



**PUBLIC PROCUREMENT AND DISPOSAL  
OF PUBLIC ASSETS AUTHORITY**

*"Procurement That Delivers"*

**COMPLIANCE INSPECTION REPORT OF AGGREY MEMORIAL SCHOOL FOR  
THE CALENDAR YEAR 2024**

**MAY 2025**

## TABLE OF CONTENTS

ACRONYMS .....	ii
LIST OF TABLES .....	iii
LIST OF FIGURES .....	iii
EXECUTIVE SUMMARY .....	1
CHAPTER 1: INTRODUCTION.....	3
1.1 Background .....	3
1.2 Objective of the Compliance Inspection .....	3
1.3 Scope of the Compliance Inspection.....	3
1.4 Compliance Inspection Methodology.....	3
CHAPTER 2: COMPLIANCE INSPECTION FINDINGS AND RECOMMENDATIONS.....	4
2.1 Level of compliance by the School with the general provisions of the PPDA Act Cap. 205 and Guideline No.5 of 2014 with regard to the performance of the procurement structures and conduct of procurement processes .....	4
2.1.1 Absence of a functioning Procurement and Disposal Unit.....	4
2.1.2 Procurement Budget and Plan Analysis.....	4
2.1.3 Procurement Plan Implementation Rate .....	7
2.1.4 Anomalies in the procurement plan management.....	7
2.1.5 Failure to submit Quarterly Procurement Reports to PPDA.....	9
2.1.6 Inadequate Procurement Records Management .....	9
2.1.7 Pre-qualification List Management .....	10
2.1.8 Application of Framework Contracts Arrangement .....	14
2.2 Level of Compliance of the School's Disposal Process with the Provisions of the PPDA Act Cap. 205 and the PPDA Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda .....	15
2.2.1 Absence of a disposal plan for the calendar year 2024.....	15
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 .....	16
2.3.1 No proof of preparing and sharing contract management records with the Procurement and Disposal Unit .....	16
CHAPTER 3: OVERVIEW OF THE RATING OF THE SCHOOL.....	18
3.1. Overall Compliance Inspection Conclusion .....	18
3.2. Recommended Action Plan.....	19
ANNEXES .....	21

## ACRONYMS

LPO	Local Purchase Order
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
UGX	Uganda Shillings
UNBS	Uganda National Bureau of Standards

**LIST OF TABLES**

Table 1: Procurement Budget and Procurement Plan Analysis ..... 5  
Table 2: Budgeted Procurements not included in the Procurement Plan of 2024 ..... 5  
Table 3: Procurement Plan Implementation Rate ..... 7  
Table 4: Prequalified Providers with Missing Eligibility Requirements ..... 10  
Table 5: Inadequate List of Pre-qualified Providers ..... 14  
Table 6: Risk Rating Descriptions ..... 18  
Table 7: Weighted Average Score by Number and Value of Sampled Procurements ..... 18  
Table 8: Recommended Action Plan ..... 19

**LIST OF FIGURES**

Figure 1: Graphical representation of the risk rating of Aggrey Memorial School by number of contracts and contract value for the calendar year 2024 ..... 19

## EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (hereinafter “PPDA or Authority”) carried out the compliance inspection of Aggrey Memorial School (hereinafter “School”) that covered representative sample of seven procurement transactions during the calendar year 2024.

The overall objective of the compliance inspection was to ensure that public procurement and disposal activities of Aggrey Memorial School (hereinafter “School”) were conducted in accordance with the laid down public procurement procedures enshrined in the PPDA Act Cap. 205 and Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

From the findings of the compliance inspection, the performance of the School during the calendar year 2024 was **moderately satisfactory** with overall weighted average risk rating of **55.7%**. The risk rating was weighted to determine the overall risk level of the School as detailed in Chapter 3 of this compliance inspection report.

The Authority attributed the School’s moderately satisfactory performance to following key exception findings:

1. The Accounting Officer had not established a Procurement and Disposal Unit to manage the day-to-day procurement activities which resulted in inefficiencies in and non-compliance to the public procurement legal framework contrary to Paragraph 5.18.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
2. Fifty-one budgeted procurements estimated at UGX 663,930,716 were not included in the procurement plan of 2024 which deterred procurement scheduling, financial predictability and control over procurement budgets contrary to Paragraph 7.5.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
3. Review of the issued Local Purchase Orders (LPOs) against the procurement plan for 2024 revealed that the School implemented only 23% (UGX 165,640,198) an indication that majority procurement transactions were handled without a due process contrary to Paragraph 12.0 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
4. The User Departments did not prepare and submit departmental work plans for integration into the annual procurement plan which resulted into a low procurement plan implementation rate of 23% contrary to Paragraph 7.5.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
5. There was no evidence of the Contracts Committee approving the procurement plan for the calendar year 2024 which risks procuring non-budgeted for requirements contrary to Paragraph 5.10.1 (a) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda
6. The Accounting Officer did not submit to the PPDA the annual procurement and disposal plan as well as the quarterly procurement reports for the calendar year 2024 which undermined the Authority’s oversight role to monitor and advise on the School’s procurement performance contrary to Section 60 (1) of the PPDA Act Cap. 205 and Paragraph 5.2.3 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda respectively.

