



COMPLIANCE INSPECTION REPORT FOR FINANCIAL YEAR 2024/25

GULU COLLEGE OF HEALTH SCIENCES

APRIL 2026

Table of Contents

ACRONYMS.....ii
EXECUTIVE SUMMARYiii
CHAPTER 1: INTRODUCTION..... 1
1.1 Structure of the Entity..... 1
1.2 Background..... 1
1.3 Objective of the Compliance Inspection..... 1
1.4 Scope of the Compliance Inspection 1
1.5 Methodology..... 1
CHAPTER 2: FINDINGS AND RECOMMENDATIONS2
2.1 COMPLIANCE OF THE ENTITY WITH THE GENERAL PROVISIONS OF THE
PPDA ACT, CAP.205, REGULATIONS AND GUIDELINES WITH REGARD TO THE
PERFORMANCE OF THE PROCUREMENT STRUCTURES AND CONDUCT OF
PROCUREMENT PROCESSES.....2
2.2 COMPLIANCE OF THE ENTITY’S DISPOSAL PROCESS WITH THE PROVISIONS
OF THE PPDA ACT, CAP.205 AND PPDA REGULATIONS..... 16
2.3 EFFICIENCY AND EFFECTIVENESS IN CONTRACT IMPLEMENTATION
INCLUDING THE APPLICATION OF ENVIRONMENTAL, SOCIAL, HEALTH AND
SAFETY (ESHS) REQUIREMENTS 16
CHAPTER 3: OVERVIEW OF THE PERFORMANCE OF THE ENTITY 19
3.1 Overall Audit Conclusion 19
1.2 Recommended Action Plan21
Appendix 1: Sampled audited procurement files for FY 2024/25 with their risk rating23
Appendix 2: Summary of case-by-case findings and risk rating24
Appendix 3: Staff in the Procurement and Disposal Unit27
Appendix 4: Members of the Contracts Committee.27

List of Tables

| | |
|---|----|
| Table 1: Procurement Plan Implementation Rate | 2 |
| Table 2: Planned Procurements that were not conducted | 2 |
| Table 3: Procurements outside the plan | 3 |
| Table 4: Implementation of previous audit recommendation | 5 |
| Table: 5 Procurements with inadequate shortlisted bidders. | 7 |
| Table 6: Inadequate bidding documents | 8 |
| Table 7: Procurements with irregularities at bid opening | 10 |
| Table 8: Procurements that were not witnessed at bid opening..... | 11 |
| Table 9: Procurements with irregularities during evaluation..... | 12 |
| Table 10: Procurements with poor quality Notice of Best Evaluated Bidder..... | 15 |
| Table 11: Procurements with anomalies at contract management..... | 17 |
| Table 12: The risk rating is as follows:..... | 19 |
| Table 13: Summary of performance of Pader District Local Government..... | 19 |
| Table 14: Recommended Action Plan | 21 |

ACRONYMS

| | |
|----------|--|
| BEB | Best Evaluated Bidder |
| BOQ | Bills of Quantities |
| ESHS | Environmental, Social, Health and Safety |
| FY | Financial Year |
| GCC | General Conditions do Contract |
| ITB | Instruction to Bidders |
| PDU | Procurement and Disposal Unit |
| PPDA | Public Procurement and Disposal of Public Assets Authority |
| PPDA Act | Public Procurement and Disposal of Public Assets Act, Cap. 205 |
| UGX | Uganda Shillings |

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance inspection of Gulu College of Health Sciences that covered a sample of ten procurement transactions under Financial Year 2024/25. The overall objective of the compliance inspection was to assess the effectiveness and efficiency of procurement and disposal processes at the Entity and adherence to the PPDA Act, Cap. 205, PPDA Regulations, and public procurement policies so as to determine the procurement performance over the compliance inspection period.

From the findings of the compliance inspection exercise, the performance of Gulu College of Health Sciences for Financial Year 2024/25 was **Moderately Satisfactory**, with an average weighted risk rating of **39.5%** as per the ranking in Table 12 under Chapter 3 of this compliance inspection report.

The performance was attributed to the following key exceptions:

1. Section 36 (2) of the PPDA Act, Cap. 205 mandates the User Departments to prepare procurement work plans based on the approved budget, which shall be submitted to the Procurement and Disposal Unit for implementation when required. The Authority found that, User Departments did not prepare procurement work plans for their departments to facilitate consolidation of the Entity's procurement plan for FY 2024/2025. This was due to limited knowledge of procurement planning requirements by the User Departments. Failure by the User Departments to prepare departmental procurement plans impacts on the Entity's procurement plan in such a way that it may not reflect budget appropriations for each procurement which potentially can lead to failure to fully absorb all appropriated funds as procurement activities are not planned, well defined, organized, forecasted and scheduled;
2. PPDA Guideline No. 2 of 2024 on reference numbers for procurement and disposal transactions mandates the Head Procurement and Disposal Unit to allocate reference numbers to each procurement and disposal requirements of the Entity. The Authority found that the procurement reference numbering was inadequate i.e. they lacked unique identification numbers allocated to each individual procurement and some other procurements had the same reference numbers. For example, all the seven works sampled procurements had the same reference number as GSOCO/WRK/24-25/00003 as indicated in Appendix 1. This was due to capacity gaps in the Procurement and Disposal Unit. This exposed the Entity to the risk of failure to identify, track, monitor and audit projects/procurements that were implemented in a particular year;
3. Section 10 (1) (a) of the PPDA Act, Cap. 205 mandates the Authority to direct and recommend the concerned Entity to take such corrective action as may be necessary in the circumstances to rectify the breach. The previous audit recommendations by the Authority for the Financial Year 2022/2023 were not fully implemented. The Entity failed to implement 50% of the audit recommendations. This was attributed to Entity's lack of a proper mechanism for implementing the Authority's recommendations and enforce compliance which affects performance of the procurement function;
4. Regulation 53 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023 states that a shortlist shall have at least six bidders, except for micro procurement which shall have three bidders. The Authority found that the Entity shortlisted three bidders (firms) instead of six in five procurements

worth UGX. 400,764,781. This was due to limited market research and failure to regularly update the list of prequalified bidders which affected competition;

5. Regulation 42 (a) of the PPDA (Rules and Methods for procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023 states that a Procuring and Disposing Entity shall, when preparing each bidding document, ascertain that the statement of requirements defines the requirement precisely and in a manner that leaves no doubt or assumption by a bidder. The Entity issued bidding documents that had inadequate statements of requirements and evaluation criteria or instructions to the bidders in five sampled procurements worth UGX. 1,021,222,998. This was attributed to weak review of the bidding documents by the Head Procurement and Disposal Unit and the Contracts Committee. This leaves doubt and assumptions to the bidder on the requirements of the Entity and exposes the Entity to the risk of procurement failure;
6. Regulation 18 (5) of the PDA (Evaluation) Regulations, 2023 mandates the Evaluation Committee to determine the compliance of a bidder to confirm that the bidder conforms satisfactorily to the basic instructions, requirements and the terms and conditions of the bidding documents without any material deviation or omission. The Authority observed that four procurements worth UGX. 950,602,246 had irregularities in bid evaluation such as change of evaluation criteria during evaluation, passing of non-compliant bidders who failed to submit required documentation and or documents etc. This is linked to deliberate omissions and alterations by the Evaluation Committee members. This exposed the Entity to the risk of not getting the best bidder in terms of quality and cost which is unfair to the undeservingly eliminated bidders;
7. Regulation 50 of the PPDA (Contracts) Regulations, 2023 mandates the Accounting Officer to appoint Contract Managers. Regulation 52 of the PPDA (Contracts) Regulations, 2023 empowers the Contract Manager to manage and ascertain that the provider performs the contract in accordance with the terms and conditions specified in the contract. The Authority found anomalies in contract management such as failure to appoint contract managers, issuing call off orders at different unit rates for framework contracts and failure to pay retention after the expiry of defects liability period (DLP) in five procurements worth UGX 1,141,052,498. This led to weak contract monitoring mechanism in the Entity which affects achievement of project objectives; and
8. Regulation 2 of the the PPDA (Disposal of Public Assets) Regulations, 2023 requires an Accounting Officer in each financial year, to cause the public assets of an Entity to be reviewed, to identify the public assets to be disposed of in the following financial year. The Authority found that the College did not constitute and conduct a board of survey of the assets of the Entity for FY 2022/2023 and 2023/2024. This made it impossible for the audit team to assess the conditions or status of all assets owned by the College over the years. In addition, the College did not conduct any disposal of obsolete assets. This is due to deliberate non-adherence to asset management and disposal regulations and procedures. Assets continue to lose value through depreciation and face risks of loss or vandalism.

