

**COMPLIANCE AUDIT REPORT FOR UGANDA
REGISTRATION SERVICES BUREAU FOR FINANCIAL
YEAR 2021/2022**

OCTOBER 2022

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Acronyms

AO	Accounting Officer
CC	Contracts Committee
FY	Financial Year
HPDU	Head, Procurement and Disposal Unit
LPO	Local Purchase Order
URSB	Uganda Registration Services Bureau
ODB	Open Domestic Bidding
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
RDB	Restricted Domestic Bidding
RFP	Request for Proposals
SBD	Standard Bidding Document
WRKS	Works
NSSF	National Social Security Fund
JLOS	Justice Law and Order Sector
UGX	Uganda Shillings

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) carried out a Compliance audit on the procurement and disposal activities of Uganda Registration Services Bureau. The exercise covered a sample of ten (10) procurement transactions carried out during the Financial Year 2021/2022. The Compliance audit exercise involved a review of the procurement system and procurement processes following the Public Procurement and Disposal of Public Assets Act, 2003, and PPDA Regulations, 2014.

From the findings of the Compliance audit exercise, the summary performance of the Entity revealed an aggregate risk rating of **25.5 %** which is **Satisfactory** performance as per the ranking in Table 6 of the detailed report.

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

1. Procurements worth UGX 195,194,260 had incomplete procurement files. Specifically, the files had missing contract management reports which compromises the principle of accountability of public funds and affects audit trail
2. Late submission of a bid: The Authority noted irregularities during the receipt of bids in the supply of corporate wear of URSB Staff by Asiatic Sports (U) Ltd worth UGX 38,409,000. The best evaluated bidder submitted a bid on 28th October 2021 yet the deadline for submission of bids was on 22nd October 2021.
3. The Authority observed irregularities during the evaluation process of two (2) transactions worth UGX 59,416,000 such as bidders not accept the terms and conditions of the proposed contract. Irregular practices during evaluation promotes unfairness and contravenes one of the principles of public procurement enshrined in Section 43 (a) and (b) of the PPDA Act, 2003. Such unfairness during evaluation could lead to award of contracts to non-compliant bidders.
4. There was a delay to deliver items in the supply of corporate wear of URSB staff worth UGX 38,409,000. Whereas the contract was signed on 10th December 2021 and deliveries were to be made within four weeks, the deliveries were made on 30th March 2022, (two and half months later) contrary to General Condition of Contract 12.1. Delays during contract implementation delay service delivery to the intended beneficiaries and is also a breach of the contractual terms.

The Authority recommends that:

1. The Head Procurement and Disposal Unit should maintain all procurement records on file in accordance with Section 31 (o) of the PPDA Act, 2003.
2. The Head Procurement and Disposal Unit should ensure that bids that are submitted after the deadline for submission of bids are labelled "LATE" and are returned to the bidder unopened as stipulated under Regulation 59 (6) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014.
3. The Head Procurement and Disposal Unit should ensure that evaluation is conducted in a fair and transparent manner in accordance with Regulation 7 (1) of the PPDA (Evaluation) Regulations, 2014
4. Contract Managers should ensure that the provider performs the contract in accordance with the terms and conditions specified in the contract in accordance with Regulation 53 of the PPDA (Contracts) Regulations, 2014.

CHAPTER 1: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance audit exercise on the procurement and disposal activities of Uganda Registration Services Bureau (URSB). The exercise covered a sample of ten (10) procurement transactions carried out during Financial Year 2021/2022. The exercise involved a review of the procurement system, procurement processes following the Public Procurement and Disposal of Assets Act, 2003 and Regulations, 2014.

1.2 Objective of the Compliance audit

The primary objective of the exercise was to provide assurance on full and correct application of the PPDA Act, Regulations and Guidelines by URSB.

The specific objectives were:

1. To establish the level of compliance of the procurement and disposal activities with provisions of the PPDA Act, Regulations and Guidelines.
2. To establish the level of efficiency in the conduct of the procurement and disposal process up to contracting in the Entity.
3. To assess the level of achievement of Value for Money (efficiency, cost and effectiveness) in contract execution.