7. The School did not consider the application of framework contract arrangements to procure regularly required or common user items such as food which impacted the cost and time of procuring items contrary to Paragraph 6.2.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
8. In all sampled procurements worth UGX 128,840,200 (Annex 1 of this report), the Users did not report on the effectiveness and efficiency in delivery of contracts contrary to Paragraph 12.12.1 and Paragraph 5.20.1 (h) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

In view of the above, the Authority recommends that the Accounting Officer should:

1. Establish the Procurement and Disposal Unit and staff it appropriately in accordance with Paragraph 5.18.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
2. Task the Procurement and Disposal Unit to ensure that all items in the approved procurement budget are captured in the procurement plan in accordance with Paragraph 7.5.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
3. Monitor implementation of the School's procurement plan and update the procurement plan on a quarterly basis or whenever necessary in accordance with Section 61 (7) of the PPDA Act Cap. 205.
4. Task the Heads of User Department to identify their procurement needs and submit departmental work plans to the Procurement and Disposal Committee/Unit for integration into the annual procurement plan in accordance with Paragraph 7.5.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
5. Task the Secretary to the Contracts Committee to clearly document and archive all Contracts Committee decisions on a Contracts Committee meeting minutes' file in accordance with Paragraph 5.14.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
6. Submit to the PPDA the annual procurement and disposal plan as well as the quarterly procurement reports of the School in accordance with Section 60 (1) of the PPDA Act Cap. 205 and Paragraph 5.2.3 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda respectively.
7. Ensure to sign framework contract agreements for regularly procured or common user items needed on call where the quantity and timing cannot be defined in accordance with Paragraph 6.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.
8. Task the Heads of User Departments and contract managers to monitor and report on contract effectiveness in accordance with Paragraph 12.12.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

The Accounting Officer should therefore follow up closely with the implementation of the recommended action plan on pages **19 to 20** of this compliance inspection report as mandated by the PPDA law and Regulations.

## **CHAPTER 1: INTRODUCTION**

### **1.1 Background**

The Public Procurement and Disposal of Public Assets Authority conducted a compliance inspection of Aggrey Memorial School for the calendar year 2024. The compliance inspection covered a sample of seven procurement transactions carried out during calendar year 2024. The exercise involved a review of the procurement system, procurement processes following the PPDA Act Cap. 205 and Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

### **1.2 Objective of the Compliance Inspection**

The overall objective of the compliance inspection was to assess and establish the degree of compliance of Aggrey Memorial School's procurement system, procurement processes and disposal processes with the provisions of the PPDA Act Cap. 205 and Guideline No.5 of 2014 while assessing the level of procurement performance over the period under review.

The specific objectives of the compliance inspection of the School were:

1. To establish the level of compliance by the School with the general provisions of the PPDA Act Cap. 205 and the PPDA Guideline No.5 of 2014 with regard to the performance of the procurement structures and conduct of procurement processes.
2. To assess the degree of compliance of the school's disposal process with the provisions of the PPDA Act Cap. 205 and the PPDA Guideline No.5 of 2014.
3. To assess the level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) Requirements in the procurement process.

### **1.3 Scope of the Compliance Inspection**

The School's procurement plan was financed by internally generated funds such as school fees. The compliance inspection covered a sample of seven procurement transactions conducted during the calendar year 2024, review of procurement structures and systems as well as assessment of the procurement plan performance. The list of sampled transactions can be referred to in **Annex 1**.

### **1.4 Compliance Inspection Methodology**

Aggrey Memorial School was notified about the compliance inspection on **13<sup>th</sup> January 2025**. An entry meeting was held on **5<sup>th</sup> February 2025** where the objectives of the compliance inspection, the timelines, roles and responsibilities of all parties involved were discussed.

Upon request, the School's management provided the required records in time from which a representative sample of seven procurement transactions were selected using the stratified random sampling method during the compliance inspection. The inspection team reviewed the School's records to assess compliance at all procurement stages. Interviews were held with the staff where necessary to obtain clarification on findings and later presented preliminary findings on **6<sup>th</sup> February 2025** to the School's management in a debrief meeting.

The inspection team prepared and issued the management letter to the school on **17<sup>th</sup> February 2025** which required a response to be submitted on **3<sup>rd</sup> March 2024** and the School submitted the management response on **3<sup>th</sup> March 2024**.

## **CHAPTER 2: COMPLIANCE INSPECTION FINDINGS AND RECOMMENDATIONS**

This section presents the findings arising from the compliance inspection of Aggrey Memorial School for the calendar year 2024.

### **2.1 Level of compliance by the School with the general provisions of the PPDA Act Cap. 205 and Guideline No.5 of 2014 with regard to the performance of the procurement structures and conduct of procurement processes**

The Authority observed the following exceptions in regards to the performance of the procurement structures and conduct of procurement processes at Aggrey Memorial School during the calendar year 2024.

