



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

**REPORT ON THE PROCUREMENT AND DISPOSAL AUDIT OF
MAKERERE UNIVERSITY BUSINESS SCHOOL FOR THE
FINANCIAL YEAR 2024/2025**

MAY 2026

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ACRONYMS

| | |
|------|--|
| FY | Financial Year |
| PDU | Procurement and Disposal Unit |
| PPDA | Public Procurement and Disposal of Public Assets Authority |
| SoRs | Statement of Requirements |
| UGX | Uganda Shillings |

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EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (hereinafter “PPDA or Authority”) carried out the procurement and disposal audit of Makerere University Business School (hereinafter “University”) that covered a representative sample of 14 completed procurement transactions and one disposal during the Financial Year (FY) 2024/2025.

The overall objective of the procurement and disposal audit was to assess and establish the degree of compliance of Makerere University Business School’s procurement system and processes with the provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines and assess the level of procurement performance over the audit period.

From the findings of the audit exercise, the performance of Makerere University Business School for the FY 2024/2025 was **Satisfactory** with an overall weighted average risk rating of **13.5%**. The risk rating was weighted to determine the overall risk level of the University as detailed in Chapter 3 of this audit report.

The key positive findings observed during the audit include:

1. The University’s performance had notably improved from 33.9% (Moderately Satisfactory) in the FY 2023/2024 to 13.5% (Satisfactory) in FY 2024/2025 demonstrating the effectiveness of its internal controls and a stronger institutional commitment to meeting procurement regulatory standards.
2. The procurement structures were in place and there is visible segregation of duties between the Accounting Officer, Contracts Committee, Evaluation Committees, User Departments and Procurement and Disposal Unit which enhances accountability in the procurement and disposal cycle.
3. The University had fully implemented 100% (7) of the previous audit recommendations from the FY 2023/2024 which strengthened the internal control environment.
4. The University awarded 24% (UGX 2,664,722,651) of its annual procurement plan for the FY 2024/2025 to registered associations of Women and Youth which promoted Government’s strategic goal of socio-economic transformation through empowering Special Interest Groups.
5. The University awarded the disposal of 61 assorted assets worth UGX 25,754,850 to various buyers through the public bidding method as had been identified in the disposal plan for the FY 2024/2025 which promoted effective asset management.

Despite the above performance, the following key exceptions were noted:

1. Despite implementing 94% of the procurement plan for the FY 2024/2025, the University did not report on procurements worth UGX 2,261,880,206 in the monthly procurement reports submitted to the Authority which undermined accountability and transparency.
2. Low budget absorption was observed in three procurements estimated at UGX 4,219,498,873 but contracted at UGX 2,333,430,260 which created a total positive variance of UGX 1,886,068,613 indicative of inefficient resource allocation.
3. There were anomalies in the preparation of the Statements of Requirements (SoRs) of three procurements worth UGX 358,047,268 including failure to submit SoRs along with the requisitions and issuing bidding documents with incomplete SoRs which delayed preparation of bidding documents and adversely affected the quality of the resultant contracts.
4. Despite initiatives to award UGX 2,664,722,651 to Women and Youth-owned businesses, only UGX 274,651,544 (1%) was captured in the monthly procurement reports (Part 1B and Part

IVB) which hindered the Authority's ability to track the benefits of reservation schemes to Special Interest Groups.

In the light of the above, the Authority recommends the following:

1. The Head, Procurement and Disposal Unit should:
 - i. Report on all procurement and disposal activities undertaken by the University in the monthly procurement and disposal reports submitted to the Authority in accordance with Regulation 15 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023; and
 - ii. Indicate, in Part 1B and Part IVB of the monthly procurement reports submitted to the Authority, the contracts awarded to registered associations of Women, Youth and Persons with Disability in accordance with Paragraph 4.1 (ii) of Guideline No.11 of 2024.
2. User Departments should:
 - i. Conduct thorough cost estimation and risk analysis during the procurement budgeting phase to minimize the risk of low budget absorption in accordance with Section 36 (2) of the PPDA Act Cap. 205; and
 - ii. Prepare and submit clear and detailed Statement of Requirements along with the procurement requisition forms in accordance with Regulation 3 (2) (a) of the PPDA (Rules & Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

Makerere University Business School should implement the recommended action plan on **pages 11 - 12.**

CHAPTER 1: INTRODUCTION

1.1 Structure of the University

Makerere University Business School (University) is mandated to provide high-quality business and management education, research and commercial training at various levels (degrees, diplomas and certificates). The University's core functions involve human capital development, research & innovation and providing community outreach.

In a bid to achieve its mandate, the University procured 597 international library books, maintained one repository system, procured 150 assorted equipment and furniture, modified Jinja Campus - Naranbhai and facilitated 21 staff on various long-term study programmes and two short term trainings.

According to Section 28 of the PPDA Act Cap. 205, the overall responsibility for the successful execution of procurement, disposal and contract management in a Procuring and Disposing Entity is the Accounting Officer. The Accounting Officer of Makerere University Business School during the financial year under review was Prof. Moses Muhwezi, PhD.

The Permanent Secretary/Secretary to the Treasury of Ministry of Finance, Planning & Economic Development approved the following members of the Contracts Committee who also acted during the period under review as indicated in Table 1 below:

Table 1: Contracts Committee members

| No | Name | Committee Position |
|----|---------------------------|--------------------|
| 1. | Assoc. Prof. Roges Matama | Chairperson |
| 2. | Dr. Ronnet Atukunda | Secretary |
| 3. | Mr. Charles Olupot | Member |
| 4. | Dr. Martha A. Ekure | Member |
| 5. | Mr. Mark Mugasha | Member |

According to Section 33 (a) of the PPDA Act Cap. 205, all procurement or disposal activities of the Procuring and Disposing Entity except adjudication and the award of contract are to be managed by the Procurement and Disposal Unit. The Procurement and Disposal Unit during the financial year under review was headed by Mr. Rodney Twagarukaho.

