PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY

"Regulating for Results"

COMPLIANCE INSPECTION REPORT OF FORT PORTAL COLLEGE OF HEALTH SCIENCES FOR FINANCIAL YEAR 2024/2025

JULY 2026

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ACRONYMS

ESHS	Environmental, Social, Health and Safety
Ltd	Limited
PPDA	Public Procurement and Disposal of Public Assets Authority
PPDA Act, Cap. 205	Public Procurement and Disposal of Public Assets Act Chapter, 205
UGX	Uganda Shillings
VAT	Value Added Tax

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority carried out a Compliance Inspection on the procurement and disposal activities of Fort Portal College of Health Sciences. The inspection covered a representative sample of ten procurement transactions worth UGX 1,005,950,000 during the Financial Year 2024/2025.

The overall objective of the compliance inspection was to assess and establish the degree of compliance of the Entity's procurement and disposal system and processes with the provisions of the PPDA Act, Cap. 205 and attendant Regulations. It also aimed to assess the level of procurement performance over the inspection period.

Several weaknesses were found during the inspection, including poor management of procurement records, non-functional user departments, and usurping the powers of the Procurement and Disposal Unit. Additionally, there was an absence of the internal audit function, failure to submit the Procurement Plan, and non-compliance with reservation schemes for special interest groups. Other issues included non-implementation of 21% of the Procurement Plan, failure to prepare and submit monthly reports, initiation of transactions without necessary forms and specifications, neglecting formal bidding procedures, low-bidder participation, lack of asset review and disposal planning, and failure to appoint contract managers.

Although these integrated weaknesses did not compromise the procurement system's baseline integrity, they expose profound deficiencies in strategic planning, market competition, contract monitoring, and documentation. Left unmitigated, these operational gaps will directly impede public service delivery, cause institutional asset waste, and stall inclusive government policy objectives.

Consequently, the overall performance of Fort Portal College of Health Sciences for FY 2024/2025 was rated as **moderately satisfactory** with a weighted average risk rating of **50.9%** as detailed in Chapter 3 of this report. This risk standing underscores an immediate necessity for targeted management interventions to restore budget discipline, build contract management capacity, and enforce uncompromised adherence to statutory requirements.

The following key exceptions were noted during the inspection:

1. Section 33(o) of the PPDA Act, Cap. 205 requires the Procurement and Disposal Unit to maintain and archive all records of the procurement and disposal process. The Procurement and Disposal Unit failed to maintain necessary procurement records such as requisition forms, solicitation documents, bid opening forms, evaluation reports and contract documents for six transactions worth UGX 170,836,250. This omission made it impossible to independently verify if public funds were utilized in a transparent, fair, and competitive manner;
2. Contrary to Section 37 of the PPDA Act, Cap. 205, which requires User Departments to initiate procurement processes, recommend requirements, conduct assessments, issue change orders, and certify invoices for payments to providers, User Departments at the College were non-functional. They did not initiate procurement requirements or participate in any procurement processes, leading to delays, poorly specified requirements, and ultimately disrupting operations;

3. Section 60 of the PPDA Act, CAP. 205 requires Procuring and Disposing Entities to plan their procurement rationally and update their schedules regularly. Contrary to this requirement, the entity failed to implement UGX 264,927,000 (21%) of its approved UGX 1,270,877,000 procurement plan for the 2024/2025 financial year. Failure to implement planned procurements indicates poor planning and denies critical service delivery to the intended beneficiaries.

4. Regulation 27 of the PPDA (Procuring and Disposing Entities) Regulations, 2023 mandates that the Internal Audit Department of a Procuring and Disposing Entity audits procurement and disposal procedures to evaluate their compliance with the PPDA Act, Cap. 205 and attendant regulations. The College operated without an Internal Auditor. Operating without this essential oversight mechanism directly violates statutory control frameworks, leaving the College vulnerable to fraud and procedural errors;

5. Guideline No. 11 of 2024 on Reservation Schemes to Promote the Participation of Associations of Women, Youth, and Persons with Disabilities mandates the Procuring and Disposing Entity to reserve at least 15% of its annual procurement plan for award to registered associations of Women, Youth, and Persons with disabilities. The College did not reserve a minimum of UGX 190,631,550 for these groups from an annual approved procurement plan worth UGX 1,273,877,000, depriving SIGs the opportunity to benefit from government spending, which in turn increases income inequality.

6. Section 60 (1) of the PPDA Act, Cap. 205 requires a Procuring and Disposing Entity to prepare and submit their annual procurement plans to the Authority. The College did not submit its annual procurement plan for the Financial Year 2024/2025 to the Authority. Failure to submit the Procurement Plan deprives the Authority of its oversight role of monitoring government spending and compliance with the PPDA Planning Regulations;

7. Regulation 15 (1) of the PPDA (Procuring and Disposing Entity) Regulations 2023 requires Procuring and Disposing Entities to submit monthly procurement and disposal reports to the Authority by the 15^{th} day of the following month. The College did not prepare and submit monthly procurement and disposal reports to the Authority for procurements undertaken periodically. This undermines the oversight role of PPDA in monitoring public procurement compliance of the College;

8. Section 57 of the PPDA Act, Cap. 205 requires all public procurement to be carried out strictly following established procedures. Six procurement transactions worth UGX 170,836,250 were executed without essential bidding documentation and verifiable evidence of their bidding processes. This procedural breakdown compromised procurement integrity and significantly increased the risk of awarding public contracts to unqualified providers;

9. Section 49 of the PPDA Act, Cap. 205 states that all procurement and disposal shall be conducted in a manner to maximise competition and achievement of value for money. The College experienced severely low bidder participation in eight procurement transactions worth UGX 169,400,000. Despite utilizing Open Domestic Bidding and Quotation Methods, only one bid was received on average per process. This lack of competition hampered the establishment of fair market value, increased the risk of favouritism, and undermined the transparency of contract awards;

10. Regulation 2(2) of the PPDA (Disposal of Public Assets) Regulations, 2023 requires the Accounting Officer to annually review public assets of the Entity and identify those that are due

for disposal through a Board of Survey or a User Department. The College did not constitute a Board of Survey or prepare a disposal plan for the financial year 2024/2025. Consequently, the College was unable to dispose of obsolete assets such as motorcycles, vehicles, and old tyres, leading to risks of vandalism and ongoing physical depreciation; and

11. Regulation 51(1) of the PPDA (Contracts) Regulations, 2023, requires a User Department to nominate a qualified staff member to manage a contract for formal appointment by the Accounting Officer. The Authority found that no contract managers were nominated or appointed for all 10 sampled procurement transactions worth UGX 1,005,950,000. As a result, no contract management plans were prepared, leaving the College unable to monitor and supervise its public contracts effectively and efficiently.

