

PPDA/MU/127

21st September 2026

The University Secretary,
Muni University,
P.O. Box 725
ARUA.

BID PREPARATORY AUDIT EXERCISE FOR THE SUPPLY OF TWO BRAND NEW STATION WAGONS AND ONE MINI-BUS AT MUNI UNIVERSITY FY 2026/27

Reference is made to the above subject.

The Authority noted that Muni University is in the process of procuring two brand new Station Wagons and one Mini-Bus under the Open Bidding Method of procurement. In line with Section 8 (1) (j) (i) of the PPDA Act, Cap. 205, the Authority instituted a Bid Preparatory Audit into the matter.

The objectives of the Bid Preparatory Audit were to establish whether:

1. The procurement planning and requisitioning process was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205 and PPDA Regulations 2023; and
2. The solicitation document was prepared in accordance with the provisions of the PPDA Act, Cap. 205 and PPDA Regulations 2023.

The scope of the Bid Preparatory Audit included a review of the procurement requisition form, solicitation document, and the Contracts Committee's approval of the procurement method and solicitation document. The areas of the solicitation document analysed were: Instructions to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms, Statement of Requirements and the Special and General Conditions of Contract.

The Authority identified a number of exceptions for the attention of management. The purpose of this letter therefore is to communicate the following findings and recommendations for your attention and action.

1.0 Whether public procurement planning and requisition was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, Cap. 205, the PPDA Regulations and Guidelines

- 1.1 Procurement requisition (PP Form 5)
Regulation 3 (6) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023 states that;

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A specific reference number shall be allocated to each procurement requirement at the initiation stage, using the numbering system specified in guidelines issued by the Authority. The Authority noted that the PP Form 5 did not have a procurement reference number.

Implication

This shows non-compliance to the legal requirement that each procurement should be allocated a unique and independent reference numbers at the initiation stage.

Recommendation

The Head, Procurement and Disposal Unit should include the procurement reference number in the procurement requisition / PP Form 5, in accordance with Regulation 3 (6) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023.

- 1.2 Abridged bid notice. The table in the abridged bid notice incorrectly addressed the heading in the third column as a *Bid Securing Declaration* and as such row for item No. 1 was left vacant on the requirements of Bid Security.

Implication

The requirement for bid security was misfiled under row No. 1 which would mislead the bidders that may participate during the bidding process.

Recommendation

Head, Procurement and Disposal Unit should re-name the third column of the table in the abridged bid notice accordingly. Thus, the heading should be clearly stated e.g., Bid Security required and the row under the Bid Security requirement in which the procurement is, indicated as Bid Securing Declaration as the form of Bid Security required.

2.0 Whether the solicitation document was prepared in accordance with the provisions of the PPDA Act, Cap. 205 and PPDA Regulations 2023

- 2.1 Inactivation of the documentary requirements for application of margin of preference that was made **NOT APPLICABLE** in the Bid Data Sheet under ITB 43.3, yet margin of preference **was to apply** in the procurement under ITB 43.1.

Implication

Inconsistency / mismatch in the pronouncements in the Bid Data Sheet on ITB 43.1 and 43.3 renders the purpose of the requirements unsupported or misleading.

Recommendation

Margin of preference shall be made active as a bidding requirement, so ITB 43.3 should be activated and documentary evidence be made a requirement for bidder qualification for a margin of preference, and the necessary documentation be listed accordingly. This is detailed in ITB 43. The forementioned should be applied during the evaluation stage in accordance with the requirements of Section 3 (9); Evaluation Methodology and Criteria of the Bidding Document.

- 2.2 Form for Bid Securing Declaration missing in the Bidding Document as part of the bidding forms and yet it's a requirement in ITB 25.1.

Implication

Bidders may be disqualified for non-compliance which may affect competition.

Recommendation

The Head, Procurement and Disposal Unit should incorporate the Authority's standard Bid Securing Declaration Form in the bidding document under the bidding forms.

- 2.3 Section 3. Evaluation methodology and criteria

1. Inadequate provision for assessing potential bidder Financial Situation and Performance was defined in the evaluation criteria, thus;
 - i. On financial situation requirements, no provisions were made for; minimum annual turnover, audited financial statements, need for bank statements, evidence of financial support, etc, for a defined time frame.
 - ii. On performance of potential providers, no provisions were made for; past or similar experience (general and specific) on related supplies, etc, and for a defined time, frame.