#### **2.1.1 Absence of a functioning Procurement and Disposal Unit**

The Authority observed that at the time of the compliance inspection, the Accounting Officer had not established a Procurement and Disposal Unit to manage the day-to-day procurement activities which resulted in inefficiencies in and non-compliance to the public procurement legal framework contrary to Paragraph 5.18.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

Notably, the School had constituted a Procurement and Disposal Committee with three people who executed a few roles on behalf of the PDU such as consolidating the procurement plan, maintaining a providers list and preparing adverts for bid opportunities.

#### **Risk Implication**

The School experienced inefficiencies and non-compliance to public procurement regulations in the conduct of procurement activities.

#### **Management Response**

*The School management Board has been informed of the need to recruit a procurement officer and we await their decision. After which Ministry of Education and Sports will be informed of the decision of management. However, in the meantime, a procurement officer on the part time basis will be opted to help on the functionality of the procurement unit.*

#### **Recommendations**

The Accounting Officer should establish the Procurement and Disposal Unit and staff it appropriately in accordance with Paragraph 5.18.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

#### **2.1.2 Procurement Budget and Plan Analysis**

The Authority made the following observations in regard to the School's procurement budget and planning mechanism during the calendar year 2024.

##### **1. Inadequate Planning Mechanisms**

The School prepared a procurement plan worth only 53% (UGX 712,700,824) of the total procurement budget of 2024 worth UGX 1,345,294,540 as seen in Table 1 below.

**Table 1: Procurement Budget and Procurement Plan Analysis**

Total procurement budget for 2024 (UGX)	1,345,294,540
Total procurement plan for 2024 (UGX)	712,700,824
Percentage captured in the procurement plan of 2024 (%)	53%
Procurements not included in the procurement plan (UGX)	632,593,716

The Authority attributed the variance of UGX 632,593,716 to the School's failure to include all budgeted procurement requirements in the procurement plan of 2024 as explained below.

## 2. Failure to include all Budgeted Procurements in the Procurement Plan of 2024

The Authority noted that 51 budgeted procurements estimated at UGX 663,930,716 were not included in the procurement plan of 2024 contrary to Paragraph 7.5.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda. The procurements are listed in Table 2 below:

**Table 2: Budgeted Procurements not included in the Procurement Plan of 2024**

No.	Procurement Description	Estimated Value (UGX)
1.	Security Expenses	25,100,000
2.	Announcements/ Adverts	5,000,000
3.	Rent	15,000,000
4.	Gifts and Prizes	5,200,000
5.	Staff welfare	11,218,000
6.	Workshops and Conferences	20,000,000
7.	Professional Fees (Legal)	5,000,000
8.	Mobilization and Publicity	6,000,000
9.	EMIS	500,000
10.	Fine Art materials	5,000,000
11.	Teaching and Learning Materials	9,000,000
12.	Student identity cards	5,260,000
13.	Examination stationery	9,000,000
14.	Staff Rewards	6,189,000
15.	Other Departmental Consumables	8,450,000
16.	Binding of text books	2,934,500
17.	Agriculture Department	4,000,000
18.	African Languages Department	1,580,000
19.	Newspapers and Magazines	1,000,000
20.	Music Instruments	8,000,000
21.	Calendar Awards	4,000,000
22.	Staff Meals	30,546,000
23.	Gas Cylinder	3,000,000
24.	Food baskets	15,000,000
25.	Postage	5,000,000
26.	Electricity Installation	4,500,000
27.	Internet services	4,000,000

No.	Procurement Description	Estimated Value (UGX)
28.	Maintenance and Repair Costs	74,254,500
29.	Co- Curricular Activities/Sports and Games	72,698,716
30.	Fuel	15,000,000
31.	Examination Related Journeys	4,000,000
32.	Students' meals for hostels	60,000,000
33.	Beds	12,500,000
34.	Special food	15,000,000
35.	Renovations in hostel	2,000,000
36.	Incinerator	500,000
37.	Land transfer	12,000,000
38.	Tents for temporary classes	7,000,000
39.	Urinals/ bathrooms	7,000,000
40.	Charcoal saving stove and saucepan	6,000,000
41.	Construction of the fence	20,000,000
42.	Sign post	1,500,000
43.	Office furniture	5,000,000
44.	200 plastic chairs	6,000,000
45.	2 VIP toilets	105,000,000
46.	Cleaning materials	4,500,000
47.	Fumigation	2,000,000
48.	Washing facilities	500,000
49.	Medical bills	3,000,000
50.	Covid 19	1,500,000
51.	Toilet emptying	7,500,000
<b>Total</b>		<b>663,930,716</b>

The School informed the Authority that majority of the procurements listed above were not considered procurement in nature hence they were not included in the procurement plan of 2024. As a result, the Authority could not ascertain if all the above procurements had been implemented by the School as intended.