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

1. The Accounting Officer should:
    i) Organize comprehensive training on PPDA procurement and disposal regulations, focusing specifically on stakeholder roles and responsibilities to improve compliance with established procedures, in accordance with Sections 28 to 37 of the PPDA Act, Cap. 205;
    ii) Conduct quarterly procurement plan reviews to evaluate procurement progress against budget releases and institutional priorities in accordance with Section 28 (l) of the PPDA Act, Cap. 205;
    iii) Enforce strict compliance with established procurement and disposal procedures across all entity activities, in accordance with Section 57 of the PPDA Act, Cap. 205;
    iv) Formally request the temporary delegation of an independent Internal Auditor from a neighbouring University or Local Government to review the College's transactions until a substantive appointment of a permanent, in-house Internal Auditor is finalized by the Ministry of Education and Sports;
    v) Optimize sourcing by advertising prequalification, competitively tendering awards, shortlisting at least six bidders for restricted and quotations methods, and enforcing a three-quotation minimum for micro-procurements;
    vi) Formally appoint a Board of Survey team to evaluate the College's assets, identify obsolete items, and instruct the User Departments to initiate disposal proceedings for the identified items in accordance with Regulations 2 and 3 of the PPDA (Disposal of Public Assets) Regulations, 2023;
    vii) Enforce the preparation, Contracts Committee verification, and electronic submission of monthly reports to the Authority via the PPDA E-Reporting Link by the 15th day of the following month, in accordance with Regulation 15 (1) of the PPDA (Procuring and Disposing Entity) Regulations, 2023;
    viii) Enforce the timely preparation and submission of the College's annual procurement and disposal plan to the Authority for every financial year, in accordance with Section 60 (1) of the PPDA Act, Cap. 205;
    ix) Appoint contract managers nominated by Heads of User departments in accordance with Regulations 50(1) and 51(1) of the PPDA Regulations 2023; and

x) Enforce reservation of at least 15% of the Entity's procurement plan and all procurements below UGX 30,000,000 for Special Interest Groups and have them reported in the monthly submissions to the Authority, in accordance with PPDA Guideline No. 11 of 2024 on Reservation Schemes for Women, Youth, and Persons with Disabilities.

2. The Procurement and Disposal Unit should:

   i) Maintain, secure and archive complete files for all procurement and disposal transactions in accordance with Section 33 (o) of the PPDA Act, Cap. 205; and

   ii) Manage all procurement and disposal activities within the College and document the successive stages of the procurement cycle in accordance with Section 33 (a) of the PPDA Act, Cap. 205.

3. The Contracts Committee should actively perform its oversight roles under Section 30 of the PPDA Act, Cap. 205 by reviewing submissions, approving evaluation teams, examining bidding documents, contract awards, and validating adherence to the procurement plan and laying out procurement procedures.

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority carried out a compliance inspection of Fort Portal College of Health Sciences that covered a representative sample of 10 procurement transactions for the Financial Year 2024/2025 worth UGX 1,005,950,000. The compliance inspection involved a review of the procurement system, the procurement process and disposal of public assets, as well as contract performance following the provisions of the PPDA Act, Cap. 205 and attendant PPDA Regulations.

1.2 Inspection Objectives

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

The specific objectives of the inspection were to assess the:

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

1.3 Structure of the Entity

According to Section 28 (1) of the PPDA Act, Cap. 205, the Accounting Officer of a Procuring and Disposing Entity shall have the overall responsibility for the successful execution of the procurement and disposal processes. The Principal, Ms. Kate Kamanda, was designated as the Accounting Officer of the College during the Financial Year 2024/2025.

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

a) Procurement and Disposal Unit

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

Table 1: Staffing in the Procurement and Disposal Unit

No	Name	Academic Qualification	Position
1.	Mr. Patrick Mugisa	Bachelor's Degree in Business Administration, majoring in Procurement, Logistics and Supply Chain Management.	Procurement Officer
2.	Ms. Brenda Kemigisha	Post Graduate Diploma in Project Planning and Management	Assistant Procurement Officer

b) Contracts Committee composition

The Contracts Committee was fully established with five members. The composition of the Contracts Committee is indicated in Table 2 below:

Table 2: Contracts Committee Membership during the inspection period

No	Name	Designation	Position on Committee	Date of appointment	Term of Service
1.	Mr. Geoffrey Kamakya	Head of Clinicals	Chairperson	18th June 2025	1st Term
2.	Mr. Michael Wangoda	Head of diploma of clinical medicine	Secretary	18th June 2025	1st Term
3.	Mr. Wilson Mwesigwa	Head of the Diploma of Pharmacy	Member	18th June 2025	1st Term
4.	Mr. Alex Isingoma	Lawyer	Member	18th June 2025	1st Term
5.	Ms. Jacqueline Kabasweka	Secretary of Academics	Member	18th June 2025	1st Term

1.4 Compliance Inspection Scope

The Authority carried out the compliance inspection that covered a sample of ten procurement transactions worth UGX 1,005,950,000 conducted during the Financial Year 2024/2025. The list of sampled transactions is contained in Annex 1.

1.5 Inspection Methodology

The Entity was notified about the exercise on 18th March 2026. A sample of 10 procurement transactions was selected based on stratified random sampling using the Contracts Committee minutes, the contracts register, and the payment registers. The inspection exercise commenced on 25th March 2026.

The exercise was conducted under the supervision of the Regional Manager. During the exercise, the team examined records and documents for each sampled procurement transaction. The team also reviewed the procurement plan for Financial Year 2024/2025. On completion of data collection, members of the inspection team met with various stakeholders such as the Accounting Officer, Contracts Committee members, Procurement and Disposal Unit staff, and User Department representatives to discuss and get clarifications on some of the preliminary findings.