1.2 Background of the Audit

The Public Procurement and Disposal of Public Assets Authority (PPDA or Authority) carried out a procurement and disposal audit of Makerere University Business School. The audit covered a representative sample of 15 completed procurement transactions carried out during the Financial Year 2024/2025. The audit involved a review of the procurement structures, procurement and asset disposal processes, as well as contract performance following the provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines.

1.3 Main Audit Objectives

The overall objective of the procurement and disposal audit was to assess and establish the degree of compliance of Makerere University Business School's procurement and disposal system and processes with the provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines and assess the level of procurement performance over the audit period.

The specific objectives were to:

1. Establish the level of compliance by the University with the general provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines with regard to the performance of the procurement structures and conduct of procurement processes;
2. Establish the level of compliance of the University's disposal process with the provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines; and
3. Assess the level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health, and Safety safeguards (ESHS) where applicable.

1.4 Audit Scope

The audit involved a review of the procurement process, disposal process, general compliance issues and contract implementation on a sample basis. The audit covered a representative sample of 14 completed procurement transactions and one disposal under the Financial Year 2024/2025. The list of sampled transactions is contained in **Annex 1**.

1.5 Audit Methodology

The auditors examined records and documents for each sampled procurement transaction and obtained the relevant evidence to derive audit conclusions. This involved a review of the University's procurement/disposal planning, initiation, bidding, evaluation, contract placement and processes.

During the audit, the auditors held discussions with the staff from the Procurement and Disposal Unit (PDU) and User Departments that were necessary in obtaining crucial qualitative information about the internal control system and procurement processes in place.

Makerere University Business School was notified about the audit on 6th January 2026. The audit was launched on 12th February 2026 with an entry meeting at the University and fieldwork/file review commenced on the same date. A debrief meeting to clear all pending issues that arose during the audit was held with the University's Management and staff on 19th March 2026 to make the Accounting Officer aware of the concluded audit field work and draw his attention to the preliminary findings. The management letter was issued to the University on 2nd April 2026 with a request to submit a management response not later than 13th April 2026 and to hold the exit meeting on 16th April 2026. The exit meeting was rescheduled and held on 24th April 2026 at PPDA Headquarters, PPDA – URF Towers, Plot 39 Nakasero Road and the management response too was submitted on 24th April 2026.

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

CHAPTER 2: AUDIT FINDINGS AND RECOMMENDATIONS

This section presents the findings arising from the audit of Makerere University Business School for the financial year 2024/2025.

2.1 Level of compliance by the Entity with the general provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines with regard to the performance of the procurement structures and conduct of procurement processes

The Authority made the following findings in regard to the level of compliance of Makerere University Business School's procurement structures and processes with the provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines.

2.1.1 Discrepancy in the Procurement Plan Performance for the FY 2024/2025

Regulation 15 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023 requires an Entity to submit to the Authority a report on the procurement activities on a monthly basis.

A comparison of the University's FY 2024/2025 monthly procurement reports against its procurement plan revealed a reported implementation rate of 73% (UGX 7,927,069,141), with a variance of UGX 2,954,040,483. However, the Procurement and Disposal Unit (PDU)'s report on issued invoices for the FY 2024/2025 recorded a total spend of UGX 10,188,949,347. This reporting discrepancy of UGX 2,261,880,206 raised the actual plan implementation rate to 94% contrary to Regulation 15 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023 as detailed in Table 2 below:

Table 2: Procurement Plan Implementation Rate

| | |
|--|----------------|
| Total updated procurement plan value dated 1 st July 2025 (UGX) | 10,881,109,624 |
| Total spend value reported in monthly reports for the FY 2024/25 (UGX) | 7,927,069,141 |
| Total invoiced amount in the PDU's report for the FY 2024/25 (UGX) | 10,188,949,347 |
| Procurement plan implementation rate (%) | 94 |
| Procurement plan implementation variance (UGX) | 692,160,277 |

Despite the high plan implementation rate of 94%, the Authority noted low budget absorption in three procurements estimated at UGX 4,219,498,873 but contracted at UGX 2,333,430,260 which created a positive variance of UGX 1,886,068,613 as detailed in Table 3 below:

Table 3: Procurements with Low Absorption during the FY 2024/2025

| No. | Subject of Procurement | Plan Amount (UGX) | Contract Value (UGX) | Variance (UGX) |
|--------------|--|----------------------|----------------------|----------------------|
| 1. | Welfare, entertainment and student activities | 1,850,635,731 | 1,301,041,400 | 549,594,331 |
| 2. | Printing, photocopying and assorted stationery | 1,631,208,108 | 1,032,388,860 | 598,819,248 |
| 3. | ICT subscriptions and services | 737,655,034 | - | 737,655,034 |
| Total | | 4,219,498,873 | 2,333,430,260 | 1,886,068,613 |

Implications

- Considering that 118.7% (UGX 47,014,000,000) of the non-wage and development budget for the FY 2024/2025 was released and spent by the 4th quarter, this implies that the University mischarged budgeted procurement funds resulting in inefficient resource allocation.
- The discrepancy in the monthly reports' total and invoice report total resulted from under reporting procurement activities worth UGX 2,261,880,206 which undermined transparency and accountability.

Management Response

The updated final procurement plan was UGX 10,646,109,624 as at the end of FY 2024/2025. The awards of contracts that were both completed by payment and pending electronic payment amounted to UGX 9,290,625,655 (as captured from the monthly reports and GPP).

