



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

"Procurement That Delivers"

**REPORT ON THE COMPLIANCE INSPECTION OF KIRINYA
CHURCH OF UGANDA SECONDARY SCHOOL FOR THE CALENDAR
YEAR 2024**

MAY 2025

TABLE OF CONTENTS

ACRONYMS.....	ii
EXECUTIVE SUMMARY	iii
CHAPTER 1: INTRODUCTION.....	1
1.1 Structure of the Entity	1
1.2 Background	1
1.3 Objectives of the Compliance Inspection	1
1.4 Inspection Scope	2
1.5 Methodology	2
CHAPTER 2: COMPLIANCE INSPECTION FINDINGS	3
2.1 Compliance by the School with the General Provisions of the PPDA Act Cap. 205 and the the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 with regard to the Performance of the Procurement Structures and Conduct of Procurement Processes.....	3
2.2 Level of Compliance of the School's Disposal Process with the Provisions of the PPDA Act Cap. 205 and the the Procurement and Disposal Guideline for Schools in Uganda No 5 of 2014.	10
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	10
CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE SCHOOL.....	12
3.1 Overall Compliance Inspection Conclusion.....	12
3.2 Recommended Action Plan.....	13
Annex 1: Transaction list for the Calendar Year 2024	17
Annex 2: Risk Rating Criteria.....	17

LIST OF TABLES

Table 1: List of the Contracts Committee Members.....	1
Table 2: Procurement Plan Implementation Rate	3
Table 3: Procurement requirements with less than 3 prequalified Providers	6
Table 4: Procurements where wrong procurement methods were used	8
Table 5: Procurements in which inadequate solicitation documents were issued	8
Table 6: Summary of performance of Kirinya Church of Uganda Secondary School	12
Table 7: Risk rating is as follows:	12
Table 8: Recommended Action Plan.....	13

ACRONYMS

AO	Accounting Officer
CC	Contracts Committee
EC	Evaluation Committee
BEB	Best Evaluated Bidder
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
HPDU	Head, Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) carried out a compliance inspection of Kirinya Church of Uganda Secondary School that covered a representative sample of 4 procurement transactions under Calendar Year 2024.

The overall objective of the inspection is to ensure that procurement and disposal activities have been conducted in accordance with the laid down public procurement procedures enshrined in the PPDA Act Cap. 205, the PPDA Regulations, 2023 and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

From the findings of the compliance inspection exercise, the summary performance of the School revealed an aggregate risk rating **86%** which is **Unsatisfactory** performance as per the ranking in Table 7 of the attached report.

The following exceptions were noted:

1. The Accounting Officer had not established a Procurement and Disposal Unit to manage the day-to-day procurement activities which resulted in non-compliance to the public procurement legal framework contrary to Paragraph 5.18.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014;
2. The school did not submit Quarterly Procurement Reports to the Authority for the calendar year 2024 contrary to Paragraph 5.2.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 which undermines the principles of transparency and accountability as well as the oversight role of PPDA in monitoring public procurement compliance of the School.
3. The school used the request for Quotation method to procure food Stuff worth UGX 40,0150,000, instead of framework contracts contrary to Paragraph 6.2.2 on the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 which results in delays in acquiring common user items which are required on call basis;
4. Non- adherence to the evaluation criteria in the procurement of supply of Uniforms worth UGX 166,319,000, the eligibility documents required bidders to submit i.e Tax Clearance Certificate, a copy of valid VAT registration or equivalent or a signed statement that the firm is VAT exempted. However, the Evaluation Committee did not adhere to the evaluation criteria stated in the bidding document hence passing a nonresponsive bidder i.e. B2B International Ltd (Best Evaluated Bidder) contrary to Paragraph 12.7.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 which is an indicator of unethical tendencies and practices with in the School which affects the integrity of the procurement process, which eventually affect the level of competition; and
5. Failure to nominate and appoint contract managers in all sampled procurements worth UGX 131,569,000 (Annex 1), contrary to Paragraph 12.12.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014. This indicates laxity by the User Departments to take overall responsibility for the implementation of contracts in accordance with the contractual terms and conditions therein hence affecting maximization of value for money.