1.3 Structure of the Entity

The Entity is headed by the Registrar General, who is the substantive Accounting Officer.

a. User Departments

The Entity is subdivided into the following Directorates:

Table 1: User Departments

No.	User departments
1.	Directorate of Human Resource
2.	Directorate of ICT
3.	Directorate of Insolvency and Receivership
4.	Directorate of Civil Registration
5.	Directorate of Business Registration
6.	Directorate of Planning and Research
7.	Directorate of Finance and Administration
8.	Directorate of Intellectual Property
9.	Directorate of Internal Audit

b. Budget and source of funding

The Entity is funded by Government of Uganda. The Entity's procurement budget for the Financial Year 2021/22 was UGX 9,429,718,851

1.4 Compliance audit scope

The Authority carried out the procurement and disposal Compliance audit of URSB from 9th to 19th August, 2022. The exercise covered a sample of ten (10) procurement transactions worth UGX 648,262,369 conducted during the FY 2021/2022, review of procurement structures and review of the procurement plan performance. The list of sampled transactions is contained in Appendix 1.

1.5 Methodology

URSB was notified about the upcoming exercise on 2nd August, 2022. A sample of ten (10) procurement transactions was selected based on stratified random sampling using Contracts Committee minutes, the contracts register, and monthly procurement and disposal reports.

Two (2) officers conducted the exercise under the supervision of the Manager Performance Monitoring. During the exercise, the team examined records and documents for each of the ten (10) sampled procurement transactions. The team also reviewed the procurement plan for the Financial Year 2021/2022.

On completion of data collection, members of the 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 debriefing meeting to clear all pending issues that arose during the compliance inspection was held with the Entity management and staff on 26th August 2022 before the auditors could embark on preparation of the management letter. The auditors prepared the management letter, which was sent to the Entity on 14th September, 2022 with a request to submit a management response by 20th September, 2022 which was submitted on 30th September, 2022.

CHAPTER TWO: FINDINGS OF THE AUTHORITY

2.1. To establish the level of compliance by the PDE with the general provisions of the PPDA Act, 2003 and Regulations, 2014

2.1.1 Procurement Planning and Procurement Plan Management

The Authority assessed the Entity's procurement plan for the FY 2021-22. The table below details information about the plan and utilization of funds. The procurement plan absorption rate was 11.5 % with a variance of UGX 8,351,855,006.

Table 2: Procurement plan implementation

<i>Analysis of procurement spend</i>	
Total procurement budget/plan value inclusive VAT (UGX)	9,429,718,851
Total procurement spend value inclusive VAT (UGX)	9,024,240,940
Procurement plan implementation (%)	95.7 %
Budget Variance (UGX)	405,477,911

Implication

Procurements worth UGX 405,477,911 were not implemented thereby denying the services to the intended beneficiaries.

Management Response

95.7% of the Procurement Plan was implemented and executed to which 4.29% was not implemented because of none Release of Funds by MoFPED

Recommendation

For the future, where need arises, a review of the plan and budget should be done in accordance with Section 58(4) of the PPDA Act, 2003 to reflect the status quo of the Entity's actual performance.

2.1.2 Failure to implement 71.4 % of the previous audit recommendations

The Authority noted that the Entity had been issued its previous audit report for the Financial Year 2019/20. Out of Seven (7) recommendations made, two (28.6 %) recommendations were implemented and the remainder were partially implemented as detailed in the table below:

Table 3: Status of implementation of previous audit recommendations

No	Observation	Recommended Action	Status
1.	Confirmation of availability of funding without delegated authority	The Accounting Officer should ensure that delegation of authority is done in accordance with Regulation 21 PPDA (Procuring and Disposing Entities) Regulations, 2014.	Implemented

2.	Inadequate solicitation documents	The Accounting Officer should caution; the Contracts Committee, the Head, Procurement and Disposal Unit and User Departments for failure to adhere to Regulations 27 and 37 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014 in the preparation of solicitation documents.	Not implemented
3.	Approving evaluation reports that contained irregularities	The Contracts Committee should always scrutinize evaluation reports to ensure consistency to evaluation criteria before approval of recommendation of award of contract in accordance with Section 30 of the PPDA Act, 2003.	Partially Implemented
4.	Failure to adequately meet contractual obligations	The Accounting Officer should prevail over Heads of User Departments to ensure that contract managers carry out their functions in accordance with Regulation 53 of the PPDA (Contracts) Regulations, 2014.	Partially Implemented
5.	Failure to detect arithmetic errors	The Head Procurement and Disposal Unit should ensure that arithmetic errors are corrected and communicated to the concerned bidders through a written request for clarification as per Regulation 14 (3) of the PPDA (Evaluation) Regulations, 2014.	Implemented
6.	Failure to fully absorb the procurement plan	The Accounting Officer and Management should regularly carry out a review of the implementation of the procurement plan to ensure improved performance.	Partially Implemented
7.	Efficiency, Efficacy and Effectiveness	<ul style="list-style-type: none"> • The Entity should ensure that the timelines set in the procurement plan are set and adhered to. • The Accounting Officer should ensure that contracts are completed in the timeframe agreed. • The Accounting Officer should ensure that payment to providers is done in the contracted timeframe. • The Accounting Officer should ensure that all procurements are undertaken in a competitive manner and in accordance with Section 46 of the PPDA Act, 2003. 	Partially Implemented