### **Risk Implication**

This deterred procurement scheduling, financial predictability and control over procurement budgets.

### **Management Response**

*Management takes note of the Authority's advice. The Contracts Committee will review the procurement plan and ensure that all budgeted procurements are captured in the procurement plan.*

### **Recommendation**

The Accounting Officer should:

1. Task the Procurement and Disposal Unit to ensure that all items in the approved procurement budget are captured in the procurement plan in accordance with Paragraph 7.5.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda

2. Task the Contracts Committee to thoroughly review the procurement plan, before approving it, to ensure that all items in the approved procurement budget are captured in the procurement plan in accordance with Paragraph 5.10.1(a) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

**2.1.3 Procurement Plan Implementation Rate**

Review of the School’s Local Purchase Orders (LPOs) against the procurement plan for the calendar year 2024 revealed that the School implemented only 23% (UGX 165,640,198) of the procurement plan for the year 2024 (UGX 712,700,824). Table 3 below demonstrates the procurement plan implementation rate of the School during the calendar year 2024.

**Table 3: Procurement Plan Implementation Rate**

Total procurement plan for 2024 (UGX)	712,700,824
Total value of issued LPOs for procurement in 2024 (UGX)	165,640,198
Rate of procurements implemented (%)	23
Procurement implementation variance (UGX)	547,060,626

The School was unable to account for the procurement plan implementation variance of UGX 547,060,626.

**Risk Implication**

There is a likelihood that procurements were not handled through a due process which undermines the principles of transparency and accountability.

**Management Response**

*Management submitted copies of all Local Purchase Orders issued in the calendar year 2024.*

**Authority’s Comment**

The Authority recalculated the submitted Local Purchase Orders of 2024 and found that the School had implemented 23% (UGX 165,640,198) of the procurement plan of 2024 instead of the 18% plan implementation rate indicated in the management letter.

**Recommendation**

The Accounting Officer should monitor implementation of the School’s procurement plan and update the procurement plan on a quarterly basis or whenever necessary in accordance with Section 61 (7) of the PPDA Act Cap. 205.

**2.1.4 Anomalies in the procurement plan management**

The Authority observed the following anomalies in the procurement plan management efforts by the School.

**1. No evidence of the User Departments preparing and submitting departmental workplans to the Procurement and Disposal Committee (PDC)**

There was no evidence of the User Departments identifying their procurement needs, preparing and submitting departmental work plans for integration into the annual procurement plan contrary

to Paragraph 7.5.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

### **Risk Implication**

This resulted in ineffective funds allocation and a low procurement plan implementation rate of 23%.

### **Management Response**

*The advice of the Authority is noted. It should; however, be noted that the different departments were raising their procurement needs every beginning of the calendar year. The none compilation of departmental procurement plans was due to the lack of knowledge of the format of the procurement plan to guide the staff. Management pledges to carry out a sensitization workshop on procurement so as to build the capacity of the staff.*

### **Recommendation**

The Accounting Officer should task the Heads of User Department to identify their procurement needs and submit departmental work plans to the Procurement and Disposal Committee/Unit for integration into the annual procurement plan in accordance with Paragraph 7.5.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

## **2. No evidence of the Contracts Committee approving the Procurement Plan of 2024**

There was no evidence of the Contracts Committee approving the procurement plan for the calendar year 2024 contrary to Paragraph 5.10.1 (a) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

### **Risk Implication**

This undermines the Contracts Committee's oversight role in procurement planning which ultimately impeded the principals of accountability and transparency.

### **Management Response**

*It is true there is no Contracts Committee minute to prove the approval of the procurement plan. However, the procurement plan was discussed in the Contracts Committee meeting and approved for onward submission to the School Board of Governors for approval. The Chairperson Contracts Committee is the Assistant Secretary to the School Board of Governors.*

### **Authority's Comment**

As noted in the management response, the Contracts Committee did not document proof of approving the procurement plan for the calendar year 2024 hence this query was retained to assess how the School will implement the recommendation below.

### **Recommendation**

The Accounting Officer should task the Secretary to the Contracts Committee to clearly document and archive all Contracts Committee decisions on a Contracts Committee meeting minutes' file in accordance with Paragraph 5.14.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

### **2.1.5 Failure to submit Quarterly Procurement Reports to PPDA**

The School did not submit quarterly reports on procurement and disposal for the calendar year 2024 to PPDA contrary to Paragraph 5.2.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

#### **Risk Implication**

This undermines the principles of transparency and accountability as well as the oversight role of PPDA in monitoring public procurement compliance of the School.

#### **Management Response**

*Management regrets not having submitted quarterly procurement reports to PPDA. We undertake to make submission as soon as we get a fully functional Procurement and Disposal Unit at the School.*

#### **Recommendation**

The Accounting Officer should prepare and submit to PPDA quarterly reports on procurement and disposal in accordance with Paragraph 5.3.1(d) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda, without waiting to establish a Procurement and Disposal Unit.