The Authority recommends that:

1. The Accounting Officer should establish the Procurement and Disposal Unit and appropriately staff it in accordance with Paragraph 5.18.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014;
2. The Accounting Officer should submit quarterly reports of procurement and disposal detailing contracts awarded and completed in accordance with Paragraph 5.3.1(d) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014;
3. The Accounting Officer should sign framework contract agreements for regularly procured or common user items such as food and laboratory supplies needed on call where the quantity and timing cannot be defined in accordance with Paragraph 6.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014;
4. The Evaluation Committee should strictly adhere to the evaluation methodology stated in the bidding document during the evaluation process in accordance with Paragraph 12.7.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014; and
5. The Accounting Officer should task the Heads of User Departments to always nominate a member of their department with appropriate skills to be appointed as contract manager for all signed contracts or issued Local Purchase Orders in accordance with Paragraph 12.12.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

CHAPTER 1: INTRODUCTION

1.1 Structure of the Entity

Kirinya Church of Uganda Secondary School's mandate is to continue producing Holistic Professionals with Christian values in the Country.

According to Section 28 of the PPDA Act Cap. 205, the Accounting Officer has the overall responsibility for the successful execution of procurement, disposal and contract management in a Procuring and Disposing Entity. The Accounting Officer of Kirinya Church of Uganda Secondary School during the Calendar Year 2024 was Rev. David Muvumu Mugwanga.

The PS/ST of Ministry of Finance, Planning and Economic Development approved the following members of the Contracts Committee listed in Table 1 below who also acted during the period under review:

Table 1: List of the Contracts Committee Members

No:	Name	Committee Position	Position in the Entity
1.	Mr. Micheal Kisakye	Deputy Head Teacher	Chairperson
2.	Mr. Sam Ejolu	Teacher/ Ag. Procurement Officer	Secretary
3.	Mr. Benjamin Kizza	Teacher	Member
4.	Mr. Edgar Denis Omong	Teacher	Member

According to Section 33 of the PPDA Act Cap. 205, and paragraph 5.3.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 all procurement or disposal activities of the Procuring and Disposing Entity except adjudication and the award of contract are to be managed by the Procurement and Disposal Unit. The Chemistry Teacher by Names of Mr. Sam Ejolu was requested by the Head Teacher to execute a few roles on behalf of the Procurement and Disposal Unit.

1.2 Background

PPDA carried out the procurement and disposal inspection of Kirinya Church of Uganda Secondary School that covered a representative sample of 4 procurement transactions under Calendar Year 2024. The inspection involved a review of procurement structures, procurement and asset disposal processes, as well as contract performance following the provisions of the PPDA Act Cap. 205 and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

1.3 Objectives of the Compliance Inspection

The overall objective of the procurement and disposal inspection was to assess and establish the degree of compliance of Kirinya Church of Uganda Secondary School procurement system and processes with the provisions of the PPDA Act Cap. 205 and the Procurement and Disposal

Guideline for Schools in Uganda No. 5 of 2014 and assess the level of procurement performance over the inspection period.

The specific objectives were to:

1. To Establish the level of compliance by the School with the general provisions of the PPDA Act Cap 205 and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 with regard to the performance of the procurement structures and conduct of the procurement processes;
2. To Assess the degree of compliance of the School disposal process with the provisions of the PPDA Act Cap. 205 and the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014; and
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.

1.4 Inspection Scope

The inspection involved a review of the procurement and disposal process, general compliance issues and contract implementation on sample basis. The inspection covered a representative sample of 4 procurement transactions under the Calendar Year 2024. The list of sampled transactions is contained in Annex A.

