

PPDA/UNEB/128

Your Ref:

Our Ref:

21<sup>st</sup> July 2022

The Executive Secretary  
Uganda National Examinations Board  
P. O. Box 7066  
**KAMPALA.**

**BID PREPARATORY AUDIT INTO THE SUPPLY, DELIVERY, INSTALLATION, COMMISSIONING, TRAINING AND POST IMPLEMENTATION SUPPORT OF DOCUMENT DIGITIZATION SYSTEM AT UGANDA NATIONAL EXAMINATIONS BOARD (UNEB/SUPLS/2022-23/00001)**

Reference is made to the above subject.

On 20<sup>th</sup> July 2022, the Public Procurement and Disposal of Public Assets Authority (PPDA) in accordance with Section 7 (j) (i) of the PPDA Act 2003 as amended conducted a bid preparatory audit for the supply, delivery, installation, commissioning, training and post implementation support of document digitization system.

The objectives of the audit were to:

1. Establish whether the public procurement planning and requisitioning processes were conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act 2003 as amended, PPDA Regulations 2014 and PPDA Guidelines; and
2. Establish whether the solicitation document issued to the bidders was prepared in accordance with the provisions of the PPDA Act 2003 as amended, PPDA Regulations 2014 and PPDA Guidelines.

The scope of the bid preparatory audit entailed a review of the procurement requisition form, solicitation document and bid notice as well as the approvals of the Contracts Committee of the procurement method, Evaluation Committee and solicitation document. The areas of the

solicitation document analyzed were - Instructions to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms and the Special and General Conditions of Contract.

The Authority identified the following exceptions with regard to the procurement planning and requisition processes, and the solicitation document for the attention of management:

**1.0. *To establish whether the public procurement planning and requisitioning processes were conducted in a manner which promotes transparency, accountability and fairness in accordance with the Public Procurement and Disposal of Public Assets Act 2003 as amended, the PPDA Regulations 2014 and relevant guidelines***

**1.1. Lack of a procurement and disposal plan for Financial Year 2022/2023**

The Entity did not have a procurement and disposal plan for Financial Year 2022/2023 and therefore the procurement for supply, delivery, installation, commissioning, training and post implementation support of document digitization system was not planned for contrary to Section 59 of the PPDA Act 2003 as amended.

The Authority recommends that the Procurement and Disposal Unit should expedite the preparation of the annual procurement and disposal plan for Financial Year 2022/2023 in accordance with Section 59 of the PPDA Act 2003 as amended and Regulations 3 and 4 of the PPDA (Procuring and Disposing Entities) Regulations 2014.

**1.2. Failure by the user department to monitor their budget**

The User Department did not complete the funds availability section on the procurement requisition implying that it does not monitor its budget.

Failure to complete the funds availability section exposes the Entity to a risk of conducting a procurement for which funds are not available which increases the risk of domestic arrears.

The Authority recommends that the User departments include budget details on all requisitions for monitoring purposes.

**2.0. *To establish whether the solicitation document issued to bidders was prepared in accordance with the provisions of the Public Procurement and Disposal of Public Assets Act, 2003 as amended, the PPDA Regulations 2014 and relevant guidelines***

**2.1. Cost of the bidding document**

The Entity is to sell the bidding document to bidders at UGX 400,000 which appears to be on a higher side contrary to Regulation 47 (4) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations 2014.

The Authority recommends that the Entity should reduce the cost of the bidding document to cover the cost of printing, copying and distribution and the price should not include any profit, in accordance with Regulation 47 (4) of the

PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations 2014.

**2.2. Error in the bid security validity date**

The Entity stated in Part 1: Section 2, Bid Data Sheet (ITB 21.3), that the bid security shall be valid until 23/4/202023, which depicts an error.

The Authority recommends that the error in the bid security validity date should be corrected.

**2.3. Lack of documents to evidence that bidders qualify for a margin of preference**

The Entity stated in Part 1: Section 2, Bid Data Sheet (ITB 35.3), that a bidder shall submit with its bid the following documents to evidence that they qualify for a margin of preference. However, the documents were not listed.

