



**REPORT ON THE COMPLIANCE INSPECTION OF LUZIRA
SECONDARY SCHOOL FOR THE CALENDAR YEAR 2024**

JULY 2025

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ACRONYMS

AO	Accounting Officer
CC	Contracts Committee
EC	Evaluation Committee
FY	Financial Year
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
MoES	Ministry of Education and Sports
HT	Head teacher

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) carried out a compliance inspection of Luzira Secondary School that covered a representative sample of 10 procurement and disposal 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 of **90.4%** which is **Unsatisfactory** performance as per the ranking in **Table 8** of the attached report.

In light of the unsatisfactory performance, the following exceptions were noted:

1. The Procurement and Disposal Unit is significantly understaffed with only one Procurement Officer handling all the procurement and disposal processes and procedures contrary to Clause 4.4 of the PPDA Procurement and Disposal Guideline 5/2014 for Schools which stipulates that a Procuring and Disposing Entity in the large category i.e., with an annual budget exceeding UGX 150,000,000 shall employ two procurement personnel in the Procurement and Disposal Unit to handle procurement activities.
2. The School implemented 77% of its planned procurement budget amounting to UGX 1,512,248,134 out of the planned UGX 1,965,485,201 for the Calendar Year 2024 leaving a variance of UGX 453,237,067.
3. In all the ten (10) sampled procurements worth UGX 251,007,222, the School deviated from the use of standard bidding documents, procedural forms or any other attendant documents issued by the Authority to record all details of the procurement and disposal process contrary to Section 58 of the PPDA Act Cap 205.
4. The Procurement and Disposal Unit conducted nine (9) procurements worth UGX 232,231,222 using methods that are contrary with the thresholds provided for in Clause 8.6.2 of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda without proper justification
5. In all the ten (10) sampled procurements worth UGX 251,007,222, the Procurement and Disposal Unit did not recommend the composition of the Evaluation Committee's for approval of the Contracts Committee to conduct the evaluation of bids submitted by the providers contrary to Clause 5.19.1(S) of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda.

The Authority recommends that:

1. The Accounting Officer should adhere to clause 4.4 of the PPDA Guideline 5/2014 (Procurement and Disposal Guideline for School in Uganda) which requires establishing a Procurement and Disposal Unit staffed at an appropriate level.
2. The Head Procurement and Disposal Unit should update the procurement plan on a quarterly basis in accordance with Section 60 (7) of the PPDA Act Cap 205.

3. The Accounting Officer should always seek approval from the Authority in case they want to deviate from the use of standard documents in accordance with Regulation 10 of the PPDA Regulations, 2014.
4. The Accounting Officer should ensure that the appropriate procurement methods are used in accordance with Clause 8.6.2 of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda.
5. The Head Procurement and disposal unit should nominate people to always conduct evaluation of bids submitted in accordance with Clause 5.19.1(S) of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda for approval by Contracts Committee.

1 CHAPTER 1: INTRODUCTION

1.1 Structure of the Entity

Luzira Secondary School is a government-aided, Church of Uganda founded school located in Nakawa Division, Kampala. It is a co-educational institution offering both Ordinary (O-Level) and Advanced (A-Level) education in both arts and sciences. The school is recognised by the Ministry of Education and Sports (MoES) and is a participant in the Universal Post Primary Education (UPPET) and Universal Post Level Education & Training (UPOLET) programs.

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 Luzira Secondary School during the Calendar Year 2024 was Mr. Peter Hormisdas Ssenyimba.

The Permanent Secretary of Ministry of Education and Sports 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.	Kirabo Dorothy	Chair Person	Deputy Head Teacher/Finance and Administration
2.	Acipa Loyce	Secretary	Procurement Officer
3.	Odong Vincent	Member	Teacher
4.	Sennonno Edward	Member	Teacher
5.	Nyakato Victoria	Member	Teacher

According to Section 33 of the PPDA Act Cap. 205, all procurement or disposal activities of the Procuring and Disposing Entity except adjudication and the award of contracts are to be managed by the Procurement and Disposal Unit. The Procurement and Disposal Unit during the Calendar Year under review was headed by Ms. Acipa Loyce.