1.5 Methodology

Kirinya Church of Uganda Secondary School was notified about the upcoming inspection on **29th January, 2025** and commenced on **17th February 2025**. To prepare for the Compliance Inspection, the auditors reviewed the School's budget, procurement plan and quarterly reports.

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

A debrief meeting to clear all pending issues that arose during the inspection was held with the School's management and staff on 21st February 2025 before the inspection team could embark on preparation of the Management Letter. The inspection team prepared the Management Letter, which was sent to the Entity on 5th March 2025 with a request to submit a management response by 14th March 2025, which was submitted on 17th March 2025.

CHAPTER 2: COMPLIANCE INSPECTION FINDINGS

2.1 LEVEL OF COMPLIANCE BY THE SCHOOL WITH THE GENERAL PROVISIONS OF THE PPDA ACT CAP. 205 AND THE PROCUREMENT AND DISPOSAL GUIDELINE FOR SCHOOLS IN UGANDA NO. 5 OF 2014 WITH REGARD TO THE PERFORMANCE OF THE PROCUREMENT STRUCTURES AND CONDUCT OF PROCUREMENT PROCESSES

2.1.1 Absence of a functioning Procurement and Disposal Unit

At the time of the compliance inspection, the Accounting Officer had not established a Procurement and Disposal Unit (PDU) contrary to Paragraph 5.18.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014. However, the Chemistry Teacher was the one handling the duties of the Procurement and Disposal Unit.

The Chemistry Teacher by the names of Mr. Sam Ejolu was requested by the Head Teacher to execute a few roles on behalf of the Procurement and Disposal Unit such as maintaining a providers list and issuing call-off orders.

Implication

The School experienced inefficiencies in the conduct of procurement activities and was non-compliant to the public procurement guidelines.

Management Response

We promise to engage the stakeholders to identify resources to effect the recommendations.

Recommendations

The Accounting Officer should:

- Establish the Procurement and Disposal Unit to handle the day-to-day procurement activities of the School and staff the Unit appropriately in accordance with Paragraph 5.18.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.
- In the meantime, delegate the functions and powers of the Procurement and Disposal Unit to the Procurement Committee and request its members to submit – to his office - periodic reports on the performance and proceedings in the Procurement and Disposal Unit.

2.1.2 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 21% (UGX 125,424,000) of the procurement plan for the year 2024 (UGX 593,226,040) as demonstrated in Table 2 below:

Table 2: Procurement Plan Implementation Rate

Total procurement plan for 2024 (UGX)	593,226,040
Total value of issued LPOs for procurement in 2024 (UGX)	125,424,000
Rate of procurements implemented (%)	21

Procurement implementation variance (UGX	467,802,040
--	-------------

The Authority was unable to account for the procurement plan implementation variance of UGX 467,802,040.

Implication

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

Management Response

We were in the process of transitioning from the old school finance management system to the PPDA -recommended system. Some items were acquired from parents who requested to supply them as part of fees payment and from small businesses neighboring the school. Some repairs and maintenance was done by the old students of the school. This was done as part of stakeholder engagement and management to ensure good relationships with stakeholders/community.

Authority’s Comment

The Authority has taken note of the management response. However, it does not clearly explain the low implementation rate, therefore the query is retained.

Recommendation

The Accounting Officer should task the Procurement and Disposal Unit to review and update the School’s procurement plan on a quarterly basis or whenever necessary in accordance with Section 60 (7) of the PPDA Act Cap. 205.

2.1.3 Failure to adhere to the PPDA approved procurement plan format

The Authority observed that the Entity’s procurement plan amounting to UGX. 3,346,238,941 for the financial year under review did not have indicative timelines such as bid invitation date, bid closing, contract signing and completion dates among others contrary to the approved procurement plan template provided by the Authority.

Implication

Failure to indicate actual dates in the procurement plan makes it difficult to efficiently and effectively organize, forecast and schedule the procurement activities.