A debrief meeting was held with the Accounting Officer to share the preliminary findings on 27th March 2026. The Authority prepared a management letter, which was issued to the Entity on 23th May 2026, with a request to submit a management response by 27th May 2026, which was officially submitted on 08th June 2026. The compliance Inspection report presents the key findings and conclusions arising from the compliance inspection exercise.

The findings are identified by exception, the level of risk and the recommendation. The procurements are rated in four categories according to the weaknesses identified, namely: high risk, medium risk, low risk and satisfactory. The definition of the risk rating is in Annex 2.

CHAPTER TWO: FINDINGS AND RECOMMENDATIONS OF THE AUTHORITY

2.1 COMPLIANCE WITH THE PPDA ACT, CAP. 205, AND ATTENDANT REGULATIONS REGARDING THE PERFORMANCE OF THE PROCUREMENT STRUCTURES AND THE CONDUCT OF THE PROCUREMENT PROCESSES

2.1.1 Poor management of procurement records

Section 33 (o) of the PPDA Act Cap. 205 requires the Procurement and Disposal unit to maintain and archive all records concerning the procurement and disposal processes of the Entity.

The Procurement and Disposal Unit failed to maintain critical records of its procurement activities. A review of the College's files revealed that vital documentation, such as requisition forms, solicitation documents, bid opening records, evaluation reports and contract documents were missing. Consequently, six sampled procurement action files worth UGX 170,836,250 were incomplete. These procurement transactions are indicated in Table 3 below;

Table 3: Procurements with missing records

No	Subject of Procurement	Amount UGX	Missing records
1.	Service and Repair of Motor Vehicles	50,000,000	• Form 5 (requisition) • Specification • Market price analysis report • Bidding Document • Record of issue, receipt and opening • Contracts Committee minutes • Evaluation report • Contract document • Contract manager appointment letter • Contract management reports
2.	Comprehensive Insurance	12,000,000	
3.	Stationery	13,000,000	
4.	Clinical Coats	35,550,000	
5.	Sports Wear	25,000,000	
6.	Construction of the College gate	35,286,250	
Total		**170,836,250**	

Implication

The absence of vital procurement records makes it impossible for internal and external auditors to verify whether public funds were utilised transparently, fairly and competitively. This compromises the accountability of public funds.

<u>Management response</u>

Management noted the query and pledged to improve.

Recommendation

The Procurement and Disposal Unit should maintain, secure and archive complete files for all procurement and disposal transactions in accordance with Section 33 (o) of the PPDA Act, Cap. 205.

2.1.2 Non-functional User Departments

Section 37 of the PPDA Act Cap. 205 mandates User departments to initiate requirements, recommend a statement of requirements, conduct conformity assessment, issue change orders and certify invoices for provider payments.

However, some User Departments at the college were bought their requirements directly form providers without following formal procurement processes contrary to Section 57 of the PPDA Act, Cap205. The User Departments attributed their non-functionality to a lack of knowledge of the PPDA procurement and disposal procedures, as they had never received training since the College's inception.

Implication

Failure by User departments to exercise their functions and powers leads to delays, poor specification of requirements and acquisition of unsuitable goods and services, ultimately disrupting operations.

Management Response

Management acknowledged the query and pledged to improve.

Recommendations

The Accounting Officer should:

i) Organize comprehensive training on PPDA procurement and disposal regulations, focusing specifically on stakeholder roles and responsibilities to improve compliance with established procedures, in accordance with Section 37 of the PPDA Act, Cap. 205; and

ii) Enforce strict compliance with established procurement and disposal procedures across all entity activities, in accordance with Section 57 of the PPDA Act, Cap. 205.

2.1.3 Usurping the powers of the Procurement and Disposal Unit

Section 33 (a) of the PPDA Act, Cap. 205 empowers the Procurement and Disposal Unit to be responsible for managing all procurement activities within the Procuring and Disposing Entity.

Six sampled procurements worth UGX 170,836,250 were not managed by the Procurement and Disposal Unit. These procurements were irregularly handled by the User Departments and as a result, the successive stages of the procurement process were not well recorded and documented as indicated in Table 4 below:

Table 4: Procurement transactions handled by User Departments

No	Subject of Procurement	Contract Value UGX
1.	Service and Repair of Motor Vehicles	50,000,000
2.	Comprehensive Insurance	12,000,000
3.	Stationery	13,000,000
4.	Clinical Coats	35,550,000
5.	Sports Wear	25,000,000
6.	Construction of the College gate	35,286,250
	Total	**170,836,250**

Implication

Usurping powers of the Procurement and Disposal Unit may lead to non-compliance with procurement regulations, increased risk of fraud, poor accountability, inefficiency and failure to achieve value for money.

Management Response

Management accepted the finding and pledged that going forward, all procurement and disposal activities shall be initiated, processed, and managed exclusively through the Procurement and Disposal Unit.

Recommendation

The Accounting Officer should route all institutional procurement and disposal requirements exclusively through the Procurement and Disposal Unit to maintain absolute procedural compliance in accordance with Section 33 (1) of the PPDA Act, Cap. 205.

2.1.4 Absence of the internal audit function

Regulation 27 of the PPDA (Procuring and Disposing Entities) Regulations, 2023 mandates that the Internal Audit Department of a Procuring and Disposing Entity audits procurement and disposal procedures to ensure compliance with the Public Finance and Accountability Act, 2015 and the other applicable laws.

However, during the financial year 2024/2025, the College operated without an Internal Auditor. Although an internal verification committee comprising the Stores Officer, Catering Officer and the Security personnel was established to verify deliveries, this administrative arrangement failed to satisfy the statutory requirement for independent internal audit oversight.

Implication

Without independent internal auditing controls, the Entity is exposed to systematic risks such as collusion, payment for fictitious deliveries and encouraging unethical tendencies.