		<ul style="list-style-type: none"> The Accounting Officer should ensure that the procurement system is transparent, competitive and fair in accordance with Sections 45 and 46 of the PPDA Act, 2003. <p>The User Departments should promptly notify the procurement and disposal unit of any change in the procurement estimates so that the Entity can seek for additional funds to cover up the budget deficit as well as updating the procurement plan. Thorough market assessment should also be carried out both at planning and prior to imitation.</p>	
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Implication

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

Management Response

Entity has taken note and shall ensure to timely implementation of the recommendations.

Recommendation

The Accounting Officer with support from Internal Audit should come up with a strong mechanism such as constituting a task that will ensure that all audit recommendations are regularly monitored and implemented so as to improve the Entity's performance.

2.1.3 Records Management

In the procurement for Technology Support and Maintenance of the Call centre by Ms. Sybil Uganda worth 29,801,684, the provider did not submit a completion report fully detailing the activities undertaken under the contract. The provider was required to troubleshoot problems to ensure smooth operations, provide upgrades to the system and second tier support service. The company was also required to train Call-Centre agents and URSB staff in using the software and prepare quarterly reports in documenting the work undertaken, major issues/problems that could have arisen and actions taken.

Implication

The entity could have paid for incomplete services. Failure to maintain procurement records on their respective action files shows lack of accountability in the procurement process.

Management response

The voucher and the contract management reports were at Finance department but copies have since been attached.

Recommendation

The Authority acknowledges the Entity's response however only copy of payment voucher was availed. The completion and contract management report were not submitted. Therefore:

- The Accounting Officer should ensure that before payments are made, all contract deliverables should have been provided.

- The Head Procurement and Disposal Unit should maintain all procurement records on file in accordance with Section 31 (o) of the PPDA Act, 2003.

2.1.4 Inadequate specifications in the bidding document

The Authority observed that in the procurement of case management system worth UGX 49,386,000 from Data Track Solutions Consult Ltd, the technical specifications of the system were not explicit on the required reports. Whereas the user indicated that the system should provide reports in an excel compatible format, the actual reports to be produced were not mentioned.

Implications

- Inadequate solicitation documents make it difficult for bidders to prepare and submit responsive bids, thus reducing the level of competition and can also result to awarding contracts to providers that are not capable of delivering as per the requirements of the user.
- The supplies may not be fit for the purpose for which they are being procured and of the appropriate quality.

Management Response

The contract was not signed because funds were not released for the activity by the Donor-JLOS. The Entity has taken note of the irregularities in the Terms of Reference drawn and evaluation process and shall improve.

Recommendation

The User Departments should ensure that the statement of requirements are complete, precise and unambiguous in accordance with Regulations 23, 24 and 26 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014 in order that the supplies, works or non-consultancy services are fit for the purpose for which they are being procured and are of the appropriate quality.

2.1.5 Late Submission by PDU to Contracts Committee (CC) for approval of procurement

The Procurement and Disposal Unit (PDU) delayed to submit the request for approval of procurement method and the bidding document in the Procurement of laptops and all in one desk-tops for one stop Centre worth UGX 115,994,000. Whereas the Accounting Officer confirmed funding on 11th March 2022, the PDU submitted the request for approval on 28th March 2022, a delay period of 10 working days.

Implication

Delays in the procurement process create a lengthy lead time which consequently impedes timely service delivery to the intended beneficiaries and might hinder achievement of value for money.

Management Response

The requisition was approved on e-GP system without specifications and thus required preparation of specifications by user Department for PDU to submit to CC. The procurement was conducted on e-GP system and therefore the plan was uploaded and approved.

Recommendation

The Entity's response is noted; however, the e-GP system allows for attachments to the requisition before submitting for approval.

The Procurement and Disposal Unit should support the functioning of the Contracts Committee through making timely submissions in order to enable timely adjudication of recommendations by the Contracts Committee.

