluation assessment forms were not attached

No	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
6.	**Subject**: Construction of a Five-Stance Lined VIP Latrine at Nabulanghangha Primary School **Procurement ref no:** KIBU862/WRKS/24/25/00026 **Procurement method**: RFQ **Contract Sum**: UGX 33,825,072 **Contractor:** Kibaluma General Consults Ltd **Completion date**: June 10, 2025	2. **Low Bidder Participation.** as only one bidder was invited and subsequently responded. 3. **Failure by CC to Approve the Shortlist of Bidders** 4. **Non-Compliance with the Minimum Bidding Period** The minimum bidding period of five (5) working days was not adhered to, contrary to Section 56(1)(e) of the PPDA (Rules and Methods) Regulations, 2023. ✓ Bids were issued on 12 March 2025 ✓ Bid opening was conducted on 17 March 2025 This interval represents only two (2) working days. 5. Lack of Evidence of Mandatory Evaluation Stages There was no evidence of the conduct of the preliminary examination, detailed technical evaluation, or financial comparison, contrary to Section 15(a), (b), and (c) of the PPDA (Evaluation) Regulations, 2023. 6. Absence of Signed Code of Ethical Conduct There was no evidence that Evaluation Committee members signed the Code of Ethical Conduct, contrary to Section 39(6) of the PPDA Act, Cap. 205.

No	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
7.	**Subject of procurement** Emptying of seven 5 stance lined pit latrines **Procurement ref no:** KIBU862/NCONS/24/25/00001 **Procurement method**: Micro **Contract Sum**: UGX 14,000,000 **Contractor:** Leo Holdings Ltd **Contract Commencement Date:** February 26, 2025 Defects liability period: 6 months	**1.** Low Bidder Participation The procurement process exhibited low bidder participation as only one bidder was invited and subsequently responded. This undermines the principles of competition, fairness, and value for money. **2. Failure by CC to Approve the Shortlist of Bidders** The Contracts Committee failed to approve the shortlist of bidders, contrary to Section 53(5) of the PPDA (Rules and Methods) Regulations, 2023. **3. Non-Compliance with the Minimum Bidding Period** The minimum bidding period of five (5) working days was not adhered to, contrary to Section 56(1)(e) of the PPDA (Rules and Methods) Regulations, 2023. a. Bids were issued on 12 March 2025 b. Bid opening was conducted on 17 March 2025 This interval represents only two (2) working days. **4.** Absence of Signed Code of Ethical Conduct There was no evidence that Evaluation Committee members signed the Code of Ethical Conduct, contrary to Section 39(6) of the PPDA Act, Cap. 205.

	LOW RISK CONTRACTS	REASONS FOR LOW RISKS
1.	**Subject**: Maintenance and repair of a classroom block at KibukuP/S **Reference number:** KIBU/862/24-25/00021 **Procurement method**: RFQ **Contractor**: Sumuku Enterprises Ltd **Start date:** 30th/04/2025 **Contract signature date:** 30th/04/2025 **Contract value:** UGX 33,960,990 **Intended completion:** 30th/06/2025	**Bidding** Low bidder participation. Only one firm returned the No evidence of invitation of bidders
2.	**Reference:** MOH/SUPLS/24-25/00023 **Subject:** Supply, delivery, installation training and commissioning assorted medical equipment Lot9 **National competitive bidding**	Failure to sign the evaluation report by Mr. egwayu Stephen