Management Response

Management accepted the finding, noting that the deployment of a substantive Internal Auditor falls under the Ministry of Education and Sports. The Accounting Officer would formally request the deployment from the Ministry through a Governing Council endorsement. In the interim, Management commits to establishing an internal verification committee involving the Procurement, Accounts, and Stores sections to improve segregation of duties, reduce errors, and prevent unauthorized transactions.

Authority's Comment

The proposed internal verification committee cannot serve as a substitute for an independent audit function and fails to comply with statutory internal audit frameworks. Since a substantive internal audit mechanism was absent during the review period, the finding was maintained.

Recommendations

The Accounting Officer should:

1. Formally request the temporary delegation of an independent Internal Auditor from a neighbouring University or Local Government to review the College's transactions until a substantive appointment is finalized; and
2. Closely follow up with the Ministry of Education and Sports regarding the urgent deployment of a permanent, in-house Internal Auditor.

2.1.5 Failure to submit the Procurement Plan

Section 60 (1) of the PPDA Act Cap. 205 requires Procuring and Disposing Entities to prepare and submit to the Authority their annual procurement plans for every Financial Year by the 31st of July. Although the College prepared a procurement plan, it did not submit it to the Authority, contrary to the above legal requirement.

Implication

Failure to submit the Procurement Plan deprives the Authority of its primary tool for monitoring compliance, preventing the regulator from tracking the volume, methods and values of the College's intended public expenditure in that particular financial year.

Management Response

Although the Procurement Plan for the Financial Year 2024/2025 was prepared and used to guide procurement activities, it was regrettably not formally submitted to the Authority within the prescribed timeframe. Management pledged to improve.

Recommendation

The Accounting Officer should always submit the Entity's Annual Procurement and Disposal Plan to the Authority electronically using the E-Reporting Link on https://ereports.ppda.go.ug_by 31st July of the new financial year in accordance with PPDA Circular No. 1 of 2024.

2.1.6 Failure to reserve procurements for the special interest groups

Guideline No. 11 of 2024 on Reservation Schemes to Promote the Participation of Associations of Women, Youth, and Persons with Disabilities requires Procuring and Disposing Entities to reserve at least 15% of their annual procurement plan for registered associations of Women, Youth, and Persons with Disabilities (SIGs), with central Government Entities specifically required to exclusively reserve procurements for supplies, works, and services valued at UGX 30,000,000 or less for these special interest groups.

Although the College operated with an annual approved procurement plan worth UGX 1,270,877,000 for the Financial Year 2024/2025, the Entity did not reserve any of its procurements for Special Interest Groups. Based on the calculated 15% statutory threshold, the College should have ring-fenced a minimum of UGX 190,631,550 for these groups.

Implication

The registered associations of women, youth, and persons with disabilities were denied the opportunity to participate in public procurement, which deprived them of the opportunity to benefit from government spending, thus increasing income inequality and undermining the Government's national socio-economic empowerment policies.

Management Response.

Management concurred with the finding, confirming its commitment to inclusive economic participation. Moving forward, the College pledged to allocate at least fifteen percent (15%) of its annual procurement plan to eligible Special Interest Groups (SIGs) while ring-fencing all procurement requirements within the prescribed statutory threshold to exclusive competition for qualified SIG providers.

Recommendation

The Accounting Officer should enforce the reservation of at least 15% of the Entity's procurement plan and all procurements below UGX 30,000,000 for Special Interest Groups and have them reported in the monthly submissions to the Authority, in accordance with PPDA Guideline No. 11 of 2024.

2.1.1 Non-Implementation of 21% of the Procurement Plan

Section 60 (2) of the PPDA Act Cap. 205 requires Procuring and Disposing Entities to plan their Procurement and Disposal activities rationally. Additionally, Section 60(7) of the PPDA Act Cap. 205 allows these Entities to review and update procurement plans quarterly or whenever necessary.

A review of the Fort Portal College of Health Sciences procurement plan revealed a procurement plan implementation rate of 79% for Financial Year 2024/2025. Although the College had planned procurements worth UGX 1,270,877,000, procurements worth UGX 1,005,950,000 were conducted, leaving a variance of UGX 264,927,000 (21%) unimplemented as indicated in Table 5 below:

Table 5: Procurement plan implementation rate

Total procurement plan value inclusive VAT (UGX)	1,270,877,000
Total procurement spend value inclusive VAT (UGX)	1,005,950,000
Procurement Plan Implementation Rate	79%
Procurement Plan Implementation Variance (UGX)	264,927,000

The Authority attributed the above variance partially to the non-implementation of 24 planned procurements worth UGX. 264,927,000 as shown in Table 6 below;

Table 6: Unimplemented planned procurements

No.	Subject of Procurement	Estimated cost (UGX)
1.	Purchase of Student Uniforms	24,900,000
2.	Purchase of Fuel Products	56,500,000
3.	Purchase of Motor Vehicle Tyres	10,200,000
4.	Purchase of Drugs and first aid equipment	10,000,000
5.	Purchase of Newspapers and periodicals	2,500,000
6.	Purchase of school T-shirts	12,450,000
7.	Purchase of Library Books	10,000,000
8.	Purchase of Dustbins and hang lines	2,000,000
9.	Purchase of staff uniforms, apparel and T-shirts	24,900,000
10.	Purchase of identity cards	10,375,000

No.	Subject of Procurement	Estimated cost (UGX)
11.	Purchase of kitchen utensils	9,000,000
12.	Purchase of plumbing equipment and fittings	25,000,000
13.	Purchase of electrical fittings and equipment	21,000,000
14.	Fire Extinguisher Maintenance	5,000,000
15.	Computer maintenance and repair	3,000,000
16.	Generator maintenance and repair	1,000,000
17.	Photocopier and printer repair and maintenance	500,000
18.	Repair of beds and fabrications	3,000,000
19.	Post Office Rental	102,000
20.	Landline Subscription	1,000,000
21.	Maintenance of walkways	500,000
22.	Sewage emptying	1,000,000
23.	Publicity and advertisement	6,000,000
24.	Building and renovations (Minor Repairs)	25,000,000
TOTAL		**264,927,000**

Implication
Failure to implement planned procurements indicates poor planning and denies service delivery to the intended beneficiaries.