Additionally, non-procurable services were paid through IFMS as ICT subscriptions but were reflected on our procurement plan worth UGX 1,384,708,913. This accounts for the variances between the procurement plan and spend.

Authority's Comment

- The University's updated plan value was UGX 10,881,109,624. The Authority noted the exclusion of UGX 235,000,000 for consultancy services, correcting the assumption that the total plan value was UGX 10,646,109,624.
- The Authority noted a significant reporting gap of UGX 2,261,880,206. This stemmed from the difference between the monthly reports (UGX 7,927,069,141) and the PDU's report on invoiced amounts for the FY 2024/2025 (UGX 10,188,949,347) submitted for verification after the exit meeting.
- The procurement plan variance of UGX 692,160,277 in Table 2 and low absorption in Table 3 above remained unexplained hence this query was retained.

Recommendations

1. The Head, Procurement and Disposal Unit should report on all procurement and disposal activities undertaken by the University in the monthly procurement and disposal reports submitted to the Authority in accordance with Regulation 15 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023.
2. Heads of User Departments should conduct thorough cost estimation and risk analysis during the procurement budgeting phase to minimize the risk of low budget absorption in accordance with Section 36 (2) of the PPDA Act Cap. 205.

2.1.2 Status of Implementing Previous Audit Recommendations

Section 10 (1) (a) of the PPDA Act Cap. 205 allows the Authority to direct the concerned Entity to take such corrective action to rectify the breach of the Act.

During the performance audit of FY 2023/24, the Authority made seven recommendations to the University in an audit report issued on 28th April 2025. At the time of the procurement and disposal audit in February 2026, the University had fully implemented 100% (7) of the audit recommendations in accordance with Section 10 (1) (a) of the PPDA Act Cap. 205 as detailed in Table 4 below:

Table 4: Status of Implementing the Previous Audit Recommendations

| No. | Responsible Party | PPDA Recommendation | Status of Implementation |
|-----|-------------------------------------|---|--------------------------|
| 1. | Accounting Officer | Undertake procurements in a manner that enhances efficiency for effective service delivery in accordance with Section 46 (e) and 51 of the PPDA Act Cap. 205. | Implemented |
| 2. | | Regularly carry out a review of the procurement plan implementation in accordance with Section 60 (7) of the PPDA Act Cap. 205. | Implemented |
| 3. | Head, Procurement and Disposal Unit | Chose the procurement method based on the estimated value of the requirement as guided in Guideline No.1 of 2024. | Implemented |
| 4. | | Maintain uniformity of the Special Conditions of Contract in the contract as in the issued bidding document. | Implemented |
| 5. | Evaluation Committee | Strictly adhere to the criteria set out in the bidding document in accordance with Regulation 5 of the PPDA (Evaluation) Regulations, 2023. | Implemented |
| 6. | User Departments | User Departments should initiate and forward their requirements to the Procurement and Disposal Unit in a timely manner in accordance with Section 34 (b) of the PPDA Act Cap. 205. | Implemented |
| 7. | | Contract Managers should closely supervise and monitor contract implementation as per the contract terms and conditions in accordance with Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023. | Implemented |

Implication

The effort made to implement all the previous audit recommendations indicates the University's commitment to strengthen its internal control environment and improve its public procurement performance.

Management Response

Management has made tremendous progress in contract management. All the Contract Managers are appointed in time and these are provided with signed contract copies; Contracts Management Plan Form 49, a PDU debrief and these tools are being used to support the contract management process.

Recommendation

The Accounting Officer is commended for the efforts made to implement all the previous audit recommendations and is encouraged to establish a continuous monitoring mechanism to ascertain

that the newly implemented controls in procurement and disposal remain effective in accordance with Section 28 (1) of the PPDA Act Cap. 205.

2.1.3 Anomalies in Preparation of Statements of Requirements

Regulation 3 (2) (a) of the PPDA (Rules & Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 requires the initiation for a procurement requirement to include a description of the supplies, works or non-consultancy services.

The Authority noted anomalies in the preparation and sharing of Statements of Requirements (SoRs) of three procurements worth UGX 358,047,268 detailed in Table 5 below:

Table 5: Procurements with Anomalies in Statement of Requirements

| No. | Procurement Details | Exception Findings | Management Response |
|-----|--|---|--|
| 1. | Wall & desktop calendars and diaries at UGX 75,355,980 | Failure to submit SoRs along with the requisition form which delayed the preparation of the bidding document: The User (Mr. Pius Kusiima) shared the SoRs on 25 th September 2024 after 12 working days from initiation on 10 th September 2024 upon receiving a submission reminder from the PDU on 24 th September 2024 contrary to Regulation 3 (2) (a) of the PPDA (Rules & Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. | <i>PDU has observed and noted the above delay for improvement in timelines. Attempts have been made to indulge the User Departments to improve the timelines in submission of procedural documents.</i> |
| 2. | Supply of a three-phase backup system for MUBS at UGX 190,103,768 | Failure to submit SoRs along with the requisition form which delayed preparation of the bidding document: The Strategy and Projects Unit shared the SoRs on 11 th February 2025 after 8 working days from initiation on 31 st January 2025 upon receiving a submission reminder from the PDU on 10 th February 2025 contrary to Regulation 3 (2) (a) of the PPDA (Rules & Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. | <i>This has been observed for future correction. In this case, the super user (Strategy & Projects Office) had to get technical specifications from the technical unit (Management Information Systems Unit) and thus the delay.</i> |
| 3. | Modification of a classroom block at MUBS Jinja Campus – Naranbhai at UGX 92,587,520 | Incomplete specifications in the Bills of Quantities for drainage works: In an email dated 25 th January 2025, Basama Enterprises & Engineering Ltd noted that the drainage constructed was too shallow despite the works nearing completion. | <i>On BoQ Specifications: Clear specifications were given in the detailed BoQs including the material to be used, their mix ratios and gradient.</i> |

| No. | Procurement Details | Exception Findings | Management Response |
|-----|---------------------|--|---|
| | | <p>The contractor further noted that the Bills of Quantities did not specify the required size or depth of the drainage under element no.2 (rain water disposal) contrary to Regulation 34 (3) of the PPDA (Rules & Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.</p> <p>Physical verification conducted on 11th March 2026 revealed silt accumulation in the drainage trenches surrounding the classroom block, resulting in near-total blockage (refer to Annex 2 of the physical verification photos).</p> | <p>Authority's Comment The Authority verified the BoQs and noted that the dimensions of the drainage trench were not specified but rather stated "excavate to required slope and cast mass concrete in the ratio of 1:2:4 cement: sand: coarse aggregate mix" hence this query was retained.</p> |