In summary, the Authority observed irregularities in the bidding process, evaluation and contract management that affected the Entity's performance.

In light of the above findings, the Authority recommends that:

1. The Accounting Officer should:
 - i. Put a strong mechanism in place to implement recommendations made by the Authority so as to improve the Entity's performance in accordance with Section 10 of the PPDA Act, Cap. 205;
 - ii. Task the Procurement and Disposal Unit to always scrutinize all contract documents and confirm that all the provisions are complete and appropriate for each particular procurement to avoid creation of doubt/ assumptions by the provider and Entity during contract implementation;
 - iii. Pay contractors their retention after the expiry of the Defects Liability Period (DLP);
 - iv. Task the contract managers to strictly supervise the contract and ascertain that the providers perform the contracts in accordance with the terms and conditions specified in the contract in accordance with Regulation 52 (1) (b) of the PPDA (Contract) Regulations 2023;
 - v. Set up a board of survey to conduct an assessment and valuation of the assets and have them disposed of in accordance with PPDA (Disposal of Public Assets) Regulations, 2023 to avoid further depreciation and attain value for money;
2. Heads of User Departments should prepare departmental procurement plans based on the Entity's approved budget and submit them to the Procurement and Disposal Unit for implementation and consolidation into the Entity's annual procurement plan in accordance with Regulation 7(1) of the PPDA (Procurement Planning) Regulations, 2023;
3. The Contracts Committee should reject solicitation documents that do not define requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity in accordance with Regulation 42(a) of the PPDA (Rules and Methods for procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023;
4. The Head of the Procurement and Disposal Unit should:
 - i. Allocate unique procurement reference numbers in accordance with PPDA Guideline No.2 of 2024 on reference numbers for procurement and disposal transactions which provides that the basic procurement reference number shall consist of four parts;
 - ii. Shortlist a minimum of six firms/bidders, except for Micro Procurements which shall have at least three bidders as it is required under Regulation 53 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023;
 - iii. Set the most appropriate evaluation criteria that suit the purpose of the procurement in accordance with Regulation 42 of the PPDA (Rules and Methods for Procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023; and
 - iv. Ascertain that Contract Managers prepare contract management plans using Form 49 in Schedule 2 and forward a copy of the contract management plan to the Procurement and Disposal Unit for purposes of monitoring in accordance with Regulation 50 (3) of the PPDA (Contract) Regulations 2023.

5. The Evaluation Committees should;

- i. Evaluate the bids following the criteria set in the bidding document and waive any non-material deviations in accordance with Regulation 18 (5) of the PPDA (Evaluation) Regulations, 2023; and
- ii. Be vigilant while reviewing the information submitted by the bidders for conformity with the set criteria before passing bidders in accordance with Regulation 23 of the PPDA (Evaluation) Regulations, 2023.

Gulu College of Health Sciences should implement the recommended action plan on page **21-22** of this report.

1.0 INTRODUCTION

1.1 Structure of the Entity

Section 28 of the PPDA Act, Cap. 205, states that the Accounting Officer has the overall responsibility for the successful execution of the procurement, disposal and contract management in Gulu College of Health Sciences. The Accounting Officer during the financial year under inspection was Mrs. Jean Babalanda, the Principal. The composition of the Procurement and Disposal Unit and Contracts Committee are detailed in Appendix 3 and Appendix 4, respectively.

1.2 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance inspection of Gulu College of Health Sciences that covered ten procurement transactions for the Financial Year 2024/25, as listed in Appendix 1.

1.3 Objective of the Compliance Inspection

The overall objective of the compliance inspection was to assess the effectiveness and efficiency of procurement and disposal processes at the Entity and adherence to the PPDA Act, Cap. 205, PPDA Regulations, and public procurement policies so as to determine the procurement performance over the compliance inspection period.

The specific objectives of the compliance inspection were to assess the;

1. Compliance of the Entity's procurement processes with the provisions of the PPDA Act, Cap 205 and any other applicable laws and identify areas for improvement to enhance procurement practices at the Entity;
2. Compliance of the Entity's disposal process with the provisions of the PPDA Act, Cap. 205 and Regulations;
3. Efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) Requirements in the procurement process;

1.4 Scope of the Compliance Inspection

The inspection involved a review of the procurement and disposal process, general compliance issues and contract implementation on sample basis. The exercise covered a sample of 10 procurement transactions worth UGX. 1,264,063,112 conducted during the FY 2024/2025, review of the procurement structures and procurement plan performance. The list of sampled transactions is contained in Appendix 1.

1.5 Methodology

A sample of ten procurement transactions were selected based on stratified random sampling using Contracts Committee minutes, quarterly and monthly procurement and disposal reports. The Compliance Team examined records and documents for each sampled procurement and disposal transaction from where inspection evidence was derived to draw the inspection conclusions. This involved a review of the Entity's procurement/disposal planning, initiation, bidding, evaluation, contract placement and management.

During the inspection, the Compliance Team met with the staff from the Procurement and Disposal Unit (PDU), Contracts Committee and User Departments where necessary, to obtain crucial qualitative information about the internal control system and processes in place.

A debrief meeting to discuss preliminary findings was held with the Entity management and staff before the team could embark on preparation of the management letter. The management letter was sent to the Entity on **13th November 2025** with a request to submit a management response by **21st November 2025** which was submitted on **10th December 2025**.

This report presents key findings and conclusions arising from the compliance inspection exercise.

2.0 FINDINGS AND RECOMMENDATIONS

2.1 COMPLIANCE OF THE ENTITY WITH THE GENERAL PROVISIONS OF THE PPDA ACT, CAP. 205, REGULATIONS AND GUIDELINES WITH REGARD TO THE PERFORMANCE OF THE PROCUREMENT STRUCTURES AND CONDUCT OF THE PROCUREMENT PROCESSES

2.1.1 Implementation of the procurement plan

Section 60 (2) of the PPDA Act, Cap. 205 states; *A procuring and disposing entity shall plan its procurement and disposal in a rational manner and, Section 60 (7) of the PPDA Act, Cap. 205 permits the Entity to review and update its procurement plan on a quarterly basis and in any other case, wherever necessary.* The following table summarises information about the procurement plan, budget and utilisation of funds. The procurement plan implementation rate was 123.5% with an implementation variance of UGX. (479,466,099). This was due to weak procurement planning and monitoring mechanism within the Entity. Table 1 below summarises the procurement plan implementation rate:

Table 1: Procurement Plan Implementation Rate

| Analysis of procurement spend | |
|--|---------------|
| Total procurement plan value inclusive of VAT (UGX) | 2,044,376,010 |
| Total procurement spend value inclusive of VAT (UGX) | 2,523,842,109 |
| Procurement plan implementation rate (%) | 123.5% |
| Implementation variance (UGX) | (479,466,099) |

Despite achieving a negative variance, the Entity also failed to implement two planned procurements worth UGX. 13,850,000 as indicated in Table 2 below:

Table 2: Planned Procurements that were not conducted

| No | Subject of Procurement | Method of Procurement | Amount (UGX) |
|----|--|-----------------------|-------------------|
| 1. | Journals, and Periodicals. | Request for Quotation | 5,350,000 |
| 2. | Agriculture e.g. beautification and landscaping. | Request for Quotation | 8,500,000 |
| | Total | | 13,850,000 |

Implications

- Exceeding the planned budget creates domestic arrears.
- Failure to fully implement all planned procurements is an indicator of inadequate planning, poor needs assessment and lack of absorption capacity or failure to realize all the funds required to achieve the budget targets

Management Response

Management has taken note and will work towards the recommendations.

Recommendation

The Accounting Officer should regularly carry out a review of the implementation of the procurement plan and update the procurement plan in accordance with Section 60 (7) of the PPDA Act, Cap. 205 for effective procurement and disposal performance.

2.1.2 Procuring outside the procurement plan

Section 60 (10) of the PPDA Act, Cap. 205 states that a procurement shall not be carried out outside the procurement plan except in emergency situations. The following seven procurements worth UGX. 58,433,997 were procured outside the procurement plan of the financial year 2024/2045. This was due to weak procurement planning and monitoring mechanism within the Entity. Table 3 below indicates procurements that were conducted outside the procurement plan.:

Table 3: Procurements outside the plan

| No. | Subject of Procurement | Method of Procurement | Award Notification Date | Contract Value |
|------------|---|------------------------------|----------------------------------|-----------------------|
| 1. | Sound Systems | Micro Procurement | 25 th September, 2024 | 4,071,000 |
| 2. | Construction of firewood shed at Main Campus | Request for Quotation | 30 th October, 2024 | 9,730,000 |
| 3. | Supply of furniture-desks. | Request for Quotation | 15 th August, 2024 | 6,754,000 |
| 4. | Supply of furniture-beds. | Request for Quotation | 24 th August, 2024 | 26,277,000 |
| 5. | Construction of additional courses on the existing perimeter walls at main campus. | Request for Quotation | 31 st July 2024 | 99,222,218 |
| 6. | Construction of Waterborne toilet attached to the Library Main Campus. | Request for Quotation | 13 th September 2024 | 70,620,752 |
| 7. | Construction of extension of 2 units of single room with kitchen space at Laroo Campus. | Request for Quotation | 13 th September 2024 | 5,789,220 |
| | Total | | | 58,433,997 |

Implication

Conducting procurements outside the procurement plan hinders the implementation of planned procurements and increases the risk of domestic arrears thus affecting service delivery.