Management Response
Management noted the finding and attributed the non-implementation of planned procurements to shifting institutional priorities, budget constraints, and delays by User Departments in initiating requisitions. They explained that certain procurements were deferred to reallocate limited funding toward urgent operational and academic needs. Management pledged to improve.

Authority's Comment
Shifting institutional priorities does not absolve the Entity of its legal requirement to maintain a realistic and updated procurement plan. Management is legally empowered and expected to formally review, update, and amend the procurement plan quarterly to mirror actual cash flows and administrative changes. Because no verifiable documentation of such quarterly adjustments or plan revisions was presented, the finding was maintained.

Recommendations
1. The Accounting Officer should conduct quarterly plan reviews to evaluate procurement progress against budget releases and institutional priorities in accordance with Section 28 (l) of the PPDA Act, Cap. 205.
2. User Departments should regularly review and update the procurement plan whenever necessary in accordance with Section 60 (7) of the PPDA Act, Cap. 205.

Implication
Failure to procure according to the procurement plan undermines planning, as such, treating the process as a mere compliance requirement, rather than a strategic tool for delivering timely and essential services to the community.

Management Response
Management acknowledged the query and pledged to improve.

Recommendation
The Procurement and Disposal Unit should review and update the procurement plan quarterly or wherever necessary in accordance with Section 60 (7) of the PPDA Act, Cap. 205.

2.1.2 Failure to prepare and submit monthly procurement and disposal reports
Regulation 15 (1) of the PPDA (Procuring and Disposing Entity) Regulations 2023 requires Procuring and Disposing Entities to submit monthly procurement and disposal reports to the Authority by the fifteenth day of the following month.

The College did not prepare and submit monthly procurement and disposal reports to the Authority on procurements undertaken periodically. The Procurement and Disposal Unit attributed this omission to a lack of knowledge on how to upload reports on the PPDA E-Reporting Link.

Implication
This undermines the oversight role of PPDA in monitoring public procurement compliance of the College.

Management Response
Management acknowledged the query and pledged to improve.

Recommendation
The Accounting Officer should enforce the preparation, Contracts Committee verification, and electronic submission of monthly reports to the Authority via the PPDA E-Reporting Link by the 15^{th} day of the following month, in accordance with Regulation 15 (1) of the PPDA (Procuring and Disposing Entity) Regulations, 2023.

2.1.3 Procurement transactions initiated without Form 5 and technical specifications
Regulations 3 (1) and (2)(a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 require that all procurement requirements be initiated using Part 1 of Form 5, which must include a detailed description of the supplies or services required.

Six procurement transactions worth UGX 170,836,250 were irregularly initiated using standard internal memos. Furthermore, these memos lacked the required technical specifications and item descriptions. These procurement transactions are indicated in Table 7 below:

Table 7: Procurement transactions without Form 5 and technical specifications

No	Subject of Procurement	Contract Value UGX
1.	Service and Repair of Motor Vehicles	50,000,000
2.	Comprehensive Insurance	12,000,000
3.	Purchase of Stationery	13,000,000
4.	Purchase of Clinical Coats	35,550,000

5.	Purchase of Sports Wear	25,000,000
6.	Construction of the gate	35,286,250
Total		**170,836,250**

Implication

- The absence of Form 5 compromises accountability, creating operational loopholes that expose the College to the risk of unauthorized procurement processes and expenditure.
- The lack of technical specifications may lead bidders to assume Entity requirements, ultimately resulting in non-compliant bids and delivery of items that fail to meet operational needs.

Management Response

Management acknowledged the query and pledged to improve.

Recommendations

1. The Accounting Officer should instruct all Heads of Departments to strictly initiate procurements using Form 5 in accordance with Regulation 3 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
2. The Procurement and Disposal Unit should reject any procurement requisition submitted lacking detailed descriptions and technical specifications, in accordance with Regulation 3 (2) (a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.1.4 Failure to follow formal bidding Procedures

Section 2 of the PPDA Act, Cap. 205, outlines the procurement cycle as a structured sequence of stages, spanning from planning and bid solicitation to evaluation and contract management. Section 57 of the same Act mandates that all public procurement must be conducted strictly in accordance with the procedure laid down in the Act, its regulations and guidelines.

Contrary to these legal requirements, the College ignored a series of stages in the procurement cycle in six procurement transactions worth UGX 170,836,250. These transactions lacked mandatory documentation and evidence of critical procedural steps, including bid invitation, preparation and issuance of bidding documents, receipt and opening of bids, Contracts Committee submissions, award approval and the publication of the Best Evaluated Bidder Notice as indicated in Table 8 below:

Table 8: Procurement transactions that failed to follow formal bidding procedures

No	Subject of Procurement	Amount UGX
1.	Service and Repair of Motor Vehicles	50,000,000
2.	Comprehensive Insurance	12,000,000
3.	Purchase of Stationery	13,000,000
4.	Purchase of Clinical Coats	35,550,000
5.	Purchase of Sports Wear	25,000,000
6.	Construction of the gate	35,286,250
Total		**170,836,250**

Implication

The omission of procurement cycle stages reduces transparency, creates opportunities for financial misconduct and nullifies checks and balances embedded in the procurement process to protect public funds.

Management Response

Management accepted the finding, citing capacity gaps and a limited understanding of the PPDA framework within User Departments as the primary causes. Management pledged to improve.

Recommendation

The Procurement and Disposal Unit should manage all procurement and disposal activities within the College and document the successive stages of the procurement cycle in accordance with Section 33 (a) of the PPDA Act, Cap. 205.

2.1.5 Low-bidder Participation

Section 49 of the PPDA Act, Cap. 205 mandates that all procurements be conducted in a manner that maximizes competition to achieve value for money.

Contrary to this requirement, the College experienced low bidder participation in eight procurement transactions worth UGX 169,400,000, receiving an average of one bid per bidding process. These transactions are indicated in Table 9 below:

Table 9: Low Bidder Participation

No	Subject of Procurement	Amount (UGX)	Bidders invited	Bids received
1.	Purchase of Firewood	15,000,000	Open to all	1
2.	Compound Cleaning & Maintenance	20,000,000	Open to all	1
3.	Internal Cleaning and Maintenance	20,000,000	Open to all	1
4.	Security Services	14,400,000	Open to all	2
5.	Service and Repair of Motor Vehicles	50,000,000	2	2
6.	Comprehensive Insurance	12,000,000	1	1
7.	Stationery	13,000,000	2	2
8.	Sports Wear	25,000,000	2	1
Total		**169,400,000**	**Average**	**1**

Implication

Low bidder participation limits competitive tension and prevents the Entity from establishing fair market value, which raises the risk of favouritism and undermines the transparency of the contract award process.