1.2 Background

PPDA carried out the procurement and disposal inspection of Luzira Secondary School that covered a representative sample of 10 procurement and disposal transactions under Calendar Year 2024. The inspection involved a review of the procurement structures, procurement and asset disposal processes, as well as contract performance following the provisions of the PPDA Act Cap. 205, PPDA Regulations, 2023 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 Luzira Secondary School's procurement system and processes with the provisions of the PPDA Act Cap. 205, Regulations, 2023 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. Establish the level of compliance by the Entity with the general provisions of the PPDA Act Cap. 205 and Regulations 2023 with regard to the performance of the procurement structures and conduct of procurement and disposal processes.
2. Assess the degree of compliance of the Entity' disposal process with the provisions of the PPDA Act Cap. 205 and Regulations 2023.

3. 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 process, disposal process, general compliance issues and contract implementation on a sample basis. The inspection covered a representative sample of 10 procurement and disposal transactions under the Calendar Year 2024. The list of sampled transactions is contained in **Annex A**.

1.5 Methodology

Luzira Secondary School was notified about the compliance inspection on **18th February 2025**. An entry meeting was held on **07th May 2025** where the objectives of the compliance inspection, the timelines, roles and responsibilities of all the parties involved were discussed. Upon request, the School's management provided the required records in time from which a representative sample of the ten procurement transactions were selected using the stratified random sampling method. The inspection team reviewed the School's records to assess compliance at all procurement stages. Interviews were held with the staff where necessary to obtain clarification on findings

A debrief meeting to clear all pending issues that arose during the inspection was held with the School's management and staff on 9th May 2025 before the inspection team could embark on preparation of the management letter. The inspection team prepared the management letter, which was issued to the School on 05th June 2025 with a request to submit a management response by 20th June 2025.

2 CHAPTER 2: COMPLIANCE INSPECTION FINDINGS AND RECOMMENDATIONS

2.1 LEVEL OF COMPLIANCE BY THE SCHOOL TO THE GENERAL PROVISIONS OF THE PPDA ACT CAP. 205 AND REGULATIONS, 2023 WITH REGARD TO THE PERFORMANCE OF THE PROCUREMENT STRUCTURES AND CONDUCT OF PROCUREMENT PROCESSES.

2.1.1 Procurement Structures

2.1.1.1 Under Staffed Procurement and Disposal Unit

The inspection revealed that the Procurement and Disposal Unit is significantly understaffed with only one Procurement Officer handling all the procurement and disposal processes and procedures contrary to Clause 4.4 of the PPDA Procurement and Disposal Guideline 5/2014 for Schools which stipulates that a Procuring and Disposing Entity in the large category i.e., with an annual budget exceeding UGX 150,000,000 shall employ two procurement personnel in the Procurement and Disposal Unit to handle procurement activities.

Implication

An understaffed Procurement and Disposal Unit is an impediment to the effective and efficient execution of the procurement function.

Management Response

We humbly appeal to you to implore the responsible Ministry to gazette the post of Procurement Officer on the staff establishment of USE Schools given the meagre resources of our school.

Recommendation

The Accounting Officer should adhere to clause 4.4 of the PPDA Guideline 5/2014 (Procurement and Disposal Guideline for School in Uganda) which requires establishing a Procurement and Disposal Unit staffed at an appropriate level.

2.1.2 Procurement Plan Management

2.1.2.2 Procurement plan implementation

The Entity implemented 77% of its planned procurement budget amounting to UGX 1,512,248,134 out of the planned UGX 1,965,485,201 for the Calendar Year 2024 leaving a variance of UGX 453,237,067.