Management Response

We shall implement your recommendation by reviewing our 2025 procurement plan using the PPDA recommended template

Recommendation

The Accounting Officer should ensure that the procurement plan is prepared in the right format as Guided by the PPDA Circular No. 1/2024: Revised procurement plan template available on the PPDA website.

2.1.4 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 the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Implication

This allows the School to procure non-budgeted for procurements ultimately denying end users anticipated goods and services.

Management Response

Going forward, we shall use the departmental Procurement plans to prepare a consolidated Procurement Plan that will be approved by the Contracts Committee

Recommendation

The Accounting Officer should:

- Task the Contracts Committee to approve the School's annual procurement plan and any amendments to the plan in accordance with Paragraph 5. 10. 1 (a) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.
- Submit an approved copy of the School's procurement plan for the calendar year 2025 in accordance with Section 60 (l) of the PPDA Act Cap.205.

2.1.5 No evidence of Submitting 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 the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

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

Going forward, we shall be submitting.

Recommendation

The Accounting Officer should submit quarterly reports of procurement and disposal detailing contracts awarded and completed in accordance with Paragraph 5.3.1(d) of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

2.1.6 Maintaining an inadequate prequalification list of providers

The School maintained an inadequate prequalified list of providers with less than three providers prequalified under each of the two regularly procured items listed in Table 3 below contrary to Paragraph 6.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Table 3: Procurement requirements with less than 3 prequalified Providers

No.	Subject of Procurement	Prequalified suppliers
1.	Supply of food stuff	Yummymat Enterprises Ltd
2.	Supply of O and A' Level Uniforms	B2B International Ltd

Implication

This resulted in the Direct Procurement for supplies/ services from particular providers at less competitive prices which undermined the principle of competition.

Management Response

We conducted a prequalification exercise and realised a low response that led to the list of the prequalified providers. We shall follow your recommendations to expand the list.

Authority's comment

The Authority noted the response. However, the query has been retained because the School's prequalification list still has low response.

Recommendation

The Accounting Officer should urgently address the issue of low bidder participation by conducting an investigation on low bidder turn response, since this may affect the level of confidence bidders may have in the procurement processes of the School.

2.1.7 Application of Framework Contract Arrangement

The School did not apply the framework contract arrangement to procure food stuff worth UGX 40,015,000, request for quotation method was used. This is contrary to Paragraph 6.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

Implication

This indicates ambiguity by the School on the application and benefits of framework contract arrangements hence deterring efficiency, cost effectiveness and flexibility in procuring supplies/ services/ works required repeatedly over a set period of time.

Management Response

We shall comply with your recommendations to sign Frame Work Contracts with supplier of common use items

Recommendation

The Accounting Officer should sign framework contract agreements for regularly procured or common user items such as food stuff needed on call where the quantity and timing cannot be defined in accordance with Paragraph 6.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

2.1.8 Disregarding procurement procedures in the award of contracts

The Authority noted that in the procurement for Laboratory Chemicals and Apparatus worth UGX 14,239,000. The Accounting Officer authorized issuance of Local Purchase Orders (LPO) upon confirmation of availability of funding. As such, there was no conduct of clear procurement processes, and the involvement of the Contracts Committee and the Procurement and Disposal Unit in award of the contracts.

Implication

Awarding contracts without conducting a procurement process is an indication that there is no transparency, accountability, fairness and competition in the conduct of the School's procurement process.

Management Response

This was emergency procurement done during UNEB exam period. This emanates from UNEB confidential being released late giving no sufficient time for the normal procurement process and the requirement to keep this information confidential from leaking to students and the general public. Respective science department raised their requisitions which were cleared by the Head teacher (Head of UNEB center and Accounting Officer). Relevant documents such as; requisitions, delivery notes, invoices and payment records are available at Bursar's office.