Management response

Management noted the query and pledged to improve.

Recommendation

The Accounting Officer should optimize sourcing by advertising prequalification, competitively tendering awards, shortlisting at least six bidders for restricted and quotations methods, and enforcing a three-quotation minimum for micro-procurements.

2.2 COMPLIANCE OF THE ENTITY'S DISPOSAL PROCESSES WITH THE PROVISIONS OF THE PPDA ACT, CAP. 205 AND PPDA (DISPOSAL OF PUBLIC ASSETS) REGULATIONS, 2023

The following irregularities were found:

2.2.1 Failure to review assets and prepare a disposal plan

Regulation 2 (2) of the PPDA (Disposal of Public Assets) Regulations, 2023 requires the Accounting Officer to review the public assets of the Entity for each financial year and identify those due for disposal through a Board of Survey or a User Department.

The College did not constitute a Board of Survey and neither designated a User Department to identify assets for disposal. Consequently, the College did not prepare a disposal plan for the financial year 2024/2025, despite having various obsolete assets due for disposal.

Implication

Failure to conduct a comprehensive board of survey prevents the College from effectively identifying obsolete assets due for disposal, resulting in further deterioration and loss of value through depreciation.

Management Response

Management acknowledged the query and pledged to improve.

Recommendations

The Accounting Officer should:

1. Set up a Board of Survey team to review the College's assets and identify those due for disposal in accordance with Regulation 2 (2) of the PPDA (Disposal of Public Assets) Regulations, 2023; and
2. Prepare and submit to the Authority the College's disposal plan based on the Board of Survey report, in accordance with Section 60 (1) of the PPDA Act Cap. 205.

2.2.2 Failure to dispose of obsolete assets

Regulation 3 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023 requires Entities to initiate disposal proceedings for any obsolete public asset recommended for disposal.

Contrary to this legal requirement, the College failed to initiate or conduct the disposal of its obsolete assets. Consequently, these depreciating items remain un-disposed and idle on the institutional grounds, as pictured below in Figure 1:

Figure 1: Undisposed obsolete assets

Motorcycle | *Tires* | *Vehicles (front view)* | *Vehicles (back view)*

Implication

Failure to dispose of obsolete assets inhibits the achievement of value for money, as funds are held up in assets and are also further lost through the continuous deterioration of the assets.

<u>Management Response</u>

Management acknowledged the query and pledged to improve.

Recommendation

The Accounting Officer should conduct disposal of all the obsolete assets in accordance with Regulations 2 and 3 of the PPDA (Disposal of Public Assets) Regulations, 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 Failure to nominate and appoint contract managers

Regulation 51(1) of the PPDA (Contracts) Regulations, 2023 requires a User Department to nominate a qualified staff member to manage a contract, after which the Accounting Officer formally appoints the nominee to execute contract management duties.

User Departments did not nominate contract managers for all 10 sampled procurement transactions worth UGX 1,005,950,000. Consequently, the Accounting Officer made no formal appointments, and no contract management plans were prepared. These Procurement transactions are indicated in Table 10 below:

Table 10: Procurements without the official appointment of Contract Managers

No.	Procurement	Amount (UGX)
1.	Purchase of foodstuffs	801,000,000
2.	Purchase of Firewood	15,000,000
3.	Compound Cleaning and Maintenance	20,000,000
4.	Internal Cleaning and Maintenance	20,000,000
5.	Security Services	14,400,000
6.	Service and repair of motor vehicles	50,000,000
7.	Comprehensive Insurance	12,000,000
8.	Purchase of Stationery	13,000,000
9.	Purchase of Clinical Coats	35,550,000
10.	Purchase of Sports Wear	25,000,000
Total		**1,005,950,000**

Implication

- Works may not be performed in accordance with the technical specifications, general and special conditions of the contract regarding time, place of delivery and payment terms.
- In the event of a breach of contract, appropriate action may not be taken by the entity since there was no contract supervisor to represent the interests of the entity.

Management Response

Management noted the query with concern, acknowledging that contract management activities were undertaken informally by the respective departments without formal appointments or contract management plans. Management pledged to have a qualified Contract Manager formally appointed for every procurement contract.

Recommendation

The Accounting Officer should appoint contract managers nominated by Heads of User departments in accordance with Regulations 50(1) and 51(1) of the PPDA Regulations 2023.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

3.1 Overall Compliance Inspection Conclusion

The performance of Fort Portal College of Health Sciences for the Financial Year 2024/2025 was **moderately satisfactory** with an overall weighted average risk rating of **50.9%.**

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 11 below:

Table 11: Entity's performance

Risk Rating	No.	% No.	Value (UGX)	% Value	Weights	Total Weighted Score	
						By No.	By Value
High	5	50	135,550,000	13.5	0.6	30.0	8.1
Medium	4	50	69,400,000	6.9	0.3	12.0	2.1
Low	1	0	801,000,000	79.6	0.1	1.0	8.0
Satisfactory	0	0	0	0	-	-	-
Total	**10**	**100**	**1,005,950,000**	**100**	**1**	**43**	**18.2**

Weighted average (By No.) = $\frac{\text{Sum of weighted score}}{60}$ x100 = $\frac{43.0}{60}$ x100 = **72**

Weighted average (By value) = $\frac{\text{Sum of weighted score}}{60}$ x 100 = $\frac{18.1}{60}$ x 100 = **30.2**

Overall weighted average risk rating = $\frac{72+30.2}{2}$ = **50.9%**

Since **50.9%** falls within the 31-70% risk range, the performance of the Entity is rated Moderately Satisfactory as indicated in Table 12 below:

Table 12: Risk Rating

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

GRAPHICAL REPRESENTATION OF THE ENTITY'S PERFORMANCE

Figure 2 shows the performance by the number of contracts

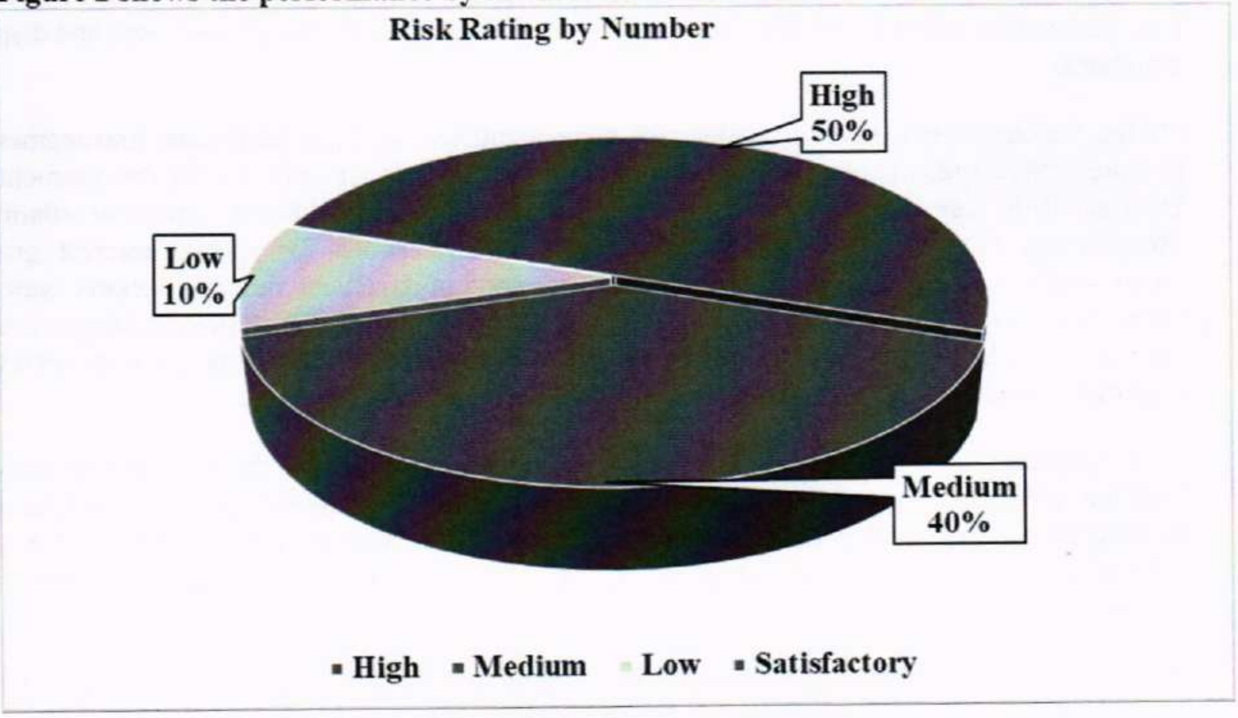
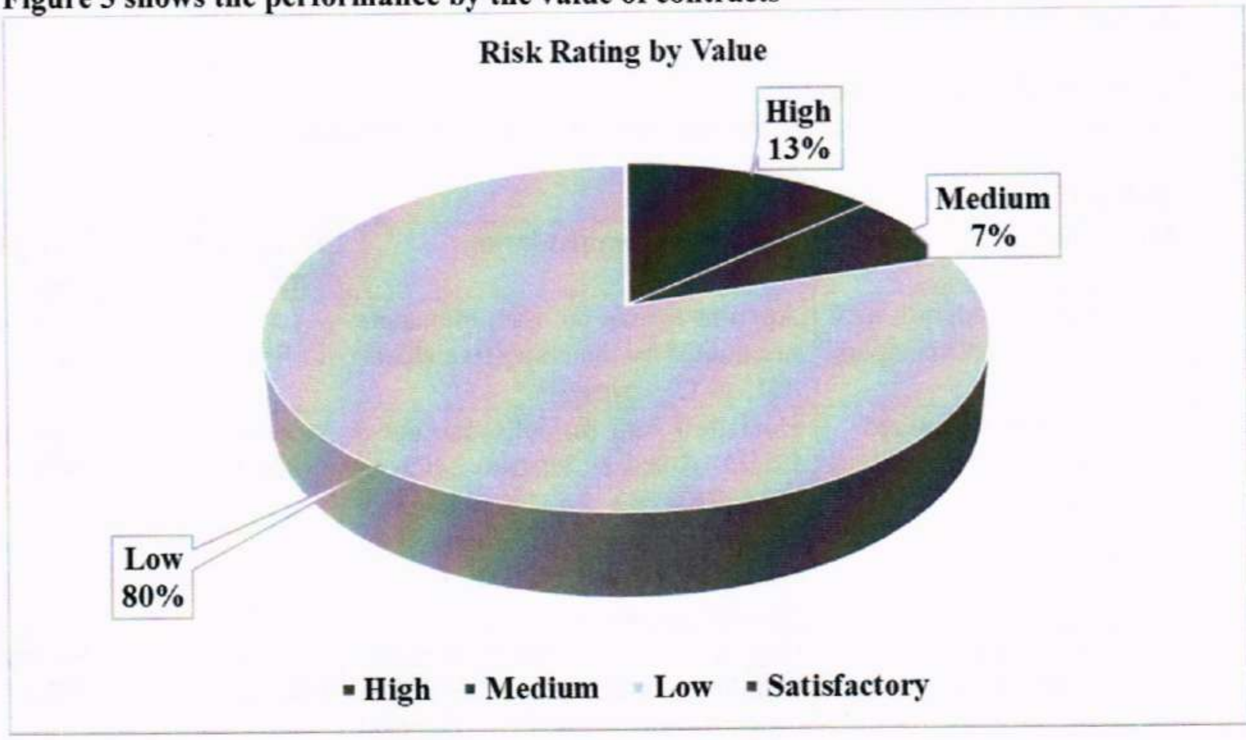


Figure 3 shows the performance by the value of contracts



3.2 Inspection Opinion/Conclusion

Procurement and Disposal activities of Fort Portal College of Health Sciences for the financial year 2024/2025 were generally conducted in compliance with the provisions of the PPDA Act, Cap. 205 and attendant Regulations. The Entity maintained the required procurement and disposal structures.