2.2. To establish the level of compliance with the PPDA Act, 2003 and Regulations, 2014 in the conduct of procurement and disposal activities

Procuring and Disposing Entities are required to apply the public procurement and disposal rules set out in the PPDA Act 2003, Regulations 2014 and Guidelines. The following areas of non-compliance were noted during the audit.

2.2.1 Late submission of a bid

The Authority noted irregularities during the receipt of bids in the supply of corporate wear of URSB Staff by Asiatic Sports (U) Ltd worth UGX 38,409,000. The best evaluated bidder submitted a bid on 28th October 2021 yet the deadline for submission of bids was on 22nd October 2021.

Implication

This contravenes the principle of transparency, accountability and fairness.

Management Response

The changes in activity schedule is as a result of recommendations by CC that required implementation before approved documents are shared to bidders.

Recommendation

The Head Procurement and Disposal Unit should ensure that bids that are submitted after the deadline for submission of bids are labelled "LATE" and are returned to the bidder unopened as stipulated under Regulation 59 (6) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014

2.2.2 Irregularities during evaluation

The Authority observed irregularities during the evaluation process of the following transactions worth UGX 59,416,000:

Table 4: Procurements with irregularities during evaluation

S/no	Subject of Procurement	PPDA Findings	Management Response
1.	Procurement of case management system worth UGX 49,386,000 from Data Track Solutions Consult Ltd	<p>1. The best evaluated bidder should have been disqualified during the preliminary/commercial evaluation stage because of the following:</p> <ul style="list-style-type: none">• The bidder submitted an NSSF certificate that was issued after the bid submission period. Whereas the bid submission period was 17th February 2022, the certificate was issued on 10th March 2022.	<p>The contract was not signed because funds were not released for the activity by the Donor-JLOS.</p> <p>The entity has taken note of the irregularities in the Terms of Reference</p>

		<ul style="list-style-type: none"> The did not accept the terms and conditions of the proposed contract but was found compliant at the commercial evaluation stage. The bidder changed the payment terms to 30% advance payment on signing of the contract and 70% upon completion of the project yet the Special Conditions of the contract stated that payment would be 100% upon training, installation and commissioning of the system. The bidder's bid had references to locations outside Uganda. For instance, the bidder mentioned that "the central location of the project shall be the designated office of client at Tanzania" which is not factual since URSB, the client, is located in Uganda. The bid also mentioned that URSB is to provide suitable place of work for the consultant with necessary facilities like internet, telephone, fax yet the bidder's bid had a quote of UGX 9,500,000 per month totaling to UGX 28,500,000 as administrative costs for internet, stationery, communication among others. <p>2. The evaluation team did not conduct post qualification yet it was a condition given by the Contracts Committee upon approval of the method, bidding document and evaluation committee.</p>	drawn and evaluation process and shall improve.
2.	Branded materials for Insolvency Conference 2022 worth UGX 10,030,000 by Inter Designing & Printing Limited	The best evaluated bidder's bid was valid until 9 th May 2022 yet the bidding document required bids to be valid until 17 th May 2022. The bidder should have failed during the evaluation process for this area of non-compliance because the company was non-committal on the price offered.	The entity has taken note of the irregularities and shall improve on its communication and SBD preparation.

Implications

- Irregular practices during evaluation promotes unfairness. This contravenes one of the principles of public procurement enshrined in Section 43 (a) and (b) of the PPDA Act, 2003.
- Unfairness during evaluation leads award of contracts to non-compliant bids.

Management response

The Entity has taken note and shall improve.

Recommendation

The Procurement and Disposal Unit should ensure that Evaluation Committees strictly adhere to the evaluation criteria outlined in the solicitation documents in accordance with Regulation 7 (1) of the PPDA (Evaluation) Regulations, 2014.

2.2.3 Insufficient justification for use of direct procurement method

The Authority did not find a comprehensive justification of the need for compatibility or continuity in the procurement for technology support and maintenance of the call centre. The user department explained that Sybyl Uganda Limited is the firm that manages and maintains the call centre system through annual licensure and backend support and has exclusive rights and control over the system which makes it impossible for another firm to manage or support the system. However, apart from the manufacturer's authorisation issued by Teckinfo Solutions Pvt Ltd, the equipment manufacturer, the Authority did not find any evidence to justify the entity's claims. There was no documentation to confirm the exclusivity of Sybyl Uganda Limited.

Implication

The need for compatibility or continuity could have been used to recommend direct procurement solely for reasons of convenience which is contrary to Regulation 10 (4) of the PPDA (Rules and Methods for procurement of supplies, Non-Consultancy Services and Works) Regulations, 2014.