Management Response

The said procurements were implemented under furniture and fittings and maintenance civil that was in the college plan

Authority's Comment

The Authority noted the Entity's response and dropped procurements for renovation and maintenance of buildings and maintained those that were not in the procurement plan.

Recommendations

1. The Contracts Committee should approve procurements in the Entity's approved procurement plan in accordance with Section 30 (d) of the PPDA Act, Cap. 205.
2. Procurements should not be carried out outside the Entity's approved procurement plan except in cases of emergency situations in accordance with Section 60 (10) of the PPDA Act, Cap. 205.

2.1.3 Failure by User Departments to prepare and submit user departmental procurement plans to the PDU for consolidation into the Entity's procurement plan for FY 2024/2025

Section 36 (2) of the PPDA Act, Cap. 205 mandates the User Departments to prepare procurement work plans based on the approved budget, which shall be submitted to the procurement and disposal unit for implementation when required.

The Authority found that, User Departments did not prepare procurement work plans for their departments to facilitate consolidation of the Entity's procurement plan for FY 2024/2025. This was due to limited knowledge of procurement planning requirements by the User Departments.

Implication

Failure by the User Departments to prepare departmental procurement plans impacts on the Entity's procurement plan in such a way that it may not reflect budget appropriations for each procurement which potentially can lead to failure to fully absorb all appropriated funds as procurement activities are not planned, well defined, organized, forecasted and scheduled.

Management response

User departments did not prepare written procurement plans for their departments because the Procurement and Disposal Unit compiles them in one document during the budget meeting held when preparing the Financial Year budget moving forward the plans will be written down and compiled as per recommendations

Recommendations

Heads of User Departments should prepare departmental procurement plans based on the Entity's approved budget and submit them to the Procurement and Disposal Unit for implementation and consolidation into the Entity's annual procurement plan in accordance with Regulation 7(1) of the PPDA (Procurement Planning) Regulations, 2023.

2.1.4 Inadequate and similar reference numbering for various procurement transactions.

PPDA Guideline No.2 of 2024 on reference numbers for procurement and disposal transactions mandates the Head Procurement and Disposal Unit to allocate reference numbers to each procurement and disposal requirements of the Entity. The Authority found that the procurement reference numbering was inadequate i.e. they lacked unique identification numbers allocated to each individual procurement and some other procurements had the same reference numbers. For example, all the seven works sampled procurements had the same reference number as GSOCO/WRK/24-25/00003 as indicated in Appendix 2. This was due to capacity gaps in the Procurement and Disposal Unit.

Implication

This exposed the Entity to the risk of failure to identify, track, monitor and audit projects/procurements that were implemented in a particular year

Management response

PPDA guideline No. 2 of 2024 concern noted and shall be adhered to.

Recommendation

The Head Procurement and Disposal Unit should allocate unique procurement reference numbers to each individual procurement in accordance with the PPDA Guideline No.2 of 2024 on reference numbers for procurement and disposal transactions which provides that the basic procurement reference number shall consist of four parts;

2.1.5 Failure to prepare the procurement plan in a standard format provided by the Authority

Regulation 6 (d) PPDA (Procurement Planning) Regulations, 2023 requires the procurement plan to have the recommended method of procurement for each contract package and the time estimated for each stage of procurement. The Authority found that the Entity's procurement plan did not adhere to the procurement plan format as guided by the Authority i.e. it did not indicate the expected dates for initiation but instead the timelines in the procurement plan were stated as first quarter, second quarter, third quarter and fourth quarter, contrary to Regulation 6(d) PPDA (Procurement Planning) Regulations,2023. This was due to limited knowledge in procurement planning by the Head Procurement and Disposal Unit and Contracts Committee.

Implication

Failure to state timelines makes monitoring of the procurement processes and service delivery difficult.

Management Response

Taken note, the Procurement and Disposal unit has now adopted the format for its plan.

Recommendations

The Head Procurement and Disposal Unit should adhere to the standard format of the annual procurement plan as issued by the Authority in accordance with Regulation 6 (d) of of the PPDA (Procurement Planning) Regulations, 2023.

2.1.6 Implementation of the previous audit recommendations

Section 10 (1) (a) of the PPDA Act Cap. 205 mandates the Authority to direct and recommend the concerned Entity to take such corrective action as may be necessary in the circumstances to rectify the breach. The previous audit recommendations by the Authority for the Financial Year 2022/2023 were not fully implemented. The Entity failed to implement 59% of the previous audit recommendations. Out of 22 recommendations made, eight recommendations representing 36% were not implemented, five recommendations representing 23% were partially implemented and Nine recommendations representing 41% were implemented as detailed in the Table 4 below: This was attributed to Entity's lack of a proper mechanism for implementing the Authority's recommendations and enforce compliance.

Table 4: Implementation of previous audit recommendation

| S/No. | Recommendation | Action Date |
|---------------------------------------|--|--------------------|
| The Accounting Officer should: | | |
| 1. | On a quarterly basis and in any other case, wherever necessary, review and update its procurement plan, in accordance with Section 58 (4) and (5) of the PPDA Act, 2003. | Not Implemented |

| S/No. | Recommendation | Action Date |
|--|--|-----------------------|
| 2. | Should regularly carry out a review of the implementation of the procurement plan and update the procurement plan in accordance with Section 58 (4) of the PPDA Act, 2003 to ensure improved performance. | Not Implemented |
| 3. | Set up a board of survey to conduct an assessment and valuation of the assets and have them disposed of in accordance with the procedures stipulated under Clauses 9.1 & 9.2 of the Procurement and Disposal Guidelines for Schools in Uganda 2014. | Not Implemented |
| The Head Procurement should: | | |
| 4. | The Head Procurement and Disposal Unit should allocate procurement reference numbers in accordance with PPDA Guideline No.2 of 2014 on reference numbers for procurement and disposal transactions which provides that the basic procurement reference number shall consist of four parts; <ul style="list-style-type: none"> a) A predetermined code for the Procuring and Disposing Entity b) An abbreviation of up to 5 letters, identifying the type of the procurement requirement, for instance Supls for supplies. c) The Financial Year, for instance 22/23 for FY 2022/2023; d) A five-digit unique number allocated sequentially from 00001 onwards, and e) Where a single requisition is divided into separate lots, a separate number shall be added following the four-digit number e.g. lot 01, 02, 03 e.t.c. | Not Implemented |
| 5. | Prior to issuance of bidding documents, conduct quality assurance for appropriateness of all the required documentation. | Partially Implemented |
| 6. | Ensure that all shortlisted bidders acknowledge receipt of the invitation to bid and maintain a record of acknowledgment on file | Not Implemented |
| 7. | Prevail over contract managers to prepare and submit monthly reports on the progress or completion of each contract to the Accounting Officer and give a copy to the Procurement and Disposal Unit in accordance with Regulation 53 (3) (g) of the PPDA (Contracts) Regulations, 2014. | Not Implemented |
| User Departments should: | | |
| 8. | Prepare departmental procurement plans based on the Entity's approved budget and submit them to the Procurement and Disposal Unit for implementation and consolidation into the Entity's annual procurement plan in accordance with Regulation 3 (2) of the PPDA (PDES) Regulations, 2014. | Not Implemented |
| 9. | Always indicate the amount of funds available at the time of raising Form 5. | Partially Implemented |
| 10. | Nominate contract managers for appointment by the Accounting Officer for all contracts in accordance with Regulation 52 (1) of the PPDA (Contracts) Regulations, 2014. | Not Implemented |
| The Contracts Committee should: | | |
| 11. | Ensure that all procurements are in accordance with the procurement plan before they are approved in accordance with Section 28 (1) (bb) of the PPDA Act, 2003. | Partially Implemented |

| S/No. | Recommendation | Action Date |
|-------|---|-----------------------|
| 12. | Scrutinize all sections of the bidding documents especially terms of reference, specifications as well as delivery schedules for completeness and appropriateness before approving them for issue in accordance with Section 28 (1) (e) of the PPDA Act, 2003 | Partially Implemented |
| 13. | The Evaluation Committees should without any deviation always evaluate the bids following criteria and methodology set in the bidding document in accordance with Regulation 7 (2) of the PPDA (Evaluation) Regulations, 2014. | Partially Implemented |

Implication

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

Management response

Some percentage of the audit recommendations were not fully implemented due to understaffing in the Entity having implemented 64% of the recommendations is a pointer towards willingness to comply to set standards.