Implications

- The delay to share the SoRs for the calendars and diaries further delayed preparation of bidding documents by 12 working days.
- The delay to share the SoRs for the three-phase backup system further delayed preparation of bidding documents by 8 working days.
- Issuing bidding documents with inadequate Statement of Requirements adversely impacted the resultant quality of the contract deliverables thus denying the University value for money.

Recommendation

User Departments should prepare and submit clear and detailed Statement of Requirements along with the procurement requisition form in accordance with Regulation 3 (2) (a) of the PPDA (Rules & Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.1.4 Inadequate Reporting on Contracts Awarded to Special Interest Groups

Paragraph 2.1 (ii) of Guideline No.11 of 2024 requires the Entity to reserve at least 15% of its annual procurement plan budget for award to registered associations of Women, Youth and persons with Disabilities.

Despite planning to reserve 8% (UGX 884,908,758) of the procurement plan, the University actually awarded 24% (UGX 2,664,722,651) of its annual procurement plan for the FY 2024/2025 to registered associations of Women and Youth in accordance with Paragraph 2.1 (i) of Guideline No.11 of 2024.

The Authority observed that of these contracts, 99% (UGX 2,626,899,551) were awarded to Women-owned businesses while 1% (UGX 37,823,100) were awarded to Youth-owned businesses as detailed in Table 6 below:

Table 6: Analysis of Reservation to Special Interest Groups during the FY 2024/2025

| No. | Category of Business Registration | Contract Value (UGX) | Percentage |
|--------------|-----------------------------------|----------------------|-------------|
| 1. | Women | 2,626,899,551 | 99% |
| 2. | Youth | 37,823,100 | 1% |
| 3. | Persons with Disabilities | 0 | 0 |
| Total | | 2,664,722,651 | 100% |

Paragraph 4.1 (ii) of Guideline No.11 of 2024 requires the Entity to indicate in their monthly report submitted to the Authority contracts that have been awarded under reservation schemes.

The University reported on the award of only 10% (UGX 274,651,544) of the total awards to Special Interest Groups in the monthly reports submitted to the Authority contrary to Paragraph 4.1 (ii) of Guideline No.11 of 2024.

Implication

Despite the effort made to promote local content, a discrepancy of UGX 2,390,071,107 in reporting was observed as explained below which made it difficult to track the benefits of reservation schemes to Special Interest Groups.

Management Response

The University managed to enter into contracts with Special Interest Groups for Women led Companies and Youth led companies up to a value of UGX 2,664,722,651. This amounted to a percentage of 25% of the total procurement plan and budget. The University desires to further implement the contracts with Persons with Disabilities Special Interest Group. Evidence was availed for verification.

Authority's Comment

Verification of FY 2024/2025 awards revealed a significant reporting gap: while UGX 2,664,722,651 was actually awarded to Women and Youth-owned businesses, only UGX 274,651,544 was captured in the monthly procurement reports (Part 1B and Part IVB). This indicates a failure to accurately document over 90% of awards granted to these target groups.

Recommendation

The Head, Procurement and Disposal Unit should indicate, in Part 1B and Part IVB of the monthly procurement reports submitted to the Authority, the contracts awarded to registered associations of Women, Youth and Persons with Disability in accordance with Paragraph 4.1 (ii) of Guideline No.11 of 2024.

2.2 Level of compliance of the Entity's disposal process with the provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines

The Authority made the following findings in regard to the level of compliance of Makerere University Business School's disposal process with the provisions of the PPDA Act Cap. 205, PPDA Regulations 2023 and PPDA Guidelines.

2.2.1 No Exception Findings observed in the University's Disposal Procedures

Regulation 2 of the PPDA (Disposal of Public Assets) Regulations 2023 requires an Accounting Officer to review the public assets of a Procuring and Disposing Entity in each Financial Year to identify assets to be disposed of in the following year.

The Authority noted that, on 21st May 2025, the University awarded the disposal of 61 assorted assets worth UGX 25,754,850 to various buyers through the public bidding method as had been identified in the disposal plan for the FY 2024/2025.

The Accounting Officer is commended for disposing of assets during the FY 2024/2025 and should in each financial year, cause the public assets of the University to be reviewed to identify assets for disposal in accordance with Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations 2023.

2.3 Level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) Requirements in the procurement process

The Authority did not observe exception findings in regard to the level of efficiency and effectiveness in contract implementation at Makerere University Business School including the application of Environmental, Social, Health and Safety (ESHS) requirements in the procurement process.

CHAPTER 3: OVERVIEW OF THE PERFORMANCE OF THE UNIVERSITY

This section presents the procurement and disposal audit performance of Makerere University Business School for the financial year 2024/2025.