### **2.1.6 Inadequate Procurement Records Management**

The Authority made the following findings regarding the records management mechanisms at the School.

#### **1. Lack of a Proper Procurement Referencing Mechanism**

The Procurement and Disposal Committee did not assign unique procurement reference numbers to all procurement transactions conducted during the year 2024 contrary to Guideline No.2 of 2014 on Reference Numbers for Procurement and Disposal Transactions.

#### **Risk Implications**

1. This hinders the effective tracking and monitoring of the progress of procurement transactions
2. It also affects records keeping which undermines accountability and transparency in the Entity.

#### **Management Response**

*Management takes note of the advice from PPDA. This was occasioned by the lack of knowledge on how to do so. Management will seek guidance from the technical staff with procurement knowledge on how to reference.*

#### **Recommendation**

The Accounting Officer should task the Procurement and Disposal Committee/Unit to allocate a specific reference number to each procurement requirement at the initiation stage using the numbering system specified under Guideline No.2 of 2024 on Reference Numbers for Procurement and Disposal Transactions for example AMS/SUPLS/2025/0001.

#### **2. Failure to Maintain Individual Procurement Action Files**

The Procurement and Disposal Committee did not maintain individual procurement action files for all implemented procurements during the calendar year 2024 contrary to Paragraph 7.3.1 of

Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda. The Authority found that the Bursar kept all procurement records from initiation to payment.

**Risk Implication**

This resulted in maintaining incomplete records ultimately affecting the audit trail.

**Management Response**

*Management takes note of the recommendation of the Authority. We pledge to ensure that individual procurement files are in place.*

**Recommendation**

The Accounting Officer should task the Procurement and Disposal Committee/Unit to maintain individual procurement action files archived with all procurement and disposal records from initiation to payment in accordance with Paragraph 5.19.1(n) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

**2.1.7 Pre-qualification List Management**

The Authority made the following findings regarding the management of the prequalification process during the calendar year 2024.

**1. Failure to communicate clear evaluation criteria in the request for quotations under pre-qualification**

During the pre-qualification process of 2024, the School did not communicate the pre-set requirements/criteria to providers in the invitations requesting for quotations contrary to Paragraph 6.1.5 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

According to the evaluation report, the Procurement and Disposal Committee evaluated providers against certificate of incorporation, ownership of the company, tax compliancy (TIN No.), physical location, proof of previous work done, financial capability and trading license.

As a result, most providers did not demonstrate compliance to the above requirements but were approved and included on the School’s prequalified list of providers of 2024 as detailed in Table 4 below:

**Table 4: Prequalified Providers with Missing Eligibility Requirements**

No.	Procurement details	Prequalified suppliers	Missing Requirements/Criteria	Eligibility
1.	Stationery	SN Stationers	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
2.		HKM Computer Solutions	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> </ul>	

No.	Procurement details	Prequalified suppliers	Missing Requirements/Criteria	Eligibility
			<ul style="list-style-type: none"> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
3.	Laboratory equipment	A.N Ddamulira Ltd	Financial capability.	
4.	Assorted food	SENA General Services	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
5.		Pio Mobile Money Services	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
6.	Uniforms	Nutro Feed	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
7.	Computer accessories	Nutro Feed	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
8.		Khim Computer Solutions	<ul style="list-style-type: none"> <li>• Proof of previous work done; and</li> <li>• Financial capability.</li> </ul>	
9.	Fire extinguishers	Fire Masters Ltd	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> </ul>	

No.	Procurement details	Prequalified suppliers	Missing Requirements/Criteria	Eligibility
			<ul style="list-style-type: none"> <li>• Trading license</li> </ul>	
10.	CCTV cameras	Present Security Technology Co. Ltd	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
11.		Kobtech Ltd	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
12.	Biometric System	Magezi Solutions	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
13.	Metal Fabricators	Bukerere Metal Works	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
14.	Works	Lukenge	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
15.	Professional services	Ugasurv Surveying & Mapping Consultant Ltrd	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	

No.	Procurement details	Prequalified suppliers	Missing Requirements/Criteria	Eligibility
16.		Sekabanja & Co. Advocates	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	
17.		Springs & Tugye Associates LLP	<ul style="list-style-type: none"> <li>• Certificate of incorporation;</li> <li>• Ownership of the company;</li> <li>• Tax compliancy (TIN No.);</li> <li>• Physical location;</li> <li>• Proof of previous work done;</li> <li>• Financial capability; and</li> <li>• Trading license</li> </ul>	

### **Risk Implication**

Failure to communicate pre-set requirements resulted in prequalifying non-administratively compliant providers which risks conducting business with illegal business entities.