Recommendations

The Accounting Officer should ensure that a strong mechanism is put in place to implement recommendations made by the Authority so as to improve the Entity's performance in accordance with Section 10 of the PPDA Act, Cap 205.

2.1.7 Irregularities at shortlisting

Regulation 53 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023 states that a shortlist shall have at least six bidders, except for micro procurement which shall have three bidders.

The Authority found that the Entity shortlisted three bidders (firms) instead of six in five procurements worth UGX. 400,764,781. This was due to limited market research and failure to regularly update the list of prequalified bidders. The procurements are indicated in Table 5 below:

Table: 5 Procurements with inadequate shortlisted bidders.

| No. | Subject of procurement | Amount (UGX) | Number of bidders shortlisted |
|-----|--|--------------------|-------------------------------|
| 1. | Construction of extension of 2 units of single room with kitchen space at Laroo Campus | 55,78 9,220 | 3 |
| 2. | Supply of Uniforms and protective wear. | 29,486,666 | 3 |
| 3. | Construction of Waterborne toilet attached to the Library Main Campus. | 70,620,752 | 4 |
| 4. | Construction of Dental Clinic at Laroo Campus. | 207,092,360 | 4 |
| 5. | Construction of additional courses on the existing perimeter walls at main campus. | 93,565,003 | 3 |
| | Total | 400,764,781 | |

Implications

This affected competition and it was a violation of Regulation 53 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023.

Management Response

Violation of Regulation 53 (1) of the PPDA Regulations, 2023 alluded to six bidders (firms) will be contacted for future procurements.

Recommendation

The Head Procurement and Disposal Unit should adhere to the legal requirement of shortlisting the minimum shortlist of six firms/bidders for all procurement methods, except for Micro Procurements which shall have at least three bidders in accordance with Regulation 53 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023.

1.1.8 Issuance of bidding documents with inadequate statements of requirements and evaluation criteria

Regulation 42 (a) of the PPDA (Rules and Methods for procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023 states that a procuring and disposing entity shall, when preparing each bidding document, ascertain that the statement of requirements defines the requirement precisely and in a manner that leaves no doubt or assumption by a bidder.

The Entity issued bidding documents that had inadequate statements of requirements and evaluation criteria or instructions to the bidders in five sampled procurements worth UGX. 1,021,222,998. Although the Contracts Committee approved the bidding documents, it was evident that the quality of review prior to approval of the bidding document was inadequate. This is attributed to weak review of the bidding documents by the Head Procurement and Disposal Unit and Contracts Committee. The procurements are indicated in Table 6 below:

Table 6: Inadequate bidding documents

| No | Subject | Findings |
|----|--|---|
| 1. | Construction of extension of 2 units of single room with kitchen space at Laroo Campus. UGX. 55,789,220 | <ul style="list-style-type: none">• Ambiguous criteria in the bidding document: Part 1 (instruction to bidders) the Entity required bidders to submit trading license without indicating the period of the license.• Failure to state the required equipment to perform the project: The bidding document did not state the required equipment for the contractor to execute the works.• Unclear conditions in the bidding document: GCC 1.1 (ee) stated that the start date shall be with immediate effect. This was not clear to the bidders on when the contract was to commence.• Inconsistent clauses: Whereas the procurement was for construction of extension of 2 units of single room with kitchen space at Laroo Campus, GCC 1.1 (ii) of the bidding document stated that the works consist of construction of waterborne toilet attached to the library. |

| No | Subject | Findings |
|--------------|---|--|
| | | <ul style="list-style-type: none"> ● Failure to provide for ESHS in the bidding document: There was no ESHS provisions such as grass and tree planting in the bidding document ● Unclear completion dates: GCC 17.1 stated that the intended completion date for the whole of the works shall be after 3 months. ● Idle clauses in the bidding document.: GCC 49.1: Liquidated damages of Shall apply. The contractor shall pay liquidated damages to the employer at the rate ofper day for each day that the completion date is later than the intended completion date. ● GCC51.1: Advance payment of shall be made on submission of an advance payment security of ● GCC52.1: A performance security of Shall be required. ● Provision of less DLP period. GCC 35.1 required a defect liability period of 30 days. |
| 2. | Food stuffs and firewood UGX. 658,234,000 | Unclear evaluation criteria in the issued bidding document: The bidding document required bidders to submit their past experience without indicating the documents evidencing the required experience, (i.e. delivery notes, contracts/LPOs or recommendation letters) how much and the period. |
| 3. | Supply of Uniforms and protective wear. UGX. 29,486,666 | Failure to clearly state the date for delivery of goods in the bidding document: GCC12.1, stated that supplies are to be delivered within 7 days/weeks/months from the date of purchase order. This was not clear on whether supplies were to be delivered in 7 days, 7 weeks or 7 months. |
| 4. | Construction of Waterborne toilet attached to the Library Main Campus. UGX. 70,620,752 | <ul style="list-style-type: none"> ● Failure to indicate the validity of the trading license under documents evidencing eligibility: Whereas the Entity required bidders to submit a trading license, the validity period was not stated. ● Failure to specify the date of commencement under Section 8 GCC 1.1 (ii). ● Failure to provide for Environmental, Social and Health and Safety Safeguards (ESHS) in the bidding document. |
| 5. | Construction of Dental Clinic at Laroo Campus UGX. 207,092,360 | <ul style="list-style-type: none"> ● Failure to indicate validity of the trading license under documents evidencing eligibility (part 1). ● Environmental, Social, Health and Safety Safeguards (ESHS) requirements were not provided under the issued bidding document. |
| Total | | 1,021,222,998 |

Implications

- Unclear evaluation criteria in the bidding document creates doubt and assumptions to the bidder on the requirements of the Entity and exposes the Entity to the risk of potential disagreements and conflict during the contract implementation.
- Inappropriate requirements discourage competition and lead to award of contracts to non-responsive bidders.
- Failure to state bid validity date in the bidding document makes bidders uncertain about the duration of their commitment/offer and in case of price fluctuations, this may cause contractual disputes.

Management Response

Inconveniences of such mix-up which could have come up because the projects were running almost at the same time will be minimized. Documentation has been updated to match each activity as was meant to be therefore such anomalies shall not be repeated.

Recommendations

1. The Contracts Committee should reject solicitation documents that do not define requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity in accordance with Regulation 42 (a) of the PPDA (Rules and Methods for procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023; and
2. The Head Procurement and Disposal Unit should set the most appropriate evaluation criteria that suits the purpose of the procurement in accordance with Regulation 42 of the PPDA (Rules and Methods for Procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023.

2.1.9 Irregularities during bidding

i) Failure to record the bid prices and currency read out at bid opening

Regulation 74 (c) of the PPDA (Rules and Methods for procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023 states that the information to be read out at a bid opening session shall be in accordance with the bidding document and shall include the total price of the bid, including the currency and amount or discount.

The Authority found irregularities during bid opening of three procurements worth UGX. 333,502,332. This was due to lack of enforcement of legal requirements by the Entity.

The procurements are detailed in Table 7 below:

Table 7: Procurements with irregularities at bid opening

| No. | Subject | Amount (UGX) | Findings |
|------------|---|---------------------|--|
| 1. | Construction of extension of 2 units of single room with kitchen space at Laroo Campus. | 55,789,220 | Failure to record the currency and prices read out at bid opening for all the bids received. <u>Management Response</u> <i>No management response submitted</i> |
| 2. | Construction of Waterborne toilet attached | 70,620,752 | . |

| No. | Subject | Amount (UGX) | Findings |
|--------------|---|--------------------|----------|
| | to the Library Main Campus | | |
| 3. | Construction of Dental Clinic at Laroo Campus | 207,092,360 | . |
| Total | | 333,502,332 | |

Implications

- The above omissions were indicators of lack of transparency in the procurements undertaken.
- Failure to record the currency and prices read out at bid opening for all the bids received contravenes Regulation 74 (1) (c) of the PPDA (Rules and Methods for procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023.