3.1. Overall Performance Audit Conclusion

Makerere University Business School had an overall weighted average risk rating of **13.5%** which is **satisfactory**. The risk rating analysis is demonstrated in Table 8 below:

Table 7: Risk Rating Descriptions

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

Entity's Performance

The risk rating was weighted to determine the overall risk level of Makerere University Business School. The weighting was derived using the average weighted index as shown in Table 9 below:

Table 8: Weighted Average Score by Number and Value of Sampled Procurements

| Risk Category | No. | %No | Value (UGX) | %Value | Weights | Total Weighted Average | |
|---------------|-----------|------------|----------------------|------------|---------|------------------------|-------------|
| | | | | | | By No. | By Value |
| High | 0 | 0 | 0 | 0 | 0.6 | 0 | 0 |
| Medium | 3 | 20 | 203,697,500 | 5 | 0.3 | 6 | 1.34 |
| Low | 6 | 40 | 2,200,775,420 | 48 | 0.1 | 4 | 4.82 |
| Satisfactory | 6 | 40 | 2,162,853,533 | 47 | 0.0 | 0 | 0 |
| Total | 15 | 100 | 4,567,326,453 | 100 | | 10 | 6.16 |

$$\text{Weighted Average (By No.)} = \frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{10}{60} \times 100 = 16.7\%$$

$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{6.16}{60} \times 100 = 10.3\%$$

$$\text{Combined Weighted Average} = \frac{16.7\% + 10.3\%}{2} = 13.5\%$$

Figure 1 below is the graphical representation of the risk rating of Makerere University Business School by number of contracts and contract value for the FY 2024/2025:

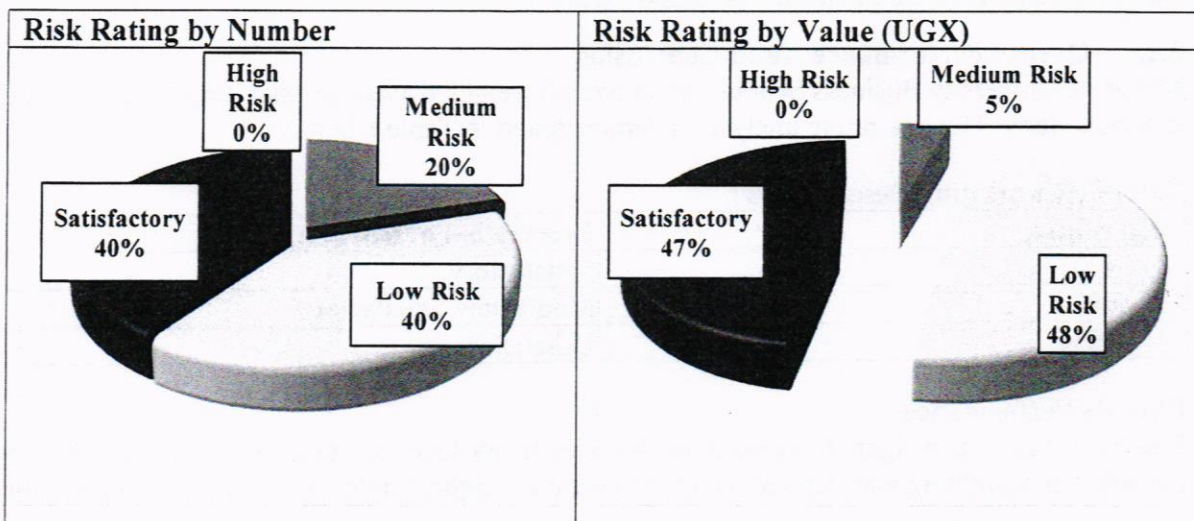


Figure 1: Graphical representation of the risk rating of Makerere University Business School by number of contracts and contract value for the FY 2024/2025

3.2. Recommended Action Plan

Makerere University Business School should implement the following recommendations within the timeframe given in order to improve its performance in procurement and disposal listed in Table 10 below:

Table 9: Recommended Action Plan

| Origin | Recommended Action | Target Date |
|-------------------------------|---|----------------------------|
| Procurement and Disposal Unit | <ol style="list-style-type: none"> 1. The Head, Procurement and Disposal Unit should report on all procurement and disposal activities undertaken by the University in the monthly procurement and disposal reports submitted to the Authority in accordance with Regulation 15 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023. 2. The Head, Procurement and Disposal Unit should indicate, in Part 1B and Part IVB of the monthly procurement reports submitted to the Authority, the contracts awarded to registered associations of Women, Youth and Persons with Disability in accordance with Paragraph 4.1 (ii) of Guideline No.11 of 2024. | 30 th June 2026 |
| User Departments | <ol style="list-style-type: none"> 1. Heads of User Departments should conduct thorough cost estimation and risk analysis during the procurement budgeting phase to minimize the risk of low budget absorption in accordance with Section 36 (2) of the PPDA Act Cap. 205. | 30 th June 2027 |

| Origin | Recommended Action | Target Date |
|---------------|---|--------------------|
| | 2. User Departments should prepare and submit clear and detailed Statement of Requirements along with the procurement requisition form in accordance with Regulation 3 (2) (a) of the PPDA (Rules & Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. | |

ANNEXES

Annex 1: Transaction List of Procurements Reviewed During the Procurement and Disposal Audit for the Financial Year 2024/2025