Table 2: Procurement Plan Implementation Rate

Analysis of procurement Spend	Academic Year 2024
Total Procurement Plan Value inclusive of VAT (UGX)	1,965,485,201
Total Procurement Spend Value inclusive of VAT(UGX)	1,512,248,134
Procurement Plan Implementation rate (%)	77%
Total Implementation Variance (UGX)	453,237,067

Implication

Failure to fully implement the procurement budget implies that service delivery was denied to the intended beneficiaries.

Management Response

This is noted however, due to the growing population the school planned for construction of a new proposed classroom block which was not executed due to a delay in approval of structural and architectural plans by the competent authority hence failure to fully implement the budget and Procurement plan.

Recommendation

The Head Procurement and Disposal Unit should update the procurement plan on a quarterly basis in accordance with Section 60 (7) of the PPDA Act Cap 205.

2.1.3 Procurement Process Management

2.1.3.1 Use of unjustified procurement methods.

The Authority noted that the Procurement and Disposal Unit conducted nine (9) procurements worth UGX 232,231,222 using methods that are contrary with the thresholds provided for in Clause 8.6.2 of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda without proper justification as seen in Table 3 below:

Table 3: Procurements conducted using unjustified procurement methods

NO:	Subject of Procurement	Contract Amount (UGX)	Procurement method used.	Recommended Procurement Method
1.	Purchase of materials for repainting the main hall block, stores, 2 classrooms and science laboratory.	12,477,000	Direct Procurement	Restricted Domestic Bidding
2.	Supply of short & long sleeved customized white shirts	28,770,000	Request for Quotation	Open Domestic Bidding
3.	Supply of firewood for kitchen use.	1,000,000	Open Domestic Bidding	Request for Quotation
4.	Supply of 20 Dell optiplex 3000 desktop computer series intel ci5 & 3 APC UPS BX750MI-MS.	53,690,000	Request for Quotation	Open Domestic Bidding
5.	Supply of Dry foods including maize flour, beans, sugar, rice, salt and cooking oil.	53,402,500	Request for Quotation	Open Domestic Bidding
6.	Renovation of Classroom block floor (Terrazo flooring).	30,934,733	Restricted Domestic Bidding	Open Domestic Bidding
7.	Proposed Ramp connection between classroom blocks at LSS	49,152,989	Restricted Domestic Bidding	Open Domestic Bidding

NO:	Subject of Procurement	Contract Amount (UGX)	Procurement method used.	Recommended Procurement Method
8.	Provision of Security services for the month of September.	1,416,000	Open Domestic Bidding	Request for Quotation
9.	Staff breakfast for 5 weeks from 4/11/24 to 6/12/2024.	1,388,000	Direct Procurement	Request for Quotation
	Total	232,231,222		

Implication

Use of inappropriate procurement methods may limit the maximization of competition in the conduct of procurement processes thereby compromising the quality-of-service delivery and achievement of value for money.

Management Response

The Entity prequalified its suppliers for a period of two academic years 2023 & 2024 whereby an advert was run on Newspaper, standard bid documents issued, received and evaluated for a number of procurements with certainty that competitiveness and value for money would be achieved since Request for Quotations were sent out to different prequalified suppliers for comparisons. However, the School is planning to re-advertise for common user goods and services under framework contracts as per your guidance & PPDA Procurement and Disposal Guidelines for schools in Uganda.

Recommendation

The Accounting Officer should ensure that the appropriate procurement methods are used in accordance with Clause 8.6.2 of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda.

2.1.3.2 Failure to adhere to the use standard bidding documents

The inspection revealed that in all the ten (10) sampled procurements worth UGX 251,007,222, the School deviated from the use of standard bidding documents, procedural forms or any other attendant documents issued by the Authority to record all details of the procurement and disposal process contrary to Section 58 of the PPDA Act Cap 205.

Implication

Deviation from the use of standard documents may cause the omission of key provisions such as Instruction to bidders, evaluation criteria and litigation clauses which inhibits transparency in the procurement process.

Management Response

This is noted and the School will execute as per the Procurement and Disposal Guidelines 5/2014 for schools in Uganda.