Recommendations

- The Accounting Officer should desist from authorizing issuance of Local Purchase Orders (LPO) upon confirmation of availability of funding that have not been approved by the Contracts Committee in accordance with Section 30 (a) of the PPDA Act Cap, 205.
- The Accounting Officer should task the User departments to conduct proper needs assessment and cost estimation during the budgeting stage in order to minimize emergency requests.

2.1.9 Failure to raise complete initiation form 5

The Authority noted that in the procurement for supply of food stuff worth UGX. 26,885,000, the requisition form was not signed by the Accounting Officer. This was contrary to clause 7.6.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 that requires confirmation of availability of funding by the Accounting Officer before commencement of any procurement process.

Implication

This implies that the procurement was not sanctioned by the Accounting Officer and the School could therefore be committed with insufficient funding.

Management Response

We shall try to ensure that this form and the related documentation are well completed.

Recommendation

The Head, Procurement and Disposal Unit and the Contracts Committee should desist from acting on procurements that are not formally authorized by the Accounting Officer in accordance with clause 7.6.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

2.1.10 Use of inappropriate procurement method

The Authority noted that in two procurements worth UGX 77,315,000, the school used Restricted Domestic Bidding method, despite their estimated value falling within the threshold for the Open Domestic Bidding Method contrary to Guideline 8.6.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014. The procurements are indicated in Table 4 below:

Table 4: Procurements where wrong procurement methods were used

No:	Subject of Procurement	Wrong Procurement Method	Appropriate Procurement Method
1.	Supply of O' Level School Uniforms Estimate UGX: 64,015,000	Restricted Domestic Bidding	Open Domestic Bidding
2.	Supply of A' level School Uniforms Estimate UGX: 13,300,000	Restricted Domestic Bidding	Open Domestic Bidding
	Total UGX: 77,315,000		

Implication

This affects competition and may hinder achievement of value for money.

Management Response

Restricted Domestic bidding was used following the recent prequalification exercise. We thought this would attract reasonable competition and reduce the procurement process costs and time. Going forward, we promise to comply with the recommendations.

Recommendation

The Head, Procurement and Disposal Unit should diligently consider the procurement thresholds when choosing the procurement method in accordance with Guideline 8.6.2 of the PPDA (Procurement and Disposal Guidelines for Schools in Uganda) Guidelines, 2014.

2.1.11 Issuance of inadequate solicitation documents

The Authority noted that in two procurements worth UGX. 104,165,000, the issued Standard Bidding Document was not dully filled in accordance to Clause 16 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 in regards to the preparation of solicitation documents. The procurements are detailed in Table 5 below:

Table 5: Procurements in which inadequate solicitation documents were issued

No	Subject of Procurement	Issues
1.	Supply of O' level Uniforms UGX 64,015,000	<ul style="list-style-type: none">Name and address of shortlisted bidders not stated.

No	Subject of Procurement	Issues
		<ul style="list-style-type: none"> • Deadline of bid submission not stated • Contractual period not stated
2.	Supply of Food Stuff UGX 40,150,000	<ul style="list-style-type: none"> • Bid submission deadline date and time not stated • Delivery date not specified.

Implication

Inadequate solicitation documents make it difficult for bidders to prepare and submit responsive bids, thus reducing the level of competition and can also result in awarding contracts to providers that are not capable of delivering as per the requirements of the User.

No Management Response from the School

Recommendation

The Chairperson Contracts Committee, the User Departments should adhere to Clause 16 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014 in regards to the preparation of solicitation documents.

2.1.12 Non-adherence to the evaluation criteria

The Authority noted that in the procurement of supply of Uniforms worth UGX 166,319,000, the eligibility documents required that bidders submit i.e Tax Clearance Certificate, a copy of valid VAT registration or equivalent or a signed statement that the firm is VAT exempted. However, the Evaluation Committee did not adhere to the evaluation criteria stated in the bidding document hence passing a nonresponsive bidder i.e. B2B International ltd (Best Evaluated Bidder) contrary to Paragraph 12.7.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Implications

- This leads to award of contracts to non-compliant bidders who don't meet the statutory obligation of paying taxes.
- It could also be an indicator of unethical tendencies and practices within the School which affects the integrity of the procurement process, which eventually affect the level of competition.