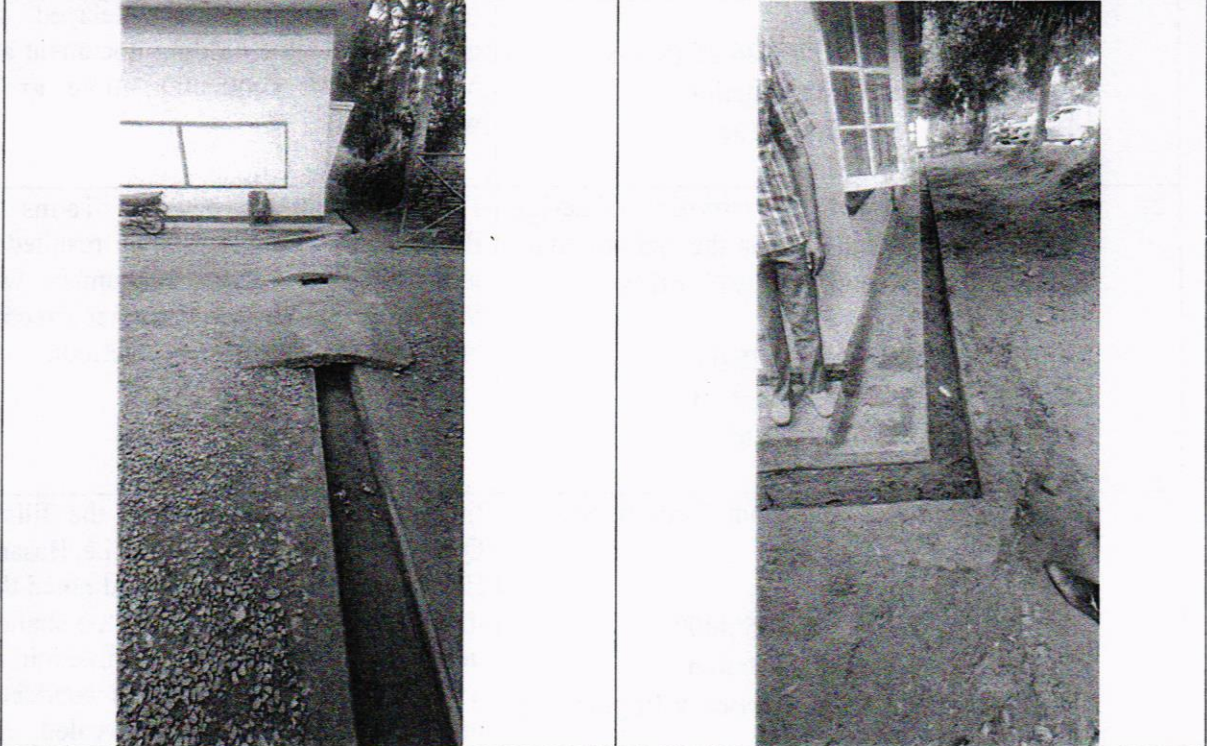
| No | Proc Reference No. | Subject of Procurement | Procurement Method | Provider | Contract Value (UGX) | Risk Rating |
|----|---------------------------|--|-----------------------------|---|----------------------|--------------|
| 1. | Several reference numbers | Provision of meals and refreshments | Framework Agreement | Katumba Estates Ltd, | 1,368,223,392 | Low Risk |
| 2. | Several reference numbers | Supply of stationery and toner | Framework Agreement | Ndere Investments Ltd, Canono World Ltd, Qbranch (U) Ltd, Millenium Infosys Ltd | 1,445,040,140 | Satisfactory |
| 3. | MUBS/SPLS/24-25/00089 | Supply of a three-phase backup system for MUBS | Request for Quotation | Okra Engineering Services Ltd | 190,103,768 | Low Risk |
| 4. | MUBS/WRKS/24-25/00001 | Modification of a classroom block at MUBS Jinja Campus - Naranbhai | Request for Quotation | Basama Enterprises & Engineering Ltd | 92,587,520 | Medium Risk |
| 5. | MUBS/SPLS/24-25/00056 | Students' identity cards | Restricted Domestic Bidding | Capital Developers (U) Ltd | 258,801,042 | Satisfactory |
| 6. | MUBS/SPLS/24-25/00024 | Answer booklets for semester one AY 2024/2025 | Request for Quotation | TTB Investments Ltd | 154,999,995 | Satisfactory |
| 7. | MUBS/SPLS/24-25/00013 | Furniture (drawers) for MUBS | Request for Quotation | Lunko Enterprises Ltd | 87,000,102 | Low Risk |

| No | Proc Reference No. | Subject of Procurement | Procurement Method | Provider | Contract Value (UGX) | Risk Rating |
|-----|-------------------------|--|-----------------------------|-----------------------|----------------------|--------------|
| 8. | MUBS/CSVCS/24-25/00001 | Consultancy services for provision of design and bills of quantities for the School Main Building Lobby and Principal's office | Request for Quotation | Kahl Consults Ltd | 35,754,000 | Medium Risk |
| 9. | MUBS/SPLS/24-25/00091 | Supply of furniture and electrical items for Principal's office, main building lobby and reception area | Restricted Domestic Bidding | Nina Interiors Ltd | 258,408,200 | Low Risk |
| 10. | MUBS/NCSVCS/24-25/00082 | Hire of apartment for visiting professors, external examiners and MUBS guests under framework contract (Lot 2) | Framework Agreement | Silver Springs Hotel | 156,632,600 | Satisfactory |
| 11. | MUBS/SPLS/24-25/00038 | Wall & desktop calendars and diaries | Request for Quotation | Horizon Lines Ltd | 75,355,980 | Medium Risk |
| 12 | MUBS/SPLS/24-25/00090 | Supply of ICT equipment for MUBS under framework for 24 months | Restricted Domestic Bidding | Ndere Investments Ltd | 274,040,958 | Low Risk |
| 13 | MUBS/SPLS/24-25/00115 | Supply of text books for MUBS | Request for Quotation | Gustro Ltd | 121,624,906 | Satisfactory |