Recommendations

1. The Head Procurement and Disposal Unit should always conduct bid opening in a transparent manner as required under Regulation 74 of the PPDA (Rules and Methods for procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023.
2. All procurement and disposal transactions should be conducted in a manner that promotes transparency, accountability and fairness in accordance with Section 48 of the PPDA Act, Cap. 205 in order to avoid situations of receipt of late bids.

ii) Failure by either a member of the Contracts Committee or User Department to witness bid opening

Regulation 75 (1) of the PPDA (Rules and Methods for procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023 provides that bid opening shall be managed by the Procurement and Disposal Unit and shall be witnessed by a member of the Contracts Committee or a person authorized by the user department.

The Authority found irregularities during bid opening of four procurements worth UGX. 1,078,720,863. This was due to lack of enforcement of legal requirements by the Entity.

The procurements are detailed in Table 8 below:

Table 8: Procurements that were not witnessed at bid opening

| No. | Subject | Amount (UGX) | Findings |
|-----|--------------------------|--------------|---|
| 1. | Food stuffs and firewood | 658,234,000 | <p>Failure by either a member of the Contracts Committee or a person authorized by the User Department to witness bid opening. Bids were opened by only Procurement and Disposal Unit.</p> <p><u>Management Response</u> <i>No management response submitted.</i></p> |

| No. | Subject | Amount (UGX) | Findings |
|--------------|---|--------------------------|----------|
| 2. | Construction of additional courses on the existing perimeter walls at main campus | 93,565,003 | |
| 3. | Supply of learning and teaching materials for Semester One and two | 28,271,000 91,558,500 | |
| 4. | Construction of Dental Clinic at Laroo Campus | 207,092,360 | |
| Total | | 1,078,720,863 | |

Implications

- The above omissions were indicators of lack of transparency in the procurements undertaken.
- Failure to witness bid opening process contravenes Regulation 75 (1) of the PPDA (Rules and Methods for procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023.

Recommendations

3. The Head Procurement and Disposal Unit should always conduct bid opening in a transparent manner as required under Regulation 74 & 75 of the PPDA (Rules and Methods for procurement of Supplies, works and Non- Consultancy Services) Regulations, 2023.
4. All procurement and disposal transactions should be conducted in a manner that promotes transparency, accountability and fairness in accordance with Section 48 of the PPDA Act, Cap. 205 in order to avoid situations of receipt of late bids.

2.1.10 Irregularities in bid evaluation

Regulation 18 (5) of the PDA (Evaluation) Regulations, 2023 mandates Evaluation Committee to determine the compliance of a bidder to confirm that the bidder conforms satisfactorily to the basic instructions, requirements and the terms and conditions of the bidding documents without any material deviation or omission. The Authority observed that four procurements worth UGX. 950,602,246 had irregularities in bid evaluation. This is linked to deliberate omissions and alterations by the Evaluation Committee members. as detailed in Table 9:

Table 9: Procurements with irregularities during evaluation

| No | Subject of procurement | Amount (UGX) | Issue |
|----|--|--------------|---|
| 1. | Construction of extension of 2 units of single room with kitchen space at Laroo Campus | 55,789,220 | <ul style="list-style-type: none"> • Change of evaluation criteria at evaluation: Whereas Part 1 (Instructions to bidders) document evidencing eligibility, the Entity required bidders to submit two certificates of completion of similar contracts worth more than UGX. 10,000,000, the bids were evaluated with a criterion of the requirement of one certificate of completion of similar contracts worth more than UGX. 5,000,000. |

| No | Subject of procurement | Amount (UGX) | Issue |
|----|---|--------------|--|
| | | | <ul style="list-style-type: none"> • The bid required bidders to submit bidder's trading license, however, at evaluation this was changed to certified copy of trading license for 2024. • Failure by the best evaluated bidder, Remn Company Limited, to indicate completion period: Whereas the Entity required a completion period of three months, Remn Company Limited was evaluated compliant without stating the completion period. • Remn Company Limited submitted a TCC issued on 16th March 2023 for a period of 1st July 2022 to 30th June 2023. This was contrary to the required period of 2024-2025. <p><u>Management Response</u> <i>No management response.</i></p> |
| 2. | Food stuffs and firewood | 658,234,000 | <ul style="list-style-type: none"> • Irregularities at evaluation: Whereas the Entity required bidders to submit bank statements for 3 years (2022,2023,224), Paloni Enterprises submitted the bank statement for only 2023 i.e May 2023-November 2023. • Paloni Enterprises did not submit copies of audited financial books of accounts for the last 3 years of 2022,2023,2024 as required. It submitted for 2020, 2021 and 2022. • Failure by Paloni Enterprises to state delivery period. The required delivery period was within seven days after receipt of call off order. • AAF Shimun General Supplies Ltd. did not submit all copies of audited financial books of accounts for the last 3 years of 2022, 2023, 2024. It submitted for 2022 and 2023. • Failure by Guloba Investments Limited to indicate the delivery date. <p><u>Management Response</u> <i>No management response</i></p> |
| 3. | Supply of Uniforms and protective wear. | 29,486,666 | <ul style="list-style-type: none"> • Passing of a non-compliant bidder: Whereas GCC 29.3 of the bidding document stated that warranty period shall be 12 months, Filma Investments SMC Ltd. provided a warranty period of ten months and it was evaluated compliant against this criteria. |

| No | Subject of procurement | Amount (UGX) | Issue |
|--------------|---|--------------------|--|
| | | | <ul style="list-style-type: none"> • Failure to conduct detailed technical evaluation: The Evaluation Committee just indicated “R” against the bidder’s name without indicating the criteria they are complying to. • Passing of a non -compliant bidder: The best evaluated bidder, Nafrax Designer Company Limited, indicated that it does not comply on some of the items such as Midflight ball, woodball wallets, woodball bag, woodball gate, however the Evaluation Committee evaluated it compliant under technical evaluation stage. • Failure by Rosble Investments Limited to state the delivery period: The Authority found that Rosble Investments Limited indicated N/A days/weeks/months contrary to GCC 12.1 of the issued bidding document. • Passing of a non-compliant bidder: Whereas GCC 29.3 of the bidding document stated that warranty period shall be 12 months, Rosble Investments Limited did not provide a warranty period instead it indicated N/A and it was evaluated compliant against this criteria. <p><u>Management Response</u> <i>No management response.</i></p> |
| 4. | Construction of Dental Clinic at Laroo Campus | 207,092,360 | <p>Passing of a non-compliant bidder: Paloni Enterprises, the best evaluated bidder, offered a bid validity date of 6th September 2024, contrary to the required bid validity of 7th October, 2024.</p> <p><u>Management Response</u> <i>No management response.</i></p> |
| Total | | 950,602,246 | |

Implications

- Passing of non-compliant bidders implies that contracts were awarded to firms that lacked adequate capacity to execute contracts with the Government of Uganda.
- Irregular evaluation of bids exposes the Entity to the risk of not getting the best bidder in terms of quality and cost which leads to unfairness to the undeservingly eliminated bidders.
- Irregularities in bid evaluation hinders fairness in the procurement process.

Recommendations

The Evaluation Committees should:

- Evaluate the bids in line with the criteria set in the bidding document and waive any non-

material deviations in accordance with Regulation 18 (5) of the PPDA (Evaluation) Regulations, 2023.

- ii. Be vigilant while reviewing the information submitted by the bidders for conformity with the set criteria before passing bidders in accordance with Regulation 23 of the PPDA (Evaluation) Regulations, 2023.

2.1.11 Anomalies at contracting

Regulation 3 (1) (c) of the the PPDA (Contracts) Regulations, 2023 mandates the Entity to display a notice of best evaluated bidder on the notice board of the procuring and disposing entity for ten working days. The Authority observed that four procurements worth UGX. 991,736,332 had irregularities at the display of Best Evaluated Bidder Notice. This is attributed to document review gaps by the Procurement and Disposal Unit. The procurements are detailed in Table 10 below:

Table 10: Procurements with poor quality Notice of Best Evaluated Bidder

| No | Subject of procurement | Amount (UGX) | PPDA Findings |
|----|--|--------------|--|
| 1. | Construction of extension of 2 units of single room with kitchen space at Laroo Campus | 55,789,220 | <ul style="list-style-type: none"> • Display of the NOBEB for less than 10 working days. Displayed on 1st August 2024 with the removal date of 7th August 2024. • Quality of the NOBEB: The NOBEB did not indicate the best evaluated bidder and the reasons for failure of the other bidders. It was noted that the reason for elimination was captured as prequalified bidder. |
| 2. | Food stuffs and firewood | 658,234,000 | |
| 3. | Construction of Waterborne toilet attached to the Library Main Campus. | 70,620,752 | Failure to display the notice of best evaluated bidder for ten working days: The notice of the best evaluated bidder was displayed for five days. The display date was 16 th September 2024 and date for removal was 20 th September 2024. |
| 4. | Construction of Dental Clinic at Laroo Campus | 207,092,360 | Notice of the Best Evaluated Bidder was displayed for 7 working days and not the minimum required 10 working days. Display date was 19 th July 2024 and removal date was 25 th July 2024. |
| | Total | 991,736,332 | |

Implications

- Bidders are denied adequate time to lodge complaints for administrative review.
- Display of NoBEB for less than ten working days as required contravenes the principle of procurement such as transparency and fairness in the procurement process.