The Authority recommends that the documents to evidence that the bidders qualify for a margin of preference should be included in the bidding document.

**2.4. Lack of information on varying of quantities at the time of award**

Part 1: Section 2, Bid Data Sheet (ITB 41.1), on the the maximum percentage by which quantities may be increased/decreased was left blank.

The Authority recommends that the percentages should be included in the bidding document.

**2.5. Lack of advance payment percent**

Part 1: Section 2, Bid Data Sheet (ITB 45.1), the Entity did not state the percentage of the contract price for which the advance payment shall be limited to, this increases the risk of submission of non-responsive bids.

The Authority recommends that the advance payment percent not exceeding 30% should be indicated in accordance with Regulation 44(3) of the PPDA (Contracts) Regulations 2014.

**2.6. Lack of post-qualification criteria**

The Entity stated in Part 1: Section 3, Evaluation Methodology and Criteria (Part E) that post-qualification on the best evaluated bidder shall be conducted to confirm whether they have the capacity and financial resources to execute the procurement. However, the post-qualification criteria was not stated contrary to Regulation 34 (2) and (3) of the (PPDA) Evaluation Regulations, 2014.

This increases the risk of contract award to a non-responsive bidder.

The Authority recommends that the post-qualification criteria to be used on the best evaluated bidder should be indicated in the bidding document.

## **2.7. Inaccurate Procurement Reference Number**

The Entity stated in Part 3: Section 8, Special Conditions of Contract that the Procurement Reference Number is: UNEB/SUPLS/2018-19/00146, which is inaccurate.

The Authority recommends that the correct procurement reference number should be indicated in the bidding document.

## **2.8. Delivery date not indicated**

Part 3: Section 8, Special Conditions of Contract (GCC 12) on the date of delivery was left without an indicative date. This leads to a risk of disputes during contract implementation.

The Authority recommends that the delivery date should be indicated in the bidding document.

## **2.9. Price adjustment not indicated**

Part 3: Section 8 of the Special Conditions of Contract (GCC 15.2) on price adjustment was incomplete i.e., did not state the date.

The Authority recommends that the date for price adjustment should be indicated in the bidding document.

## **2.10. Advance payment guarantee validity date not stated**

Part 3: Section 8, Special Conditions of Contract (GCC 17.1) on the period of validity of the advance payment guarantee was blank. The period was not stated.

The Authority recommends that the validity period should be indicated in the bidding document.

## **2.11. Contradiction on taxes, import duties and levies imposed on the provider**

The Entity stated in Part 3: Section 8, Special Conditions of Contract (GCC 18.1) that the provider shall be responsible for all taxes, import duties and levies imposed on the provider. However, the details were not stated. The Authority further noted that GCC 18.2, stated that taxes, import duties and levies are N/A. This increases the risk of disputes.

The Authority recommends that clarification should be made whether taxes, import duties and levies should be required or not.

## **2.12. Lack of details on packing, marking and documentation**

Part 3: Section 8 of the Special Conditions of Contract (GCC 24.2) on the packing, marking and documentation within and outside the packages, the details were not stated.

The Authority recommends that the packing details should be indicated in the bidding document.

## **2.13. Exclusion of environmental protection, social inclusion provisions**

The Entity did not make provision for environmental protection and social inclusion provisions in the bidding document contrary to Section 61A of the PPDA Act 2003 as amended.

The Authority recommends that environmental protection and social inclusion provisions should be included in the bidding document.

The purpose of this letter is to forward the findings of the bid preparatory audit exercise. In order to administer and enforce compliance with the provisions of the PPDA Act 2003, Regulations and Guidelines, the Entity is required to implement the recommendations of the Authority contained in this letter.



Aloysius Byaruhanga Mwesigwa (PhD)

**For: EXECUTIVE DIRECTOR**

cc: Chairperson, Contracts Committee

cc: Head, Procurement and Disposal Unit