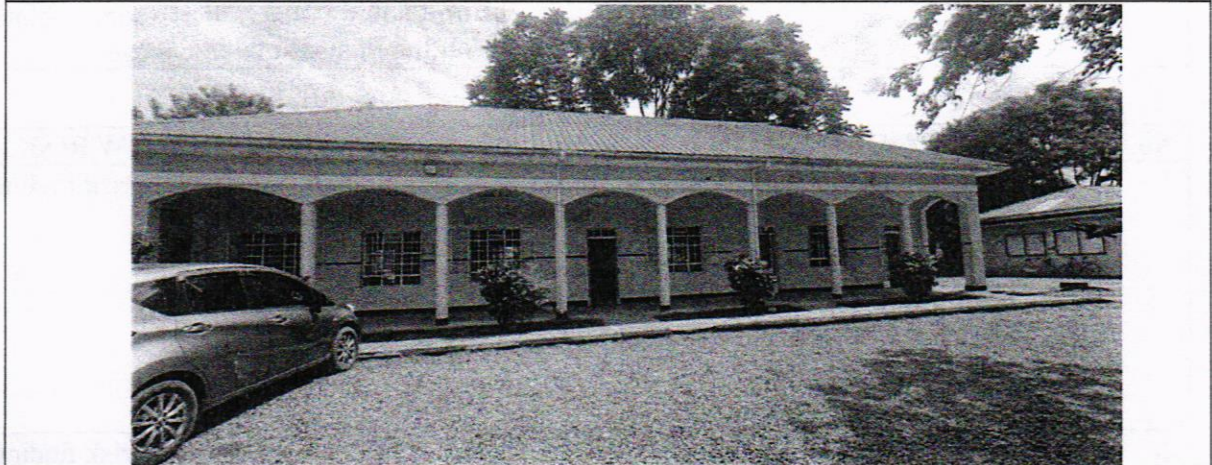
| No | Proc Reference No. | Subject of Procurement | Procurement Method | Provider | Contract Value (UGX) | Risk Rating |
|-----------------------------------|----------------------|---|-----------------------|--------------------------|----------------------|--------------|
| | | under framework for 36 months | | | | |
| 14 | MUBS/SVC/25-26/00004 | Rectification of mechanical defects on the School vehicles: Lot 1: UAR516Y Lot 2: UAA052F Lot 3: UAA960E Lot 4: UAR470Y | Request for Quotation | Kibuli Auto Services Ltd | 22,999,000 | Low Risk |
| Total Sampled Procurements | | | | | 4,547,378,235 | |
| Disposal | | | | | | |
| 15 | MUBS/24-25/00001 | Assorted items disposed of in May 2025 | Public Bidding | Various providers | 25,754,850 | Satisfactory |

Annex 2: Photographs taken during physical verification of the MUBS Jinja Campus taken on 11th March 2026

Small trenches constructed along the classroom block at MUBS Jinja Campus - Naranbhai



Front view of the renovated classroom block at MUBS Jinja Campus - Naranbhai



Annex 3: Case by Case Analysis

| No. | MEDIUM RISK CASES | REASONS FOR MEDIUM RISK |
|-----|---|--|
| 1. | <p>Wall & desktop calendars and dairies</p> <p>Proc. Ref. MUBS/SPLS/24-25/00038 Method: Request for Quotation Provider: Horizon Lines Ltd Value: UGX 75,355,980</p> | <p>Failure to submit SoRs along with the requisition form which delayed the preparation of the bidding document and prolonged the requisition time to 13 working days.</p> |
| 2. | <p>Consultancy services for provision of design and bills of quantities for the School Main Building Lobby and Principal's office</p> <p>Ref.: MUBS/CSVCS/24-25/00001 Method: Request for Quotation Provider: Kahl Consults Ltd Value: UGX 35,754,000</p> | <p>Failure to attach detailed Terms of Reference at initiation which resulted in issuance of a bidding document with inadequate bidding terms further affecting bid responsiveness and competition.</p> |
| 3. | <p>Modificaton of a classroom block at MUBS Jinja Campus - Naranbhai</p> <p>Ref.: MUBS/WRKS/24-25/00001 Method: Request for Quotation Provider: Basama Enterprises & Engineering Ltd Value: UGX 92,587,520</p> | <p>Incomplete specifications in the Bills of Quantities for drainage works i.e. Basama Enterprises & Engineering Ltd noted that the drainage constructed was too shallow despite the works nearing completion. As a result, physical verification conducted on 11th March 2026 revealed silt accumulation in the drainage trenches surrounding the classroom block, resulting in near-total blockage.</p> |

| No. | LOW RISK CASES | REASONS FOR LOW RISK |
|-----|--|--|
| 1. | <p>Supply of furniture and electrical items for Principal's office, main building lobby and reception area</p> <p>Proc. Ref.: MUBS/SPLS/24-25/00091 Method: Restricted Domestic Bidding Provider: Nina Interiors Ltd Value: UGX 258,408,200</p> | <p>No high and medium risk findings were observed.</p> |
| 2. | <p>Furniture (150 drawers) for MUBS</p> <p>Proc. Ref.: MUBS/SPLS/24-25/00013 Method: Request for Quotation Provider: Lunko Enterprises Ltd Value: UGX 87,000,102</p> | <p>No high and medium risk findings were observed.</p> |
| 3. | <p>Rectification of mechanical defects on the School vehicles:</p> | <p>No high and medium risk findings were observed.</p> |

| No. | LOW RISK CASES | REASONS FOR LOW RISK |
|-----|--|---|
| | Lot 1: UAR516Y Lot 2: UAA052F Lot 3: UAA960E Lot 4: UAR470Y Proc. Ref.: MUBS/SVC/25-26/00004 Method: Request for Quotation Provider: Kibuli Auto Services Ltd Value: UGX 22,999,000 | |
| 4. | Supply of ICT equipment for MUBS under framework for 24 months Proc. Ref.: MUBS/SPLS/24-25/00090 Method: Restricted Domestic Bidding Provider: Ndere Investments Ltd Value: UGX 274,040,958 | No high and medium risk findings were observed. |
| 5. | Supply of a three-phase backup system for MUBS Proc. Ref.: MUBS/SPLS/24-25/00089 Method: Request for Quotation Provider: Okra Engineering Services Ltd Value: UGX 190,103,768 | Failure to submit SoRs along with the requisition form which delayed preparation of the bidding document and prolonged the requisition time to 16 working days. |
| 6. | Provision of meals and refreshments Proc. Ref.: several reference numbers Method: Framework Provider: Katumba Estates ltd Value: UGX 1,368,223,392 | No high and medium risk findings were observed. |