Management Response

Inconveniences of such mix-up which could have come up because the projects were running almost at the same time will be minimized. Documentation has been updated to match each activity as was meant to be therefore such anomalies shall not be repeated.

Recommendations

The Head Procurement and Disposal Unit should always confirm that within five working days after the award decision of the Contracts Committee, display a notice of best evaluated bidder with all required content on the notice board of the procuring and disposing entity for ten working days in accordance with Regulation 3 of the the PPDA (Contracts) Regulations, 2023

2.2 COMPLIANCE OF THE ENTITY'S DISPOSAL PROCESS WITH THE PROVISIONS OF THE PPDA ACT, CAP.205 AND PPDA REGULATIONS

2.2.1 Failure by the Entity to constitute and undertake a board of survey for its assets

Regulation 2 of the the PPDA (Disposal of Public Assets) Regulations, 2023 requires an Accounting Officer in each financial year, to cause the public assets of an Entity to be reviewed, to identify the public assets to be disposed of in the following financial year.

The Authority found that the College did not constitute and conduct a board of survey of the assets of the Entity for FY 2022/2023 and 2023/2024. This made it impossible for the audit team to assess the conditions or status of all assets owned by the College over the years. In addition, the College did not conduct any disposal of obsolete assets. This is due to deliberate non-adherence to asset management and disposal regulations and procedures.

Implications

- This is a red flag for weak/ non-functional internal controls on the assets held by the College which could ultimately cause loss of assets by the Government of Uganda.
- Assets continue to lose value through depreciation and face risks of loss or vandalism.
- Failure to dispose of assets whose use ceased inhibits achievement of value for money as funds are held up in assets which are not in use.

Management Response

The management will put in place the Board of survey

Recommendation

The College Principal should set up a board of survey to conduct an assessment and valuation of the assets and have them disposed of in accordance with PPDA (Disposal of Public Assets) Regulations, 2023 to avoid further depreciation and attain value for money.

2.3 EFFICIENCY AND EFFECTIVENESS IN CONTRACT IMPLEMENTATION INCLUDING THE APPLICATION OF ENVIRONMENTAL, SOCIAL, HEALTH AND SAFETY SAFEGUARDS (ESHS) REQUIREMENTS

2.3.1 Anomalies in contract management

Regulation 50 of the PPDA (Contracts) Regulations, 2023 mandates the Accounting Officer to appoint the Contract Manager. Regulation 52 of the PPDA (Contracts) Regulations, 2023 empowers the Contract Manager to manage and ascertain that the provider performs the contract in accordance with the terms and conditions specified in the contract.

The Authority found anomalies in contract management in the following five procurements worth UGX. 1,141,052,498 as detailed in Table 11. This was due to weak contract monitoring mechanism in the Entity.

Table 11: Procurements with anomalies at contract management

| No. | Subject of Procurement | Contract Amount (UGX) | Finding | | | | | | | | | | | | |
|---------------------------------------|--|---------------------------|---|---|---|---------------------------|--|---|---|------|-----|----|------------|------------|---------------------------|
| 1. | Construction of extension of 2 units of single room with kitchen space at Laroo Campus | 55,789,220 | <ul style="list-style-type: none"> Failure to appoint a Contract Manager. Failure to prepare contract management plan. No completion certificate. Failure to pay the 5% retention worth UGX. 2,600,000 to Bamwise Stationers and General Supplies Ltd yet DLP expired 26th December 2024. Failure to pay retention worth UGX. 2,727,806 to Remn Company Limited yet the Defects Liability Period (DLP) expired on 7th November 2024. | | | | | | | | | | | | |
| 2. | Food stuffs and firewood | 658,234,000 | <ul style="list-style-type: none"> Failure to appoint the Contract Managers. Failure to prepare the contract monitoring plan. Call off order No:00022. (Issued to Remn Company Limited) had the following irregularities: <ul style="list-style-type: none"> -Inadequate description of an item to be supplied: Whereas the contract had two categories of posho i.e., Class A and B each class with its unit rates, the Entity issued a call off order No. 00022 requesting for maize flour without stating the class to be supplied. -Issuing call off orders at different unit rates as indicated below: <table border="1" data-bbox="826 1393 1374 1912"> <thead> <tr> <th>Descr iption of suppli es</th> <th>Qua ntity</th> <th>Unit of Meas ure</th> <th>Uni t Pric e in the con trac t (U GX)</th> <th>Unit rate for call off order No.0 0022</th> <th>Unit rate for call off order No.0 0017</th> </tr> </thead> <tbody> <tr> <td>Meat</td> <td>112</td> <td>Kg</td> <td>16, 000</td> <td>17,0 00</td> <td>17,0 00 (95k gs)</td> </tr> </tbody> </table> | Descr iption of suppli es | Qua ntity | Unit of Meas ure | Uni t Pric e in the con trac t (U GX) | Unit rate for call off order No.0 0022 | Unit rate for call off order No.0 0017 | Meat | 112 | Kg | 16, 000 | 17,0 00 | 17,0 00 (95k gs) |
| Descr iption of suppli es | Qua ntity | Unit of Meas ure | Uni t Pric e in the con trac t (U GX) | Unit rate for call off order No.0 0022 | Unit rate for call off order No.0 0017 | | | | | | | | | | |
| Meat | 112 | Kg | 16, 000 | 17,0 00 | 17,0 00 (95k gs) | | | | | | | | | | |

| No. | Subject of Procurement | Contract Amount (UGX) | Finding | | | | | | |
|-----|--|--------------------------|---|----|-------------|-----------|---------|---------|--|
| | | | Tomatoes | 20 | Kgs | 6,000 | 5,500 | 5,500 | |
| | | | Onions | 15 | Kg | 8,000 | 4,500 | 4,500 | |
| | | | Salt | 1 | Bag(50kgs) | 2,100 @kg | 75,000 | 75,000 | |
| | | | Sugar | 1 | Bag (50kgs) | 6,000 @kg | 225,000 | 225,000 | |
| 3. | Construction of Waterborne toilet attached to the Library Main Campus. | 70,620,752 | <ul style="list-style-type: none"> • Failure to appoint the Contract Managers. • Failure to prepare the contract management plan. • Failure to prepare and submit progress reports. • Failure to officially handover the project. • Failure to commission the project: There was no record of commissioning the project. | | | | | | |
| 4. | Supply of Uniforms and protective wears. | 29,486,666 | <ul style="list-style-type: none"> • Failure to appoint the Contract Managers. • Failure to prepare the contract management plan. • No record of payment for Nafrax Designer Co. Ltd. • No record of payments for Filma Investments SMC Ltd. | | | | | | |
| 5. | Construction of Dental Clinic at Laroo Campus | 207,092,360 | <ul style="list-style-type: none"> • No Contract Manager was appointed. • No contract management plan, completion certificate and handover certificate. • Payment records not provided. | | | | | | |
| 6. | Supply of learning and teaching materials for Semester One and two | 28,271,000 91,558,500 | <ul style="list-style-type: none"> • Contract Manager not nominated and or appointed. • Delivery notes not attached on file. • No record of payments on file. | | | | | | |
| | Total | 1,141,052,498 | | | | | | | |

Implications

- Issuing the call off orders at different unit rates from the contractual rates may render the call-off order invalid or unenforceable.
- The above irregularities are the indicators of weak contract management controls in the Entity.

Management Response

Inconveniences of such mix-up which could have come up because the projects were running almost at the same time will be minimized. Documentation has been updated to match each activity as was meant to be therefore such anomalies shall not be repeated.

Recommendations

1. The Accounting Officer should always ascertain that contractors are paid their retention after the expiry of Defects Liability Period (DLP).
2. Contract Managers should strictly supervise the contract and ensure that the provider performs the contract in accordance with the terms and conditions specified in the contract and in accordance with Regulation 52 (1) (b) of the PPDA (Contract) Regulations 2023.
3. The Head Procurement and Disposal Unit should ascertain that Contract Managers prepare contract management plans using Form 49 in Schedule 2 and forward a copy of the contract management plan to the Procurement and Disposal Unit for purposes of monitoring in accordance with Regulation 50 (3) of the PPDA (Contract) Regulations 2023.