Management response

The Entity has taken note and shall improve.

Recommendation

For the future, the Head Procurement and Disposal Unit should include a comprehensive justification of the need for compatibility or continuity where this is the justification for use of direct procurement method as stipulated under Regulation 10 of the PPDA (Rules and Methods for procurement of supplies, Non-Consultancy Services and Works) Regulations.

2.3. To assess the level of efficiency and effectiveness in contract implementation

2.3.1 Delayed contract completion.

The Authority noted a delay to deliver the items in the supply of corporate wear of URSB staff worth UGX 38,409,000. Whereas the contract was signed on 10th December 2021 and deliveries were to be made within four weeks, the deliveries were made on 30th March 2022, (2 and half months later) contrary to GCC 12.1 stipulating supplies to be delivered within four weeks from date of contract signing. There was no explanation by the contract manager giving reasons for the delay or any penalty levied on the provider.

Implications

- Delays during contract implementation delay service delivery to the intended beneficiaries.
- This is also a breach of the contractual terms.

Management response

The entity shall sensitise all contract Managers.

Recommendation

Contract Managers should ensure that the provider performs the contract in accordance with the terms and conditions specified in the contract in accordance with Regulation 53 of the PPDA (Contracts) Regulations, 2014.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This section presents the scores per area assessed under different inspection audit questions.

3.1 Overall Compliance audit conclusion

The performance of Uganda Registration Services Bureau for the Financial Year 2021/22 was **Satisfactory** with overall weighted average risk rating of **25.5%**

3.2 Entity's Performance

The risk rating was weighted to determine the overall risk level of the Entity. The weighting was derived using the average weighted index as shown below:

Table 5: Summary of Performance

Risk category	No.	No. %	Value (UGX)	Value%	Weights	Total weighted Average	
						By No	By Value
High	-	-	-	-	0.6	-	-
Medium	5	50	273,708,462	42	0.3	15	12.6
Low	2	20	61,702,000	10	0.1	2	1
Satisfactory	3	30	312,851,907	48	0	-	-
Total	10	100	648,262,369	100	1	17	13.6

$$\text{Performance by Number} = \frac{17 \times 100}{60} = 28.3\%$$

$$\text{Performance by Value} = \frac{13.6 \times 100}{60} = 22.6\%$$

$$\text{The average weighted risk rating} = \frac{28.3 + 22.6}{2} = 25.5\%$$

Table 6: Overall Entity Ranking

Risk Rating	Description of Performance
0-20%	Highly Satisfactory
21-50%	Satisfactory
51-80%	Unsatisfactory
81-100	Highly Unsatisfactory

Figure 1: Graphical representation of the cases by value

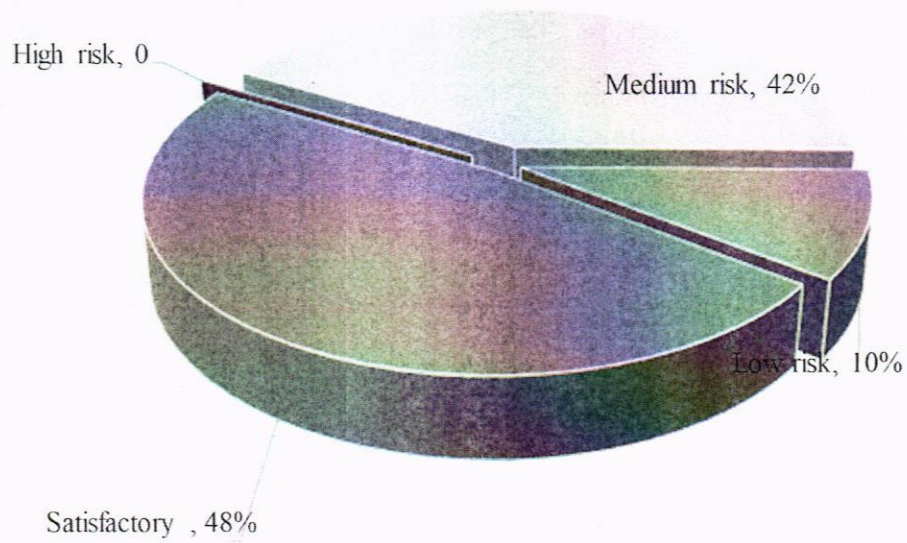
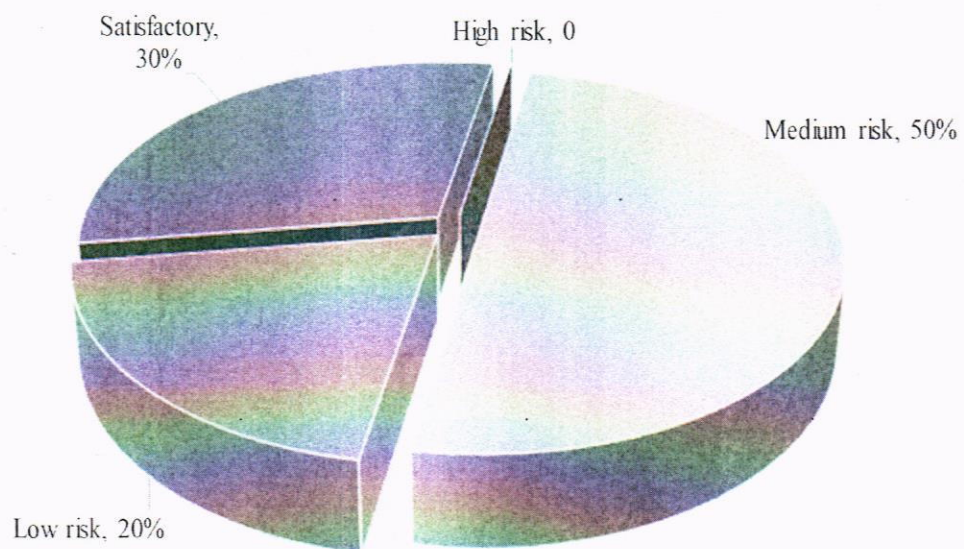