### **Management Response**

1. *Management regrets the anomaly. It was assumed that since all prequalified suppliers have ever participated in a government procurement process, they would automatically attach all the relevant documentation. However, in the current year, all request for quotations includes the evaluation criteria. (See sample in Annex A)*
2. *Management pledges to update the prequalified providers for 2025 to have those who fulfill all the requisite requirements for prequalification.*

### **Recommendation**

The Accounting Officer should task the Procurement and Disposal Committee/Unit to concisely communicate pre-set requirements and reassess the pre-qualification of both existing and new providers to update the list of pre-qualified providers for 2025 in accordance with the pre-qualification procedures in Paragraph 6.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

### **2. Maintaining an Inadequate List of Pre-qualified Providers**

The School maintained an inadequate list of pre-qualified providers with less than three providers pre-qualified under each of the regularly procured items contrary to Paragraph 6.1.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda which requires Entities to develop an adequate list of prequalified providers to include on shortlists for future procurement processes. In the case of text books and water tanks, no provider was prequalified as can be seen in Table 5 below:

**Table 5: Inadequate List of Pre-qualified Providers**

No.	Procurement details	Prequalified suppliers
1.	Stationery	<ul style="list-style-type: none"> <li>• SN Stationers</li> <li>• HKM Computer Solutions</li> </ul>
2.	Laboratory equipment	A.N Ddamulira Ltd
3.	Food	<ul style="list-style-type: none"> <li>• SENA General Services</li> <li>• Pio Mobile Money Services</li> </ul>
4.	Uniforms	Nutro Feed
5.	Computer accessories	<ul style="list-style-type: none"> <li>• Nutro Feed</li> <li>• Khim Computer Solutions</li> </ul>
6.	Fire extinguishers	Fire Masters Ltd
7.	CCTV cameras	<ul style="list-style-type: none"> <li>• Present Security Technology Co. Ltd</li> <li>• Kobtech Ltd</li> </ul>
8.	Biometric System	Magezi Solutions
9.	Metal Fabricators	Bukerere Metal Works
10.	Works	Lukenge
11.	Text books	Bookshops
12.	Water tank	Open market

**Risk Implication**

Maintaining an inadequate list of pre-qualified providers results in directly sourcing items from particular providers at less competitive prices thus undermining the principle of competition.

**Management Response**

*Management takes note of the recommendation of PPDA. We pledge to ensure that at least 6 providers are prequalified for every procurement item.*

**Recommendation**

The Accounting Officer should task the Procurement and Disposal Committee/Unit to update the School's pre-qualified list of providers and pre-qualify at least 6 providers per item considering other sources of providers such as the PPDA Register of Providers and lists of pre-qualified providers of other Entities in accordance with Paragraph 6.1.8 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

**2.1.8 Application of Framework Contracts Arrangement**

The School did not consider the application of framework contract arrangements to procure regularly required or common user items such as food, stationery and laboratory supplies which impacted the cost and time of procuring items contrary to Paragraph 6.2.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

**Risk Implication**

Failure to apply framework contracts arrangements for regularly procured items results in delays in acquiring common user items which are required on call basis.

### **Management Response**

*It is true management did not leverage on the advantages of framework contracts because of the nature of the items procured. These are always tagged to the prevailing market prices, the forces of demand and supply and not forgetting the value of the dollar against the shilling at the time. Suppliers are often very skeptical to supply laboratory reagents and apparatus using framework contracts because they predetermine prices which may not be palatable at the time.*

*Similarly, food prices are also dependent on the weather which makes framework contracts self-defeating. Management; however, takes note of the advice and pledges to adopt framework contracts when it comes to the procurement of stationery.*

### **Authority's Comment**

The Authority understands the School's concerns about the feasibility of framework contract arrangements; however, as informed during the compliance inspection, the framework contract agreements allow providers to set prices using pricing models such as cost-plus pricing to cater for price inflation; as well, the School may apply the price adjustment formula – at least 18 months into signing the framework contract - to procure items at the prevailing market prices.

### **Recommendation**

The Accounting Officer should consider signing framework contract agreements for all regularly procured or common user items to reduce procurement costs, improve efficiency in procurement while benefiting from economies of scale in accordance with Paragraph 6.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

## **2.2 Level of Compliance of the School's Disposal Process with the Provisions of the PPDA Act Cap. 205 and the PPDA Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda**

The Authority made the following findings in regard to the level of compliance of Aggrey Memorial School's disposal process with the provisions of the PPDA Act Cap. 205 and Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

### **2.2.1 Absence of a disposal plan for the calendar year 2024**

The School did not prepare a disposal plan for the year 2024 contrary to Section 60 (1) of the PPDA Act Cap. 205; however, the Authority found that the School had obsolete assets such as expired laboratory chemicals which required to be disposed of.

### **Risk Implication**

Failure to dispose of obsolete assets such as expired laboratory chemicals poses a significant health risk towards students, staff and the environment.

### **Management Response**

- 1. Management regrets the anomaly. Heads of User Departments have submitted lists of all obsolete items for disposal and the Accounting Officer has constituted the ad hoc Board of survey to compile the Board of Survey report and then proceed with the disposal process.*
- 2. Secondly, management has written to the National Drug Authority requesting them to advice on how best the expired reagents can be disposed of.*

## **Recommendations**

The Accounting Officer should:

1. Expedite the submission of the School's disposal plan for 2025 to PPDA and the resultant disposal of all identified obsolete assets in accordance with Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023.
2. Follow up with the National Drug Authority to support the School with the disposal of expired laboratory chemicals

### **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 made the following findings in regard to the level of efficiency and effectiveness in contract implementation at Aggrey Memorial School including the application of Environmental, Social, Health and Safety (ESHS) Requirements in the procurement process.