	Contractor: Circular supply (U)Ltd **Contract Amount:** 128,779,000	
3.	**Subject**: Construction of 5 stance pit latrine at Nambiri P/S **Procurement method**: FFQ **Contractor**: District Engineer **Contract value:** UGX33,736,731 **Intended completion:** 30^{th}/04/2025	**Bidding document** • Unclear ESHS issues, the requirement stated that "Allow for environmental mitigation measures (tree planting and management) to be guided by the district natural resource officer. However, the details such as the number of trees, type of trees were to be determined at a later date. **Bidding** • Low bidder participation. Only one bid was received i.e., Ezlona Uganda Limited. • Incomplete evaluation report. The evaluation assessment forms were not attached
4.	**KIBU/862/WRKS/24-25/00002** **Subject:** Construction of a 2 stance VIP lined pit latrine at Kibuku HC IV under PHC **Method:** Request for quotation Contractor: **Masorika General Consults** **Contract Amount: 19,938,111**	• Low bidder participation • No evidence of invitation of bidders
5.	**Subject:** Construction of a 5 stances lined pit latrine at Midiri P/S **Reference number:** KIBU/862/24-25/00024 **Procurement method:** RFQ **Contractor:** Kibugwe General Contractors and Suppliers Ltd **Contract signature date:** 29th April 2025 **Defects liability period:** 6 months **Contract value: UGX** 33,774,397 **Intended completion date:** 30th June 2025	**Bidding** • Low bidder participation. Only one firm returned their bid. • Failure by the PDU to make submissions of shortlisted bidders to the Contracts Committee
6.	**Subject**: Maintenance and repair of a classroom block at Nabuli P/S **Reference number:** KIBU/862/24-25/00018 **Procurement method**: RFQ **Contractor**: Zulfax General Construction Ltd, **Contract signature date:** 29^{th} April 2025 Start date: 30^{th}/04/2025 **Contract value:** UGX 33,972,141 **Intended completion:** 30^{th}/06/2025	**Bidding** • Low bidder participation. Only one firm returned their bid. • Expansion racks were noted on the floor at the newly repaired block at Nabuli Primary School

No	SATISFACTORY CONTRACTS	REASONS FOR SATISFACTORY
1.	**Reference:** KIBU/862/SUPLS/24-25/00008 **Subject:** Supply and delivery of ICT equipment's for Kirika Seed Secondary School under UGIFT **Method:** Open domestic bidding **Contractor:** Sesom (U) Ltd **Contract Amount:** 159,585,000	**No exceptions noted**
2.	**Reference:** KIBU/862/SUPLS/24-25/00007 **Subject:** Supply and delivery of science equipment and chemical reagents for Kirika Seed Secondary school under UGIFT **Method:** Open domestic bidding Contractor: **Batala General Suppliers Ltd** **Contract Amount:** 55,946,000	**No exceptions noted**

ANNEX 2: Transaction List and Rating Per Case

KIBUKU DISTRICT LOCAL GOVERNMENT SAMPLE LIST FOR FINANCIAL YEAR 2024/2025

No.	Reference Number	Subject of Procurement	Method of Procurement	Provider	Contract Amount (UGX)	Risk Rating
1.	KIBU/862/SUPLS/24-25/00010	Supply of 1000no.3-seater desks Lot A under NWR	Request for quotation	Kimasa Terminal Consultants Ltd	180,000,000	High
2.	KIBU/862/SUPLS/24-25/00011	Construction of a 2-classroom block at GoliGoli	Request for quotation	Kibalama General Consult Ltd	91,905,923	High
3.	KIBU/862/SUPLS/24-25/00008	Supply and delivery of ICT equipment for Kirika Seed Secondary School under UGIFT	Open domestic bidding	Sesom (U) Ltd	159,585,000	Satisfactory
4.	KIBU/862/SUPLS/24-25/00007	Supply and delivery of science equipment and chemical reagents for Kirika Seed Secondary School under UGIFT	Open domestic bidding	Batala General Suppliers Ltd	55,946,000	Satisfactory
5.	KIBU/862/WRKS/24-25/000022	Construction of a 2-classroom block with office and store at Bugiri P/S in the Education Department under the maintenance Grant	Request for quotation	Kaderema Investments Ltd	99,955,706	Medium
6.	KIBU/862/WRKS/24-25/000023	Maintenance and repair of a classroom block at Buseta P/S in the Education Department under the Maintenance Grant	Request for quotation	Kuusa General Construction Ltd	33,989,990	High
7.	KIBU/862/WRKS/24-25/Lot 2	Design, supply and installation of UGIFT Micro scale irrigation systems Lot 2 (9 Farmers)	Restricted bidding	Sesom(U) Ltd	199,722,000	High
8.	KIBU/862/WRKS/24-5/Lot 1	Design, supply and installation of UGIFT Micro scale irrigation systems Lot 2 (13 Farmers)	Restricted bidding	Yistam Enterprises Ltd	272,221,000	High