| No. | SATISFACTORY CASES | REASONS FOR SATISFACTORY OUTCOME |
|-----|--|---|
| 1. | Hire of apartment for visiting professors, external examiners and MUBS guests under framework contract (Lot 2) Proc. Ref.: MUBS/NCSVCS/24-25/00082 Method: Request for Quotation Provider: Silver Springs Hotel Value: UGX 295,000 per day | No high, medium or low-risk findings were observed in this procurement's processes. |
| 2. | Supply of text books for MUBS under framework for 36 months | No high, medium or low-risk findings were observed in this procurement's processes. |

| No. | SATISFACTORY CASES | REASONS FOR SATISFACTORY OUTCOME |
|-----|--|---|
| | Proc. Ref.: MUBS/SPLS/24-25/00115 Method: Request for Quotation Provider: Gustro Limited Value: UGX 121,624,906 | |
| 3. | Students' identity cards Proc. Ref.: MUBS/SPLS/24-25/00056 Method: Restricted Domestic Bidding Provider: Capital Developers (U) Ltd Value: UGX 258,801,042 | No high, medium or low-risk findings were observed in this procurement's processes. |
| 4. | Answer booklets for semester one AY 2024/2025 Proc. Ref.: MUBS/SPLS/24-25/00024 Method: Request for Quotation Provider: TTB Investments Ltd Value: UGX 154,999,995 | No high, medium or low-risk findings were observed in this procurement's processes. |
| 5. | Supply of stationery and toner Proc. Ref.: Several reference numbers Method: Framework Providers: Ndere Investments Ltd, Canono World Ltd, Qbranch (U) Ltd, Millenium Infosys Ltd Value: UGX 1,445,040,140 | No high, medium or low-risk findings were observed in this procurement's processes. |
| 6. | Assorted items disposed of in May 2025 Proc. Ref.: MUBS/24-25/00001 Method: Public bidding Provider: Various providers Value: UGX 25,754,850 | No high, medium or low-risk findings were observed in this disposal processes. |

Annex 4: Risk Rating Criteria

| RISK | DESCRIPTION | AREA | IMPLICATION |
|-------------|--|---|--|
| HIGH | Such procurements were considered to have serious weaknesses, which could cause material financial loss or carry a risk for the regulatory system or the entity's reputation. Such | Planning: Lack of or failure to procure within the approved plan | This implies emergencies and the use of the direct procurement method which affects competition and value for money. |

| RISK | DESCRIPTION | AREA | IMPLICATION |
|---------------|---|--|---|
| | <p>cases warrant immediate attention by senior management.</p> <p>Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".</p> | <p>Bidding Process: Use of wrong/inappropriate procurement methods, failure to seek Contracts Committee approvals, and usurping the powers of the PDU.</p> <p>Evaluation: Use of inappropriate evaluation methodologies or failure to conduct an evaluation.</p> <p>Record Keeping: Missing procurement files and missing key records on the files namely; solicitation document, submitted bids, evaluation report and contract.</p> <p>Fraud/forgery: Falsification of Documents</p> <p>Contract Management: Payment for shoddy work or work not delivered.</p> | <p>This implies the use of less competitive methods which affects transparency, accountability, and value for money.</p> <p>This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend award to a responsive bidder.</p> <p>This implies that one cannot ascertain the audit trail namely; whether there was competition and fairness in the procurement process.</p> <p>This implies a lack of transparency and value for money.</p> <p>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</p> |
| MEDIUM | <p>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</p> | <p>Planning: Lack of initiation of procurements and confirmation of funds.</p> <p>Bidding Process: Deviations from</p> | <p>This implies committing the Entity without funds thereby causing domestic arrears.</p> <p>This implies a lack of efficiency,</p> |

| RISK | DESCRIPTION | AREA | IMPLICATION |
|------|--|---|--|
| | <p>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.</p> | <p>standard procedures namely bidding periods, standard formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms, and splitting procurement requirements.</p> | <p>standardization, and avoiding competition.</p> |
| | | <p>Procurement Structures: Lack of procurement structures</p> | <p>This implies a lack of independence of functions and powers and interference in the procurement process.</p> |
| | | <p>Record Keeping: Missing Contracts Committee records and incomplete contract management records.</p> | <p>This implies that one cannot ascertain the audit trail namely; whether the necessary approvals were obtained in a procurement process.</p> |
| | | <p>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.</p> | <p>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.</p> |
| | | <p>Failure by the Entity to incorporate in the solicitation document aspects of gender, social inclusion, environment, health and safety.</p> | |

| RISK | DESCRIPTION | AREA | IMPLICATION |
|---------------------|--|--|---|
| | | Aspects of gender, social inclusion, environment, health, and safety are not covered by the contractor during contract implementation. | |
| LOW | Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best practices. Deviations from laid down detailed procedures would normally be graded "low" provided that there is sufficient evidence of management action to put in place and monitor compliance with detailed procedures. | <p>Planning: Lack of procurement reference numbers.</p> <p>Bidding Process: Not signing the Ethical Code of Conduct</p> | <p>This leads to failure to track the procurements which leads to poor record-keeping.</p> <p>This leads to failure to declare a conflict of interest and a lack of transparency.</p> |
| 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. | | |