Figure 2: Graphical representation of the cases by number



Appendix 1: Findings and Rating on the individual contracts reviewed

No	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
1.	<p>URSB/NCONS/21-22/00076 Case management system RFQ Data Track Solutions Consult Ltd UGX 49,386,000</p>	<ul style="list-style-type: none"> • The technical specifications of the system were not explicit on the required reports. Whereas the user indicated that the system should provide reports in an excel compatible format, the actual reports to be produced were not mentioned. • Irregular short listing to disguise competition amongst firms. The PDU shortlisted firms that lacked the ability to meet the technical and eligibility requirements contrary to Regulation 43 (4) (c) of the PPDA (Rules and Methods for Procuring Supplies, Works and Non-Consultancy Services Whereas, SPIDD Africa Ltd was short listed from market knowledge by the PDU, the firm did not meet the qualifications requirements of competence, capacity, resources and experience. Therefore, there was no competition in the procurement process. • The best evaluated bidder submitted an NSSF certificate that was issued after the bid submission period. Whereas the bid submission period was 17th February 2022, the certificate was issued on 10th March 2022. • The best evaluated did not accept the terms and conditions of the proposed contract but was found compliant at the commercial evaluation stage. The bidder changed the payment terms to 30% advance payment on signing of the contract and 70% upon completion of the project yet the Special Conditions of the contract stated that payment would be 100% upon training, installation and commissioning of the system. • The evaluation team did not conduct post qualification yet it was a condition given by the Contracts Committee upon approval of the method, bidding document and evaluation committee. • The best evaluated bidder's bid had references to locations outside Uganda. For instance, the bidder mentioned that "the central location of the project shall be the designated office of client at Tanzania" which is not factual since URSB, the client, is located in Uganda. The bid also mentioned that URSB is to provide suitable place of work for the consultant with necessary facilities like internet, telephone, fax yet the bidder's bid had a quote of UGX 9,500,000 per month totaling to UGX 28,500,000 as administrative costs for internet, stationery, communication among others.