#### **2.3.1 No proof of preparing and sharing contract management records with the Procurement and Disposal Unit**

The Authority made the following findings in regards to preparation and sharing of contract management records for the Local Purchase Orders issued during the calendar year 2024.

##### **1. No evidence of preparing and sharing a contract implementation plan**

There was no proof of User Departments preparing and sharing contract implementation plans with the Procurement and Disposal Committee which contravened Paragraph 12.12.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

##### **2. Preparing and sharing performance/ progress reports with the Procurement and Disposal Unit**

Despite the absence of contract managers, there was no effort made by the User Departments to prepare and share contract progress and/or performance reports with the Accounting Officer copied to the Procurement and Disposal Committee contrary to Paragraph 5.20.1 (h) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

### **Risk Implication**

This is an indication of a capacity gap among User Departments to effectively manage contract monitoring and reporting thus deterring the achievement of value for money.

### **Management Response**

1. *We regret the anomaly and management pledges always share the contract implementation plan as soon as a functional PDU is in place*
2. *We regret the anomaly and management pledges that the user departments will always prepare contract progress reports and share with the PDU.*

## **Recommendations**

The Accounting Officer should:

1. Task the User Departments/appointed contract managers to prepare a contract implementation plan and forward a copy to the Procurement and Disposal Committee for monitoring purposes

in accordance with Paragraph 12.12.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

2. Task the Heads of User Departments to prepare performance and/or progress reports and share them with the Procurement and Disposal Committee/Unit for monitoring purposes and archiving in accordance with Paragraph 5.20.1 (h) of Guideline No.5 of 2014 on the Procurement and Disposal Guidelines for Schools in Uganda.

### CHAPTER 3: OVERVIEW OF THE RATING OF THE SCHOOL

This section will graphically present the procurement performance of Aggrey Memorial School for the calendar year 2024.

#### 3.1. Overall Compliance Inspection Conclusion

Aggrey Memorial School had an overall weighted average risk rating of **55.7%** which is **moderately satisfactory**. The risk rating analysis is demonstrated in Table 6 below:

**Table 6: 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 the School. The weighting was derived using the average weighted index as shown in Table 7 below: -

**Table 7: Weighted Average Score by Number and Value of Sampled Procurements**

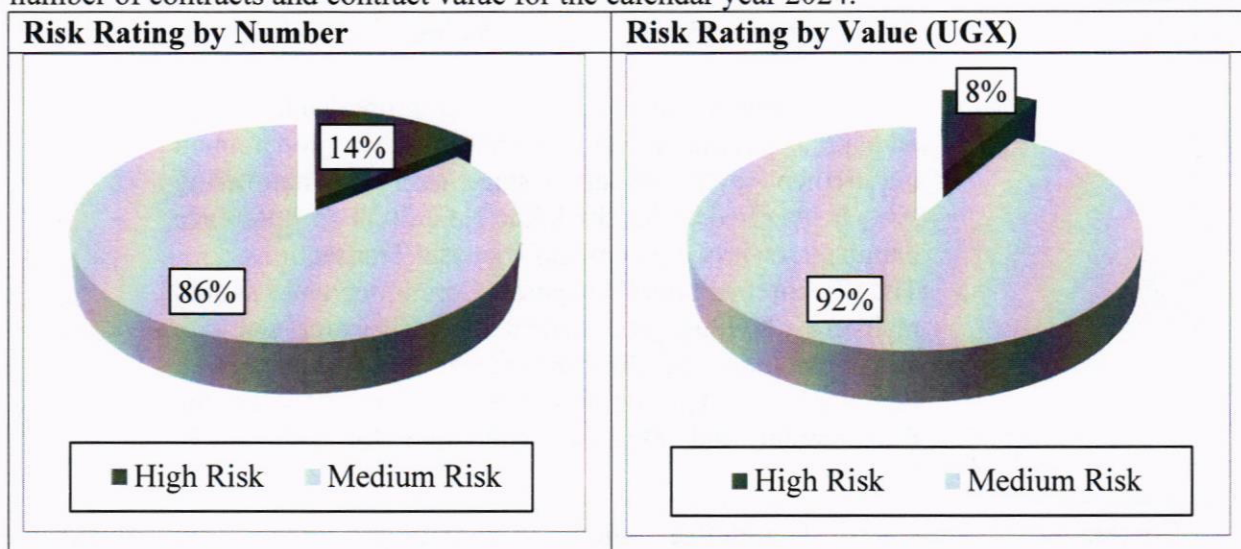
Risk Category	No.	%No	Value (UGX)	%Value	Weights	Total Weighted Average	
						By No.	By Value
High	1	14.29	10,950,000	8.50	0.6	8.57	5.10
Medium	6	85.71	117,890,200	91.50	0.3	25.71	27.45
Low	0	0	0	0	0.1	0	0
<b>Total</b>	<b>7</b>	<b>100</b>	<b>128,840,200</b>	<b>100</b>		<b>34.28</b>	<b>32.55</b>

$$\text{Weighted Average (By No.)} = \frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{34.28}{60} \times 100 = 57.14\%$$