Recommendation

The Accounting Officer should always seek approval from the Authority in case they want to deviate from the use of standard documents in accordance with Section 58(1) of the PPDA Act Cap 205.

2.1.3.3 Failure by Procurement and Disposal Unit to recommend composition of Evaluation Committees

The Authority noted that in all the ten (10) sampled procurements worth UGX 251,007,222, the Procurement and Disposal Unit did not recommend the composition of the Evaluation Committee's for approval of the Contracts Committee to conduct the evaluation of bids submitted by the providers contrary to Clause 5.19.1(S) of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda.

Implication

This poses the risk of improper bid evaluation, awarding contracts to unqualified bidders and delayed service delivery.

Management Response

This is noted and the Entity is willing to adhere to this recommendation.

Recommendations

The Head Procurement and disposal unit should nominate people to always conduct evaluation of bids submitted in accordance with Clause 5.19.1(S) of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda for approval by Contracts Committee.

2.1.3.4 Usurping of the powers of the Contracts Committee by the Accounting Officer.

The Authority noted that the Head Teacher i.e., Accounting Officer approved the procurement procedures of all the ten (10) sampled procurements worth UGX 251,007,222 contrary to Clause 5.10.1(d) of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda that mandates the Contracts Committee to approve all procurement and disposal procedures.

Implication

This undermines the independence in performance of functions between the Accounting Officer and Contracts Committee which may result in a conflict of interest, lack of fairness and transparency.

Management Response

The anomaly was noted and the Contracts Committee has taken on their role fully.

Recommendation

The Accounting officer, the contracts committee, the Procurement and Disposal Unit, the User Department and the Evaluation Committee should act independently in relation to their respective functions and powers in accordance to Section 40 of the PPDA Act Cap 205.

2.1.3.5 Poor Records Management

The Authority noted that in the ten (10) procurement transactions worth UGX 251,007,222, there were missing records on the procurement files contrary to Section 44 (1) of the PPDA Act, Cap. 205 as listed in the Table 4 below:

Table 4: Procurements with missing records

No.	Subject of procurement	Amount (UGX)	Missing documents
1.	Purchase of materials for repainting the main hall block, stores, 2	12,477,000	<ul style="list-style-type: none">• PP Form 5• Solicitation document

No.	Subject of procurement	Amount (UGX)	Missing documents
	classrooms and science laboratory.		<ul style="list-style-type: none"> • Bids submitted • PP Forms 8,11&12 • Evaluation report • Notice of Best Evaluated Bidder • Contract documents • Contracts Committee minutes
2.	Supply of short & long sleeved customized white shirts	28,770,000	<ul style="list-style-type: none"> • PP Form 5 • Solicitation document • Bids submitted • PP Forms 8,11&12 • Evaluation report • Contract documents • Contracts Committee minutes
3.	Supply of stationery	18,776,000	<ul style="list-style-type: none"> • PP Form 5 • Solicitation document • Bids submitted • PP Forms 8,11&12 • Evaluation report • Notice of Best Evaluated Bidder • Contract documents • Contracts Committee minutes
4.	Supply of firewood for kitchen use	1,000,000	<ul style="list-style-type: none"> • PP Form 5 • Solicitation document • Bids submitted • PP Forms 8,11&12 • Evaluation report • Notice of Best Evaluated Bidder • Contract documents • Contracts Committee minutes
5.	Staff breakfast for 5 weeks from 4/11/24 to 6/12/2024	1,388,000	<ul style="list-style-type: none"> • PP Form 5 • Solicitation document • Bids submitted • PP Forms 8,11&12 • Evaluation report • Contract documents • Contracts Committee minutes
6.	Supply of 20 Dell OptiPlex 3000 desktop computer series intel ci5 & 3 APC UPS BX750MI-MS	53,690,000	<ul style="list-style-type: none"> • PP Form 5 • Solicitation document • Bids submitted • PP Forms 8,11&12 • Evaluation report • Contract documents • Contracts Committee minutes
7.	Supply of Dry foods including maize flour,	53,402,500	<ul style="list-style-type: none"> • PP Form 5 • Solicitation document