3.0 OVERVIEW OF THE PERFORMANCE OF THE ENTITY

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

3.1 Overall Audit Conclusion

The performance of Gulu College of Health Sciences for the Financial Year 2024/25 was **moderately satisfactory** with overall weighted average risk rating of **39.5%** as indicated in Table 12 below:

Table 12: The risk rating is as follows:

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

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 in Table 13 below:

Table 13: Summary of performance of Pader District Local Government

| Risk Rating | N O. | %No | Wei ghts | Weighte d score by No. | Value (UGX) | %Val ue | Wei ghts | Weighted score by value |
|--------------------|-------------|------------|-----------------|-------------------------------|----------------------|----------------|-----------------|--------------------------------|
| High | 0 | 0 | 0.6 | 0 | - | - | 0.6 | 0 |
| Medium | 6 | 60 | 0.3 | 18 | 1,021,222,998 | 78 | 0.3 | 23 |
| Low | 4 | 40 | 0.1 | 4 | 279,842,494 | 22 | 0.1 | 2 |
| Satisfactory | 0 | 0 | 0 | 0 | - | - | 0 | 0 |
| Total | 10 | 100 | 1 | 22 | 1,301,065,492 | 100 | 0 | 25 |

$$\text{Weighted Average (By no.)} = \frac{\sum \text{Weighted Score}}{\text{Total No.}} \times 100 = \frac{22}{58} \times 100 = 37\%$$

$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{25 \times 100}{60} = 42\%$$

$$\text{Combined Weighted Average} = 37 + 42 = 39.5\%$$

Figure 1: Risk Rating by Number

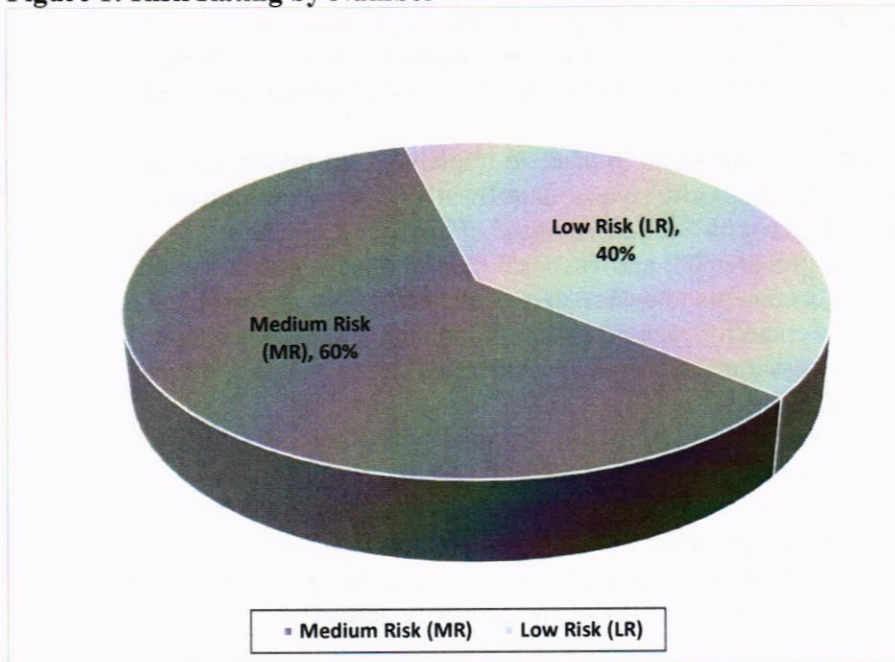
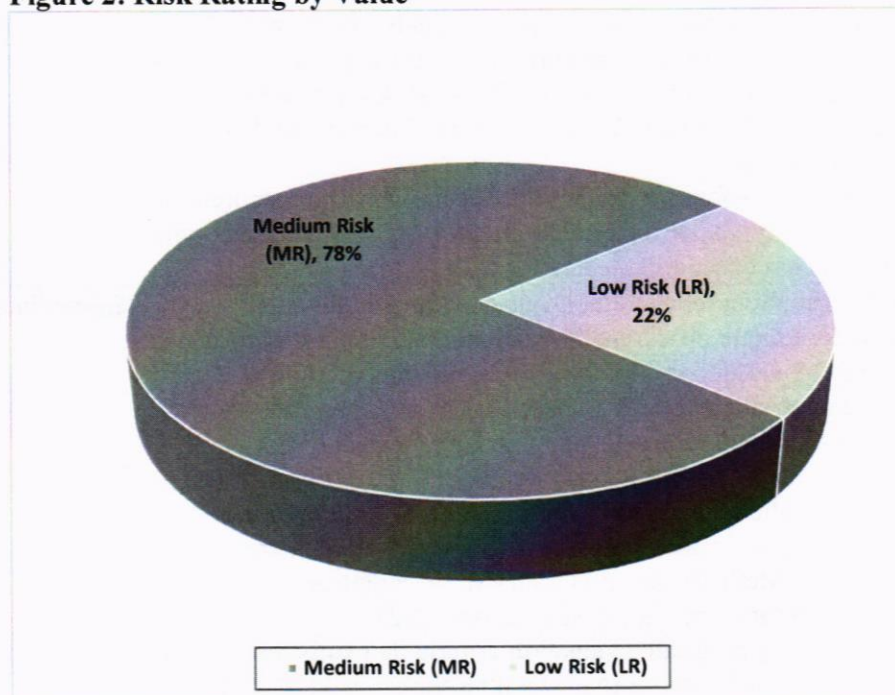


Figure 2: Risk Rating by Value



3.2 Recommended Action Plan

Gulu College of Health Sciences should implement the following recommendations within the timeframe given to improve its performance in accordance with Section 10 (1) (a) of the PPDA Act, Cap.205.

Table 14: Recommended Action Plan

| Recommendation | Action Date |
|--|-------------|
| <p>The Accounting Officer should</p> <ul style="list-style-type: none"> i. Regularly carry out a review of the implementation of the procurement plan and update the procurement plan in accordance with Section 60 (7) of the PPDA Act, Cap. 205 to ensure improved performance; ii. Put a strong mechanism in place to implement recommendations made by the Authority so as to improve the Entity's performance in accordance with Section 10 of the PPDA Act, Cap. 205; iii. Task the Procurement and Disposal Unit to always scrutinize all contract documents to ensure that all the provisions are complete and appropriate for each particular procurement to avoid creation of doubt / assumptions by the provider and Entity during contract implementation; iv. Always ensure that contractors are paid their retention after the expiry of the Defects Liability Period (DLP); v. Task the Contract Managers to strictly supervise the contract and ensure that the providers perform the contracts in accordance with the terms and conditions specified in the contract in accordance with Regulation 52 (1) (b) of the PPDA (Contract) Regulations 2023; | Immediately |
| <ul style="list-style-type: none"> 1. Contracts Committee should: <ul style="list-style-type: none"> i. Reject solicitation documents that do not define requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity in accordance with Regulation 42 (1) (a) of the PPDA (Rules and Methods for procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023. ii. Ascertain that before a procurement is approved, the procurement is in the Entity's approved procurement plan in accordance with Section 30 (d) of the PPDA Act, Cap. 205. | |
| <ul style="list-style-type: none"> 3. The Head of the Procurement and Disposal Unit should: <ul style="list-style-type: none"> i. Allocate a unique procurement reference numbers in accordance with PPDA Guideline No. 2 of 2024 on reference numbers for procurement and disposal transactions which provides that the basic procurement reference number shall consist of four parts; ii. Ascertain that the shortlist has a minimum of six firms / bidders, except for Micro Procurements which shall have at least three bidders as it is required under Regulation 53 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023; iii. Set the most appropriate evaluation criteria that suits the purpose of the procurement in accordance with Regulation 42 of the PPDA | Immediately |

| Recommendation | Action Date |
|---|--------------------|
| <p>(Rules and Methods for Procurement of Supplies, works and Non-Consultancy Services) Regulations, 2023; and</p> <p>iv. Ascertain that Contract Managers prepare contract management plans using Form 49 in Schedule 2 and forward a copy of the contract management plan to the to the Procurement and Disposal Unit for purposes of monitoring in accordance with Regulation 50 (3) of the PPDA (Contract) Regulations 2023.</p> | |
| <p>4. The Evaluation Committees should:</p> <p>i. Evaluate the bids in line with the criteria set in the bidding document and waive any non-material deviations in accordance with Regulation 18 (5) of the PPDA (Evaluation) Regulations, 2023; and</p> <p>ii. Be vigilant while reviewing the information submitted by the bidders for conformity with the set criteria before passing bidders in accordance with Regulation 23 of the PPDA (Evaluation) Regulations, 2023.</p> | Immediately |
| <p>5. Heads of User Departments should prepare departmental procurement plans based on the Entity's approved budget and submit them to the Procurement and Disposal Unit for implementation and consolidation into the Entity's annual procurement plan in accordance with Regulation 7 (1) of the PPDA (Procurement Planning) Regulations, 2023;</p> | Immediately |