No	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
2.	URSB/NCONS/21-22/00003 Technology support and maintenance of the call Centre Direct procurement Sybyl Uganda UGX 29,801,684	<ul style="list-style-type: none"> Insufficient justification for direct procurement method No contract management report to indicate that the provider delivered the contract deliverables.
3.	URSB/SUPLS/21-22/00010 Supply of corporate wear of URSB staff shirts and T-shirts RFQ Asiatic Sports U Ltd UGX 38,409,000	<ul style="list-style-type: none"> Late submission of bid after bid closing date (Submitted on 28/10/2021, closing date was 22/10/2021 see part 1 submission of bids). No addendum issued was seen Delayed contract implementation. The contract was signed on 10th December 2021 and deliveries were to be made within four weeks. However, the deliveries were made on 30th March 2022, (2 and half months later) contrary to GCC 12.1 stipulating supplies to be delivered within four weeks from date of contract signing
4.	URSB/SUPLS/21-22/00014 Procurement of one double cabin pick up for Directorate of insolvency Restricted domestic bidding Cooper Motor Corporation U Ltd UGX 146,081,778	<ul style="list-style-type: none"> Delayed initiation of procurement. The planned initiation date was 9th August 2021; however, the item was requisitioned on 2nd September 2021, a delay of one month. Delayed contract execution. The planned completion date was Nov 2021, however, the vehicles were delivered on 27th May 2022 Delayed payment: Invoice date 28/04/2022, payment 28th June 2022
5.	URSB/SUPLS/21-22/00034 Procurement of branded materials to facilitate insolvency conference RFQ Inter Designing and Printing Ltd UGX 10,030,000	<ul style="list-style-type: none"> The best evaluated bidder's bid was valid until 9th May 2022 yet the bidding document required bids to be valid until 17th May 2022. The bidder should have failed during the evaluation process for this area of non-compliance because the company was non-committal on the price offered.

No	LOW RISK CONTRACTS	REASONS FOR LOW RISK
1.	URSB/SUPLS/21-22/00007 Procurement of computer equipment and accessories for URSB innovation hub RFQ Limsue Global Investments Ltd UGX 34,102,000	Restrictive Specifications and use of brand names such as Item 15, 19 and 20 in the Technical Evaluation criteria which stated brands like Energy efficiency STAR Certified EPEAT Silver Registered
2.	URSB/NCONS/21-22/00101	Delayed contract completion contrary to GCC 20.1 requiring supplies to be delivered within one month from

No	LOW RISK CONTRACTS	REASONS FOR LOW RISK
	Procurement of production of audio-visual content to publicize URSB services RFQ Cross Roads Digital Multimedia Ltd 27,600,000	date of contract signing (Contract sign date:10/06/2022, delivery made on 19/07/2022

No	SATISFACTORY CONTRACTS
1.	URSB/NCONS/21-22/00011 Procurement of services to operate, support and maintain the call Centre human resource RFQ Ankam Tele Consultants and Trainers Limited UGX 41,495,331
2.	URSB/SUPLS/21-22/00002 Laptops and all-in-one desktop computers for one stop Centre RFQ Kazinga Channel Office World Ltd UGX 115,994,000
3.	URSB/NCONS/21-22/00017 Procurement of scanning services for business registration and civil registration Restricted domestic bidding Coseke Uganda Ltd UGX 155,362,576

Appendix 2: Transaction list for FY 2021-22

S/NO	REFERENCE NUMBER	SUBJECT OF PROCUREMENT	METHOD OF PROCUREMENT	PROVIDER	CONTRACT VALUE
1.	URSB/SUPLS/21-22/00010	Supply of corporate wear of URSB staff shirts and T-shirts	RFQ	Asiatic Sports U Ltd	38,409,000
2.	URSB/SUPLS/21-22/00034	Procurement of branded materials to facilitate insolvency conference	RFQ	Inter Designing and Printing Ltd	10,030,000
3.	URSB/NCONS/21-22/00101	Procurement of production of audio-visual content to publicize URSB services	RFQ	Cross Roads Digital Multimedia Ltd	27,600,000
4.	URSB/SUPLS/21-22/00007	Procurement of computer equipment and accessories for URSB innovation hub	RFQ	Limsue Global Investments Ltd	34,102,000
5.	URSB/SUPLS/21-22/00002	Laptops and all-in-one desktop computers for one stop Centre	RFQ	Kazinga Channel Office World Ltd	115,994,000
6.	URSB/SUPLS/21-22/00014	Procurement of one double cabin pick up for Directorate of insolvency	Restricted domestic bidding	Cooper Motor Corporation U Ltd	146,081,778
7.	URSB/NCONS/21-22/00017	Procurement of scanning services for business registration and civil registration	Restricted domestic bidding	Coseke Uganda Ltd	155,362,576
8.	URSB/NCONS/21-22/00003	Technology support and maintenance of the call Centre	Direct procurement	Sybyl Uganda	29,801,684
9.	URSB/NCONS/21-22/00076	Case management system	RFQ	Data Track Solutions Consult Ltd	49,386,000
10.	URSB/NCONS/21-22/00011	Procurement of services to operate, support and maintain the call Centre human resource	RFQ	Ankam Tele Consultants and Trainers Limited	41,495,331
	TOTAL				648,262,369