$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{32.25}{60} \times 100 = 54.25\%$$

$$\text{Combined Weighted Average} = \frac{57.14\% + 54.25\%}{2} = 55.7\%$$

Figure 1 below is the graphical representation of the risk rating of Aggrey Memorial School by number of contracts and contract value for the calendar year 2024.



**Figure 1:** Graphical representation of the risk rating of Aggrey Memorial School by number of contracts and contract value for the calendar year 2024

### 3.2. Recommended Action Plan

Aggrey Memorial School should implement the following recommendations within the timeframe given in order to improve its performance in procurement and disposal listed in Table 8 below.

**Table 8: Recommended Action Plan**

Origin	Recommended Action	Target Date
Accounting Officer	<ol style="list-style-type: none"> <li>The Accounting Officer should establish the Procurement and Disposal Unit and staff it appropriately in accordance with Paragraph 5.18.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</li> <li>The Accounting Officer should monitor implementation of the School's procurement plan and update the procurement plan on a quarterly basis or whenever necessary in accordance with Section 61 (7) of the PPDA Act Cap. 205.</li> <li>The Accounting Officer should ensure to sign framework contract agreements for regularly procured or common user items needed on call where the quantity and timing cannot be defined in accordance with Paragraph 6.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</li> </ol>	Immediately
Procurement and Disposal Committee/ Unit	<ol style="list-style-type: none"> <li>Procurement and Disposal Unit/Committee should integrate all budgeted procurement requirements into the annual procurement plan to enhance procurement scheduling and financial predictability in accordance with Paragraph 7.5.3 of Guideline No.5 of 2014 on the</li> </ol>	Immediately

Origin	Recommended Action	Target Date
	<p>Procurement and Disposal Guideline for Schools in Uganda.</p> <ol style="list-style-type: none"> <li>2. The Procurement and Disposal Committee/Unit should allocate a specific reference number to each procurement requirement at the initiation stage using the numbering system specified under Guideline No.2/2024 on Reference Numbers for Procurement and Disposal Transactions.</li> <li>3. The Procurement and Disposal Committee/Unit should maintain individual procurement action files archived with all procurement and disposal records in accordance with Paragraph 5.19.1(n) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</li> </ol>	
Contracts Committee	Contracts Committee should thoroughly review the procurement plan and any plan amendments before approving it to ensure that all items in the approved procurement budget are captured in the procurement plan in accordance with Paragraph 7.5.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.	Immediately
User Departments	<ol style="list-style-type: none"> <li>1. The Heads of User Departments should identify their procurement needs and prepare and submit departmental work plans to the Procurement and Disposal Committee for integration into the annual procurement plan in accordance with Paragraph 7.5.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</li> <li>2. The Heads of User Departments or appointed contract managers should prepare performance and/or progress reports and share them with the Procurement and Disposal Committee/Unit for monitoring purposes and archiving in accordance with Paragraph 5.20.1 (h) of Guideline No.5 of 2014 on the Procurement and Disposal Guidelines for Schools in Uganda</li> </ol>	Immediately

**ANNEXES**

**Annex 1:** Transaction list of procurements reviewed during the compliance inspection for the calendar year 2024

<b>No.</b>	<b>Proc. Ref. No.</b>	<b>Subject of Procurement</b>	<b>Method of Procurement</b>	<b>Name of Provider</b>	<b>Contract Value (UGX)</b>	<b>Risk Rating</b>
1.	No reference	Students' uniforms	No due process	Nutro Feed	56,543,000	Medium Risk
2.	No reference	Students' food	No due process	<ul style="list-style-type: none"> <li>▪ SENA General Services</li> <li>▪ Pio Mobile Money Services</li> </ul>	54,362,200	Medium Risk
3.	No reference	Stationery	No due process	<ul style="list-style-type: none"> <li>▪ SN Stationers</li> <li>▪ HKM Computer Solutions</li> </ul>	10,950,000	High Risk
4.	No reference	Civil works	No due process	Mr. Lukenge	3,405,000	Medium Risk
5.	No reference	Medical supplies	No due process	A.N Ddamulira Ltd	1,620,000	Medium Risk
6.	No reference	Furniture	No due process	N/A	1,500,000	Medium Risk
7.	No reference	ICT supplies/services	No due process	<ul style="list-style-type: none"> <li>▪ Nutro Feed</li> <li>▪ Khim Computer Solutions</li> </ul>	460,000	Medium Risk
<b>Total</b>					<b>128,840,200</b>	