Appendix 1: Sampled audited procurement files for FY 2024/25 with their risk rating

| No. | Procurement Reference No | Subject of Procurement | Method of Procurement | Provider/ Purchaser | Contract Value (UGX) | Risk Rating |
|-----|--------------------------|--|-----------------------|--|----------------------|-------------|
| 1. | GSOCO/WRK/24-25/00003 | Construction of a Dental Clinic in Laroo | Request for Quotation | Paloni Enterprises | 207,092,360 | Medium |
| 2. | GSOCO/WRKS/24-25/00003 | Construction of Additional Courses on the Existing Perimeter Walls at Main Campus | Request for Quotation | Cornerstone Infrastructures Limited | 99,222,218 | Low |
| 3. | GSOCO/WRKS/24-25/00003 | Construction of waterborne toilet attached to the library at Main campus. | Request for Quotation | Bamwise Stationers and General Supplies LTD | 70,620,752 | Medium |
| 4. | GSOCO/WRKS/24-25/00003 | Construction of Extension of 2 Unit of Single Room with Kitchen Space at Laroo | Request for Quotation | Bamwise Stationers and General Supplies LTD | 55,789,220 | Medium |
| 5. | GSOCO/WRKS/24-25/00003 | Supply of Learning and teaching materials | Request for Quotation | | 91,558,500 | Low |
| 6. | GSOCO/WRKS/24-25/00003 | Minor civil works | Request for Quotation | Cornerstone Infrastructures Limited | 44,874,553 | Low |
| 7. | GSOCO/WRKS/24-25/00003 | Renovation works-painting hostels Minor Civil works (painting and repair Western wing). | Request for Quotation | Bamwise Stationers and General Supplies. | 44,187,223 | Low |
| 8. | GSOCO/SUPLS/24-25/00001 | Supply of uniforms | Request for Quotation | Rosble Investment Limited | 31,150,00 | Medium |
| 9. | GSOCO/SUPL/24-25/00001 | Foodstuffs and firewood | Framework | Bamwise Stationers and General Supplies Limited Paloni Enterprises AAF Shimun General Supplies Ltd | 658,234,000 | Medium |

| No. | Procurement Reference No | Subject of Procurement | Method of Procurement | Provider/ Purchaser | Contract Value (UGX) | Risk Rating |
|-----|--------------------------|------------------------------|-----------------------|-----------------------------|----------------------|-------------|
| | | | | Guloba Investments Limited | | |
| 10. | GSOCO/SUPLS/24-25/00001 | Uniforms and Protective wear | Request for Quotation | Nafrax Designer Co. Limited | 29,486,666 | Medium |
| | | | | TOTAL | 1,264,063,112 | |

Appendix 2: Summary of case-by-case findings and risk rating

| No. | Subject of Procurement | Reasons for Medium risk |
|-----|--|--|
| 1. | Construction of extension of 2 units of single room with kitchen space at Laroo Campus UGX 55,789,220 | <ul style="list-style-type: none"> • Shortlist of 3 firms instead of 6 bidders. • Ambiguous criteria in the bidding document. Entity required bidders to submit trading license without indicating the period of the license. • Failure to state the required equipment to perform the project • Unclear conditions in the bidding document. GCC 1.1 (ee) stated that the start date shall be with immediate effect. This was not clear to the bidders. • Inconsistent clauses in the bidding document. • Failure to provide for ESHS in the bidding document. • Idle clauses in the bidding document. • Provision of few DLP period. GCC 35.1 required a DLP of 30 days. • No record for invitation of all the bidders. • Failure to record the bid price read out at bid opening. • Change of evaluation criteria at evaluation. • Display of NOBEB for less than 10 working days. • Failure to pay the 5% retention. |
| 2. | Food stuffs and firewood UGX 658,234,000 | <ul style="list-style-type: none"> • Failure by either CC member or UD to witness bid opening. Bids were opened by only PDU. • Irregularities at evaluation. |

| No. | Subject of Procurement | Reasons for Medium risk |
|-----|---|--|
| | | <ul style="list-style-type: none"> • Paloni Enterprises did not submit copies of audited financial books of accounts for the last 3 years of 2022,2023,2024 as required. It submitted for 2020,2021 and 2022 • Failure by Paloni Enterprises to state delivery period. • AAF Shimun General Supplies Ltd did not submit all copies of audited financial books of accounts for the last 3 years of 2022,2023,2024. • Failure by Guloba Investments Limited to indicate the delivery date. • Failure to appoint the contract managers. • Failure to pre the contract monitoring plan. |
| 3. | Construction of Waterborne toilet attached to the Library Main Campus. UGX: 70,620,752 | <ul style="list-style-type: none"> • Failure to indicate or state the estimated market price on the Form 5. • Failure to attach the drawings in the BOQ's under the BOQ document. • Failure to shortlist a minimum of six (6) providers as the amended law says. Instead shortlisted four (4) bidders. • Failure to specify the exact date when the contract commences under Section 8 GCC 1.1 (ii). • Failure to provide for ESHS in the SBD. • Failure to record the currency and price read out at bid opening for all the bids received. • Failure by Ms. Lyaa Faith Gloria, Eng. Kilama Bosco and Mr. Ofoymungu Eric to conduct evaluation yet they were approved by the Contracts Committee. • Failure to display the notice of BEB for 10 working days. • Failure to appoint a contact manager. • Failure to prepare and submit progress reports for the procurement during contract implementation |
| 4. | Supply of Uniforms and protective wears. UGX 29,486,666 | <ul style="list-style-type: none"> • Failure by the AO to sign the Form 5. • Failure by the Evaluation Committee to sign the Ethical Code of Conduct. • Failure by Filma Investments SMC LTD to clearly state the warranty period offered. • Failure by Rosble Investments Limited to state the delivery period. • Failure by Rosble Investments Limited to clearly state the warranty period offered. • Signing the contract with Nafrax Designers Co. LTD when the bid validity is expired. • Failure to appoint a contract manager. |
| 5. | Construction of Dental Clinic at Laroo Campus | <ul style="list-style-type: none"> • The invitation was sent to only three bidders under invitation to bidders part 4. |

| No. | Subject of Procurement | Reasons for Medium risk |
|-----|------------------------|--|
| | UGX 207,092,360 | <ul style="list-style-type: none"> • Failure to record the price and currency at bid opening. • Failure by either a member of the user department, or a member of contracts committee to witness bid opening but only PDU. • Participation of Iyaa Faith Gloria on evaluation committee without CC approval. Failure by Musamali Joshua to participate in evaluation committee after CC approval. • Notice of best evaluated bidder was displayed for 7 working days. • Contract manager not appointed. • Contract management plan not provided. • Completion certificates not provided |

| No. | Subject of Procurement | Reasons for Low risk |
|-----|---|--|
| 1. | Construction of additional courses on the existing perimeter walls at main campus UGX 99,222,218 | <ul style="list-style-type: none"> • Procurement estimate not stated on Form 5. • Invitation to bidders was only sent to three bidders and not the required minimum of six bidders. • Record of bid receipt not provided. • Bid opening was managed by PDU and not witnessed by a member of CC and user department. • Ethical code of conduct not signed by evaluation committee members. |
| 2. | Supply of Learning and teaching materials for UGX 91,558,500 | <ul style="list-style-type: none"> • Bid opening was only done by PDU without a member of CC or the user department. • Participation of Alanyo Solome on evaluation committee without CC approval. Failure by Iyaa Faith Gloria, Rubangakene Pius and Aribi Rose Filder to participate in evaluation committee after CC approval. |

Appendix 3: Staff in the Procurement and Disposal Unit

| No | Name | Designation |
|----|-------------------------|---------------------|
| 1. | Ms. Laker Obed Jedidiah | Procurement Officer |

Appendix 4: Members of the Contracts Committee.

| No. | Names | Position | Designation |
|-----|------------------------------|--|-------------|
| 1. | Ms. Agnes Ajio | Senior Health Tutor-Dental | Chairperson |
| 2. | Ms. Faith Aniwroth | Librarian | Secretary |
| 3. | Mr. Pascal Kibingo | Health Tutor-Environmental Health Science | Member |
| 4. | Mr. Yabin Ofumba | Health Tutor- Clinical Medicine | Member |
| 5. | Mr. Henry Oryang Tiberius | Health Tutor-Theatre Techniques | Member |