Appendix 3: List of the Contracts Committee Members

No.	Name	Designation	Position on Contracts Committee	Appointment date	Expiry date
1.	Andrew Bakiza	Manager Business process and innovations	Chairperson	3 rd October, 2019	3 rd October 2022
2.	Lutunda Jackson Ronald	Senior Registration Officer	Secretary	3 rd October, 2019	3 rd October 2022
3.	Cohen Brains Baine	Senior Planner	Member	3 rd October, 2019	3 rd October 2022

The Registrar General wrote to PSST and copied PPDA on 28th September 2022 proposing new membership to the CC since the previous committee had expired. The proposed members are shown below:

List of Contracts Committee submitted to PSST for appointment

No.	Name	Designation	Position on Contracts Committee
4.	Mr. Allan Kakungulu	Manager Registration and Compliance	Chairperson
5.	Ms. Apio Harriet Susan	Senior Records Officer	Member
6.	Ms. Sarah Rukundo	Senior Registration Officer	Member
7.	Mr. Lutunda Jackson Ronald	Senior Registration Officer	Secretary
8.	Mr. Cohenbrains Baine	Senior Planner	Member

Appendix 4: Procurement and Disposal Unit Members

No	Name	Position in PDU
1.	Brian Aturinda	Senior Procurement Officer
2.	Moses Akuku	Procurement Officer

Appendix 5: Risk Rating Criteria

RISK	DESCRIPTION	AREA	IMPLICATION
HIGH	Such procurements were considered to have serious weaknesses, which could cause material financial loss or carry risk for the regulatory system or the entity's reputation. Such cases warrant immediate attention by senior management. Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".	Planning: Lack of or failure to procure within the approved plan	This implies emergencies and use of the direct procurement method which affects competition and value for money.
		Bidding Process: Use of wrong/inappropriate procurement methods, failure to seek Contracts Committee approvals and usurping the powers of the PDU.	This implies use of less competitive methods which affects transparency, accountability and value for money.
		Evaluation: Use of inappropriate evaluation methodologies or failure to conduct evaluation.	This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend award to a responsive bidder.
		Record Keeping: Missing procurement files and missing key records on the files namely; solicitation document, submitted bids, evaluation report and contract.	This implies that one cannot ascertain the audit trail namely; whether there was competition and fairness in the procurement process.
		Fraud/forgery: Falsification of Documents	This implies lack of transparency and value for money.

RISK	DESCRIPTION	AREA	IMPLICATION
		Contract Management: Payment for shoddy work or work not delivered.	This implies financial loss since there has been no value for money for the funds spent and the services have not been received by the intended beneficiaries
MEDIUM	Procurements that were considered to have weaknesses which, although less likely to lead to material financial loss or to risk damaging the regulatory system or the entity's reputation, warrant timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded "medium" provided that there is sufficient evidence of "hands on management control and oversight" at an appropriate level of seniority.	Planning: Lack of initiation of procurements and confirmation of funds.	This implies committing the Entity without funds thereby causing domestic arrears.
		Bidding Process: Deviations from standard procedures namely bidding periods, standard formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms and splitting procurement requirements.	This implies lack of efficiency, standardisation and avoiding competition.
		Procurement Structures: Lack of procurement structures	This implies lack of independence of functions and powers and interference in the procurement process.
		Record Keeping: Missing Contracts Committee records and incomplete contract management records.	This implies that one cannot ascertain the audit trail namely; whether the necessary approvals were obtained in a procurement process.
		Contract and Contract Management: Failure to appoint Contract Supervisors, failure to seek the Solicitor General's approval for contracts above UGX. 200 million and lack of notices of Best Evaluated Bidders.	This leads to unjustified contract amendment and variations which lead to unjustified delayed contract completion and lack of value for money. Bidders are not given the right of appeal.
		Failure by the Entity to incorporate in the solicitation document aspects of gender,	

RISK	DESCRIPTION	AREA	IMPLICATION
		social inclusion, environment, health and safety. Aspects of gender, social inclusion, environment, health and safety not covered by the contractor during contract implementation.	
LOW	Procurements with weaknesses where resolution within the normal management 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.	Planning: Lack of procurement reference numbers.	This leads to failure to track the procurements which leads to poor record keeping.
		Bidding Process: Not signing the Ethical Code of Conduct	This leads to failure to declare conflict of interest and lack of transparency.

SATISFACTORY

Relates to following laid down procurement procedures and guidelines and no significant deviation is identified during the conduct of the procurement process based on the records available at the time.