During the inspection, several weaknesses were identified, such as inadequate management of procurement records, non-operational user departments, and overstepping by the Procurement and Disposal Unit. Key issues included the lack of an internal audit function, failure to submit the Procurement Plan, and non-adherence to reservation schemes for special interest groups. Additionally, 21% of the Procurement Plan was not implemented, monthly reports were not submitted, transactions were initiated without necessary documentation, formal bidding processes were neglected, low participation from bidders was noted, and there was no asset review or disposal planning, along with the absence of appointed contract managers.

Although these integrated weaknesses did not significantly undermine the procurement system's baseline integrity, they expose profound deficiencies in strategic planning, market competition, contract monitoring, and documentation. Left unmitigated, these operational gaps will directly impede public service delivery, cause institutional asset waste, and stall inclusive government policy objectives.

Accordingly, the performance of Fort Portal College of Health Sciences for the Financial Year 2024/2025 was assessed as **moderately satisfactory** with an overall weighted average risk rating of **50.9%,** indicating a need for management interventions to enhance procurement performance and contract compliance.

3.3 Recommended Action Plan

The Entity should implement the recommendations in Table 13 below:

Table 13: Action Plan

No.	Finding	Action/Recommendation	Responsible Officer	Target date
1.	Lack of appointment of contract managers	Appoint formal contract managers nominated by the respective Heads of User Departments.	Accounting Officer	September 2026
2.	Failure to plan and dispose of obsolete assets	Constitute and formally appoint a Board of Survey team to evaluate the College's assets, identify obsolete items, and direct User Departments to initiate prompt disposal proceedings.	Accounting Officer	September 2026
3.	Non-functional User Departments	Organize comprehensive, mandatory training on the PPDA procurement and disposal regulations, focusing specifically on user roles and responsibilities.	Accounting Officer	September 2026

No.	Finding	Action/Recommendation	Responsible Officer	Target date
4.	Non-Implementation of Planned Procurements	Conduct periodic procurement plan reviews to critically evaluate execution progress.	Accounting Officer	Quarterly
5.	Procurements executed without essential bidding documentation.	Enforce strict compliance with established statutory procurement and disposal procedures across all institutional transactions.	Accounting Officer	August 2026
6.	Absence of an Internal Audit Function	Request the temporary secondment of an independent Internal Auditor from a neighboring public university or Local Government until a substantive appointment is finalized by the Ministry of Education and Sports.	Accounting Officer	September 2026
7.	Low bidder participation	Optimize sourcing by advertising prequalification, competitively tendering awards, shortlisting at least six bidders for restricted and quotations methods, and enforcing a three-quotation minimum for micro-procurements;	Procurement and Disposal Unit	September 2026
8.	Failure to Submit Statutory Reports and Annual Procurement Plan	Enforce the timely preparation and electronic submission of monthly reports to the Authority through the PPDA E-Reporting Link.	Accounting Officer	15th day of the following month
9.	Non-compliance with reservation schemes for Special Interest Groups	Develop a list of SIG providers and preserve eligible procurements.	Procurement and Disposal Unit	September 2026
10.	Failure to maintain necessary procurement procedural records	Maintain, secure and archive complete files for all procurement and disposal transactions	Procurement and Disposal Unit	October 2026
11.	Usurping the powers of the PDU	Manage all procurement and disposal workflows through the PDU.	Procurement and Disposal Unit	July 2026
12.	Ineffective Contracts Committee oversight	Execute robust statutory oversight roles by actively reviewing submissions, approving evaluation teams, examining bidding documents, and validating strict procurement plan adherence.	Contracts Committee	Continuous effective July 2026

ANNEX 1: Compliance inspection sample list and risk rating

No.	Subject of procurement	Method of Procurement	Provider	Amount	Risk Rating	Reason for Risk Rating
1.	Purchase of Food Stuffs	Open Domestic Bidding	Mvincent millers & suppliers SMC Ltd	801,000,000	Low Risk	No contract manager appointed
2.	Purchase of Firewood	Open Domestic Bidding	Muntu Agencies	15,000,000	Medium Risk	• Low bidder participation • No contract manager
3.	Compound Cleaning and Maintenance	Open Domestic Bidding	Wami Construction Services Ltd	20,000,000	Medium Risk	• Low bidder participation • No contract manager
4.	Internal Cleaning and Maintenance	Open Domestic Bidding	Davine Fort Services	20,000,000	Medium Risk	• Low bidder participation • No contract manager
5.	Security Services	Open Domestic Bidding	Corporate Security Services	14,400,000	Medium Risk	• Low bidder participation • No contract manager
6.	Service and Repair of Motor Vehicles	Open Domestic Bidding	Wasswa & Sons Agencies	50,000,000	High Risk	• There was no evidence of Form 5 (requisition) • Failure to follow the formal bidding process • Low bidder participation
7.	Comprehensive Insurance	Quotation	NIC Insurance	12,000,000	High Risk	• There was no evidence of Form 5 (requisition) • Failure to follow the formal bidding process • Low bidder participation
8.	Stationery	Quotation	Great Lakes Trading Tropical Co.	13,000,000	High Risk	• There was no evidence of Form 5 (requisition) • Failure to follow the formal bidding process

No.	Subject of procurement	Method of Procurement	Provider	Amount	Risk Rating	Reason for Risk Rating
						• Low bidder participation
9.	Clinical Coats	Quotation	Filma Investments smc Ltd	35,550,000	High Risk	• There was no evidence of Form 5 (requisition) • Failure to follow the formal bidding process • Low bidder participation
10.	Sports Wear	Quotation	Safe Rose Inspirations Ltd	25,000,000	High Risk	• There was no evidence of Form 5 (requisition) • Failure to follow the formal bidding process • Low bidder participation
Total				**1,005,950,000**		

ANNEX 2: Risk Rating Criteria

RISK	DESCRIPTION
HIGH	Such procurements are 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".
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 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.
LOW	Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best 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.
SATISFACTORY	Relates to following the 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.