No Management Response from the School

Recommendation

The Evaluation Committee should strictly adhere to the evaluation methodology stated in the bidding document during the evaluation process in accordance with Paragraph 12.7.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.

2.2 COMPLIANCE OF THE SCHOOL'S DISPOSAL PROCESS WITH THE PROVISIONS OF THE PPDA ACT CAP. 205 AND THE PROCUREMENT AND DISPOSAL GUIDELINE FOR SCHOOLS IN UGANDA NO. 5 OF 2014.

2.2.1 Failure to dispose obsolete assets

i. Failure to institute a Board of Survey

It was noted that the School had not instituted a Board of Survey to assess and determine the status of the assets under the school's custody contrary to clause 9.2.3 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

ii. Failure to draft a disposal plan for approval by the Board of Governors

Contrary to clause 9.2.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014, there was no disposal plan in place.

iii. Failure to dispose obsolete assets

The Authority noted that the School had not conducted any disposal process during the period under review contrary to clause 9.2 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Implication

Failure to dispose of assets whose use ceased leads to depreciation of assets.

No Management Response from the School

Recommendation

The Accounting Officer should ensure that assets of the School are reviewed and disposed of following the methods recommended under clause 9.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

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

2.3.1 No evidence of nominating and appointing contract managers

The Authority noted that in all sampled procurements worth UGX 131,569,000 (Annex 1), there was no evidence of the User Departments nominating to the Accounting Officer a member from the User Department, with appropriate skills and experience to be appointed as contract manager contrary to Paragraph 12.12.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Risk Implication

This indicates laxity by the User Departments to take overall responsibility for the implementation of contracts in accordance with the contractual terms and conditions therein hence affecting maximization of value for money.

No Management Response from the School**Recommendation**

The Accounting Officer should task the Heads of User Departments to always nominate a member of their department with appropriate skills to be appointed as contract manager for all signed contracts or issued Local Purchase Orders in accordance with Paragraph 12.12.1 of the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

3.1.2 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 the Procurement and Disposal Guideline for Schools in Uganda No. 5 of 2014.

Risk Implication

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

No Management Response from the School**Recommendations**

The Accounting Officer should:

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

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE SCHOOL

This section will present the scores per area assessed under different inspection questions

3.1. Overall Compliance Inspection Conclusion

The performance of Kirinya Church of Uganda Secondary School for the Calendar Year 2024 was **Unsatisfactory** with overall weighted average risk rating of **86%**.

Entity's Performance

The risk rating was weighted to determine the overall risk level of the Entity. The weighting was derived using the average weighted index as shown in Table 6 below:

Table 6: Summary of performance of Kirinya Church of Uganda Secondary School

Risk category	No.	No. %	Value	Value %	Weights	Total weighted Average	
						By No.	By Value
High	3	30	91,554,000	69.5	0.6	45	41.7
Medium	1	10	40,015,000	30.4	0.3	7.5	9
Low	0	0	0	0	0.1	0	0
Satisfactory	0	0	0	0	0	0	0
Total	4	40	131,569,000	100	1	52.5	50.7

$$\text{Performance by Number} = \frac{52.5 \times 100}{60} = 87.5\%$$

$$\text{Performance by Value} = \frac{50.7 \times 100}{60} = 84.5\%$$

$$\text{The average weighted risk rating} = \frac{87.5 + 84.5}{2} = 86\%$$

Table 7: Risk rating is as follows:

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

3.2 Recommended Action Plan

Kirinya Church of Uganda Secondary 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 Plan	Target Date
Accounting Officer	<ol style="list-style-type: none">1. The Accounting Officer should nominate and forward to PS/ST for approval, a fifth member of the Contracts Committee in accordance with Section 29 (2) of the PPDA Act Cap, 205.2. The Accounting Officer should take steps to expedite the process of recruiting new personnel to man the Procurement and Disposal Unit in accordance with Paragraph 5.18.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.3. The Accounting Officer in the meantime should, delegate the function of the Procurement and Disposal Unit to the Procurement and Disposal Committee in accordance with Paragraph 10.I.1 (a) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.4. The Accounting Officer should task the Contracts Committee to approve the School's annual procurement plan and any amendments to the 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.5. The Accounting Officer should submit an approved copy of the School's procurement plan for the calendar year 2025 in accordance with Section 60 (1) of the PPDA Act Cap.205.	Immediately

Origin	Recommended Action Plan	Target Date
	<p>6.The Accounting Officer should submit quarterly reports of procurement and disposal detailing contracts awarded and completed in accordance with Paragraph 5.3.1(d) of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</p> <p>7.The Accounting Officer should task the Procurement and Disposal Committee to prequalify at least six providers per item from sources such as the Register of Providers of the PPDA and lists of pre-qualified providers of any other Schools in accordance with Paragraph 6.1.6 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda.</p> <p>8.The Accounting Officer should consider signing framework contract agreements for regularly procured or common user items such as food and laboratory supplies 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.</p>	
Procurement and Disposal Unit	<p>1. The Head, Procurement and Disposal Unit should ensure that the procurement plan is updated in accordance with Section 60 (7) of the PPDA Act Cap. 205.</p> <p>2. The Head, Procurement and Disposal Unit should ensure that the procurement plan is prepared in the right format as Guided by the PPDA Circular No. 1/2024: Revised procurement plan template available on the PPDA website.</p>	Immediately

Origin	Recommended Action Plan	Target Date
	<ol style="list-style-type: none"> <li data-bbox="523 237 1023 600">3. The Head, Procurement and Disposal Unit and the Contracts Committee should desist from acting on procurements that are not formally authorized by the Accounting Officer in accordance with clause 7.6.1 of the PPDA Guideline 5/2014 (Procurement and Disposal Guideline for School in Uganda). <li data-bbox="523 607 1023 936">4. The Head, Procurement and Disposal Unit should diligently consider the procurement thresholds when choosing the procurement method in accordance with Guideline 8.6.2 of the PPDA (Procurement and Disposal Guidelines for Schools in Uganda) Guidelines, 2014. <li data-bbox="523 943 1023 1189">5. The Accounting Officer should ensure that assets of the School are reviewed and disposed of following the methods recommended under clause 9.1 of the PPDA Guideline 5/2014 (Procurement and Disposal Guideline for Schools in Uganda). <li data-bbox="523 1196 1023 1592">6. The Accounting Officer should task the Heads of User Departments to always nominate a member of their department with appropriate skills to be appointed as contract manager for all signed contracts or issued Local Purchase Orders in accordance with Paragraph 12.12.1 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda. <li data-bbox="523 1599 1023 1807">7. The Accounting Officer should task the User Departments/appointed contract managers to prepare a contract implementation plan and forward a copy to the Procurement and Disposal Committee for 	

Origin	Recommended Action Plan	Target Date
	<p>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.</p> <p>8. The Accounting Officer should task the Heads of User Departments to prepare performance and/or progress reports and share them with the Procurement and Disposal 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.</p>	
Contracts Committee	The Chairperson Contracts Committee, the User Departments should adhere to Clause 16 of the PPDA Guideline 5/2014 (Procurement and Disposal Guideline for Schools in Uganda) in regards to the preparation of solicitation documents.	Immediately
Evaluation Committee	The Evaluation Committee should strictly adhere to the evaluation methodology stated in the bidding document during the evaluation process in accordance with Paragraph 12.7.2 of Guideline No.5 of 2014 on the Procurement and Disposal Guideline for Schools in Uganda	Immediately