Implication

The above omissions may lead to inadequate assessment of the financial capacity and performance capabilities of the bidders which may lead to award of contracts to incompetent provider.

Recommendation

The Head, Procurement and Disposal Unit in support of the finance staff of the Entity, should clearly define adequate criteria to assess the financial capacity of the potential bidders; like requiring the bidders to submit bank statements, financial statements, give evidence of financial resources to support their supply, require reasonable annual turnover from the bidders, etc, for a definite timeline.

2. Parameters included in the post qualification assessment of the Best Evaluated Bidders (as listed under Section 3 (10.1), like; *Financial Capability: The Bidder shall submit audited financial statements for the last five (05) years prior to bid submission deadline, demonstrating the current soundness of the Bidder's financial position. For a joint venture, this requirement shall be met by each member*; among others; is mismatched, as they should have been included in the omission above (under the assessment of the financial situation and performance of the bidders), and as such the post qualification assessment of the Best Evaluated Bidder may not yield the best results envisaged.

Implication

The above gap, will lead to inadequate assessment of the capacity of the Best Evaluated Bidder that exposes the Entity to dealing with a bidder with poor performance records and inability to deliver timely supplies.

Recommendation

The Head, Procurement and Disposal Unit should realign the considerations stipulated for post qualification assessment of the Best Evaluated Bidder and consider doing post

evaluation as a proof process for specific evaluation criteria, such as on experience, financial stand of the bidders with its banks, proof of supply right / authorisation, etc. Thus, the Entity should undertake a post qualification on the Best Evaluated Bidder to confirm whether the Best Evaluated Bidder has the capacity and financial resources to execute the procurement.

2.4 Section 6. Statement of Requirements

The Authority noted a gap under specifications / quality control under item 24. Thus, material type, dimensions, weight, and safety standards required for; *Front bull bar*, rear step bumper, rear side steps, etc were not defined.

Implication

The bidders are not adequately guided on the required product material type, weight etc, and as such the supplier can supply the said materials of low quality.

Recommendation

The Head, Procurement and Disposal Unit should:

1. Work with the technical staff in the Entity, to clearly specify the requirements of the supplies; and
2. Verify that the specifications are cleared by the Government Chief Mechanical Engineer, Ministry of Works and Transport.

2.5 Section 8. Special Conditions of Contract

In the forementioned, the Authority observed gaps as summarised below.

1. In GCC 2.1 (f) inspection / test results or report did not include other documents that should be part of the contract such as reports etc.

Implication

It could be difficult to prove that pre-delivery inspections/tests were done to the supply, without an authenticated report or test results.

Recommendation

Include under GCC 2.1 (f), inspection / test results or report as among the other documents that should form part of the contract.

2. A Performance Security in form of a Bank Guarantee of 10% under GCC 19.1 and 19.3 respectively, instead of 5% as guided in the User Guide of the Bidding Document for Open/Restricted Bidding or a requirement for a Performance Securing Declaration since the procurement is to be undertaken using the Open Domestic Bidding method in which local providers are expected to participate.

Implication

High percentage charge for the Bid Security of 10% increases the cost of bidding. This may discourage competition during the bidding process and the above rate deviates from the guidance in the Bidding Document User Guide since the User Guide provides for a threshold of 5%.

Recommendation

The Entity should provide for use a Performance Securing Declaration as per the PPDA Guideline No. 3 of 2026, as performance security, instead of a Bank guarantee.

2.6 Section 9: Contract Forms

The form for the Performance Securing Declaration is missing in the bidding document as part of the contract forms.

Implication

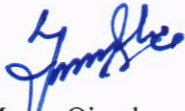
Bidders may be disqualified for non-compliance which may affect competition.

Recommendation

The Head, Procurement and Disposal Unit should incorporate the Authority's standard Performance Securing Declaration Form in the bidding document.

Conclusion:

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



Moses Ojambo

FOR: EXECUTIVE DIRECTOR

cc: Chairperson Contracts Committee

cc: Head Procurement and Disposal Unit