No.	Reference Number	Subject of Procurement	Method of Procurement	Provider	Contract Amount (UGX)	Risk Rating
9.	KIBU/862/WRKS/24-5/000027	Construction of a 2-classroom block at Goli-Goli P/S in the Education Department under the Maintenance Grant	Request for quotation	Kibaluma General Consults Ltd	91,905,923	High
10.	KIBU/862/WRKS/24-25/00001	Siting, drilling, casting and installation of 1 production well in Lwatama S/C under DWSCG	Request for quotation	Icon Projects Ltd	39,875,055	High Risk
11.	KIBU/862/WRKS/24-25/00002	Construction of a 2 stance VIP lined pit latrine at Kibuku HC IV under PHC	Request for quotation	Masorika General Consults	19,938,111	Low
12.	MOH/SUPLS/24-25/00023	Supply, delivery, installation, training and commissioning of assorted medical equipment Lot9	National competitive bidding	Circular Supply (U)Ltd	128,779,000	Low
13.	MOLG-NOSP/KIBUKU/WRKS/2023-2024/00032-Lot A31	Rehabilitation of 13.6KM of community access roads, Kasasaira sub-county, Kibuku District, Batch A	Open domestic bidding	Brusen Enterprises(U) Ltd	1,363,042,172	High
14.	KIBU/862/WRKS/24-25/00024	Construction of a 5-stance lined pit latrine at Midiri P/S in the Education Department under the Maintenance Grant	Request for quotation	Kibugwe Contractors and Suppliers Ltd	33,774,397	Low
15.	KIBU/862/WRKS/24-25/00021	Maintenance and repair of a classroom block at Kibuku P/S in the Education Department under the Maintenance Grant	Request for quotation	Sumuka Enterprises Ltd	33,960,000	Low
16.	KIBU/862/WRKS/24-25/00019	Maintenance and repair of a classroom block at Lyama P/S in the Education Department under the Maintenance Grant	Request for quotation	Kuusa General construction Ltd	33,906,474	Medium
17.	KIBU/862/WRKS/24-25/00020	Construction of 2 stances lined pit latrine at Nanoko P/S in the Education Department under Maintenance Grant	Request for quotation	Ezlon (U) Ltd	33,985,770	Medium

No.	Reference Number	Subject of Procurement	Method of Procurement	Provider	Contract Amount (UGX)	Risk Rating
18.	KIBU/862/SERVC/24-25/00002	Emptying of 5 stances line pit latrine at Mikombe, Pulaka P/S, Katyaime P/S, Kanyolo, St. Peter P/S	Request for quotation	Ezlon(U)Ltd	10,000,000	Medium
19.	KIBU/862/WRKS/24-25/00025	Construction of 5 stances lined pit latrine at Nambiri P/S in Education Department under Maintenance Grant	Request for quotation	Ezlon(U)Ltd	33,736,731	Low
20.	KIBU/862/WRKS/24-25/00026	Construction of 5 stances lined pit latrine at Nabulanghangha P/S in Education Department under Maintenance Grant	Request for quotation	Kibaluma General Consults Ltd	33,825,072	Medium
21.	KIBU/862/24-25/00018	Maintenance and repair of a classroom block at Nabuli P/S	Request for quotation	Zulfax General Construction Ltd	33,972,141	Low
					2,984,026,465	

ANNEX 3: Risk Rating Criteria

RISK	DESCRIPTION	AREA	IMPLICATION
HIGH	Such procurements were considered to have serious weaknesses, which could cause material financial loss or carry risk for 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 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 use of less competitive methods which affects transparency, accountability and value for money.
		Evaluation: Use of inappropriate evaluation methodologies or failure to conduct evaluation.	This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend award to a responsive bidder.
		Record Keeping: Missing procurement files and missing key records on the files namely; solicitation document, submitted bids, evaluation report and contract.	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 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
MEDIUM	Procurements that were considered to have weaknesses which, 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	**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	This implies lack of efficiency, standardisation and avoiding competition.

RISK	DESCRIPTION	AREA	IMPLICATION
	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.	PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms and splitting procurement requirements.	
		Procurement Structures: Lack of procurement structures	This implies 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 amendment 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 aspects of gender, social inclusion, environment, health and safety. Aspects of gender, social inclusion, environment, health and safety not covered by the contractor during contract implementation.	
LOW	Procurements with weaknesses where resolution within the normal management	**Planning:** Lack of procurement reference numbers.	This leads to failure to track the procurements which leads to poor record keeping.

RISK	DESCRIPTION	AREA	IMPLICATION
	framework is considered desirable to improve efficiency or to ensure that the business matches current market best practice. 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.	**Bidding Process:** Not signing the Ethical Code of Conduct	This leads to failure to declare conflict of interest and 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.