Annex 1: Transaction list for the Calendar Year 2024

NO	REFERENCE NUMBER	SUBJECT OF PROCUREMENT	METHOD OF PROCUREMENT	PROVIDER	CONTRACT VALUE (UGX)	RISK RATING
1.	KCUSS/SUPLS/2024/003	Procurement of food supplies	Request for Quotation	Mukyampa Enterprises	40,015,000	Medium Risk
2.	KCUSS/SUPP/2023/001	Supply of O' level Uniforms	Restricted Bidding Method	B2B International ltd	64,015,000	High Risk
3.	KCUSS/SUPP/2023/001	Supply of A' level Uniforms	Restricted Bidding Method	B2B International Ltd	13,300,000	High Risk
4	No reference Number	Laboratory chemicals and apparatus	Direct Procurement	Chem Equip Ltd	14,239,000	High Risk
Total					131,569,000	

Annex 2: Risk Rating Criteria

RISK	DESCRIPTION	AREA	IMPLICATION
HIGH	Such procurements were considered to have serious weaknesses, which could cause material financial loss or carry risk for the regulatory system or the entity's reputation. Such cases warrant immediate attention by senior management. Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".	Planning: Lack of or failure to procure within the approved plan	This implies emergencies and use of the direct procurement method which affects competition and value for money.
		Bidding Process: Use of wrong/inappropriate procurement methods, failure to seek Contracts Committee approvals and usurping the powers of the PDU.	This implies use of less competitive methods which affects transparency, accountability and value for money.
		Evaluation: Use of inappropriate evaluation methodologies or failure to conduct evaluation.	This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend award to a responsive bidder.

RISK	DESCRIPTION	AREA	IMPLICATION
		Record Keeping: Missing procurement files and missing key records on the files namely; solicitation document, submitted bids, evaluation report and contract.	This implies that one cannot ascertain the audit trail namely; whether there was competition and fairness in the procurement process.
		Fraud/forgery: Falsification of Documents	This implies lack of transparency and value for money.
		Contract Management: Payment for shoddy work or work not delivered.	This implies financial loss since there has been no value for money for the funds spent and the services have not been received by the intended beneficiaries
MEDIUM	Procurements that were considered to have weaknesses which, although less likely to lead to material financial loss or to risk damaging the regulatory system or the entity's reputation, warrant timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded "medium" provided that there is sufficient evidence of "hands on management control and oversight" at an appropriate level of seniority.	Planning: Lack of initiation of procurements and confirmation of funds.	This implies committing the Entity without funds thereby causing domestic arrears.
		Bidding Process: Deviations from standard procedures namely bidding periods, standard formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms and splitting procurement requirements.	This implies lack of efficiency, standardisation and avoiding competition.
		Procurement Structures: Lack of procurement structures	This implies lack of independence of functions and powers and interference in the procurement process.
		Record Keeping: Missing Contracts Committee records and incomplete contract management records.	This implies that one cannot ascertain the audit trail namely; whether the necessary approvals were

RISK	DESCRIPTION	AREA	IMPLICATION
		<p>Contract and Contract Management: Failure to appoint Contract Supervisors, failure to seek the Solicitor General's approval for contracts above UGX. 200 million and lack of notices of Best Evaluated Bidders.</p>	<p>obtained in a procurement process. This leads to unjustified contract amendment and variations which lead to unjustified delayed contract completion and lack of value for money. Bidders are not given the right of appeal.</p>
		<p>Failure by the Entity to incorporate in the solicitation document aspects of gender, social inclusion, environment, health and safety. Aspects of gender, social inclusion, environment, health and safety not covered by the contractor during contract implementation.</p>	
LOW	<p>Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best practice. Deviations from laid down detailed procedures would normally be graded "low" provided that there is sufficient evidence of management action to put in place and monitor compliance with detailed procedures.</p>	<p>Planning: Lack of procurement reference numbers.</p>	<p>This leads to failure to track the procurements which leads to poor record keeping.</p>