No.	Subject of procurement	Amount (UGX)	Missing documents
	beans, sugar, rice, salt and cooking oil		<ul style="list-style-type: none"> • Bids submitted • PP Forms 8,11&12 • Evaluation report • Contract documents • Contracts Committee minutes
8.	Renovation of Classroom block floor (Terrazo flooring)	30,934,733	<ul style="list-style-type: none"> • PP Form 5 • Solicitation document • Bids submitted • PP Forms 8,11&12 • Evaluation report • Contract documents • Contracts Committee minutes • Progress reports • Completion certificate.
9.	Proposed Ramp connection between classroom blocks at LSS	49,152,989	<ul style="list-style-type: none"> • PP Form 5 • Solicitation document • Bids submitted • PP Forms 8,11&12 • Evaluation report • Contract documents • Contracts Committee minutes • Progress reports • Completion certificate.
10.	Provision of Security services for the month of September.	1,416,000	<ul style="list-style-type: none"> • PP Form 5 • Solicitation document • Bids submitted • PP Forms 8,11&12 • Evaluation report • Contract documents • Contracts Committee minutes
Total		251,007,222	

Implication

Missing documents is an indicator of weak internal controls on record keeping by the Entity and raises doubt on the level of transparency and accountability in the Entity.

Management Response:

Efforts to ensure that the Procurement action files are complete with records are underway with each procurement allocated a file.

Recommendation

The Head Procurement and Disposal Unit should maintain and archive all documents pertaining to a particular procurement on their respective files in accordance with Section 44 (1) of the PPDA Act, Cap. 205.

2.1.3.6 Failure to report on procurement and disposal activities undertaken to the Authority

The inspection also revealed that the school has not submitted quarterly reports to the Authority on the procurements and disposals conducted in the calendar year 2024 contrary to the PPDA Guideline 8/2024 on periodic reporting of procurement and disposal activities.

Implication

This hinders the Authority from monitoring and evaluating the procurement performance of the School and undermines the principle of transparency in public procurement.

Management Response

Efforts shall be made to ensure compliance as per recommendations.

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

2.2 DEGREE OF COMPLIANCE OF THE SCHOOL'S DISPOSAL PROCESS WITH THE PROVISIONS OF THE PPDA ACT, CAP 205 AND DISPOSAL REGULATIONS, 2023.

2.2.1 Failure to set reserve prices

The Authority noted the school did not set reserve prices for assets worth UGX 9,730,000 that were disposed of using the Public Auction method contrary to Regulation 7(2) of the Public Procurement and Disposal of Public Assets (Disposal of Public Assets) Regulations, 2023 as detailed in Table 5 below:

Table 5: List of assets disposed using Public Auction method

No.	Asset	Reserve Prices (UGX)	Method of disposal
1.	Tanker stands	Nil	Public auction
2.	Small reinforcing bars	Nil	Public auction
3.	Metallic cases	Nil	Public auction
4.	Mild steel sections	Nil	Public auction
5.	Metal windows	Nil	Public auction
6.	Incinerator	Nil	Public auction
7.	A.C Media brand	Nil	Public auction
8.	Voltmeters	Nil	Public auction
9.	Toshiba Multi-functional DP	Nil	Public auction
10.	HP Laser Jet P2014	Nil	Public auction
11.	Steel water tanks	Nil	Public auction
12.	EPSON L3050	Nil	Public auction

Implication

This may lead to sale of assets at unreasonably low prices, far below their market or book value.

Management Response

The Government valuers did not provide a reserve price for the lot of metal works in their report rather indicated highest bidder therefore the School disposed of using Public Auction since there was a large number of potential bidders and a large variety of assets to be disposed of.

Some items listed were rated obsolete like the incinerator & voltmeters that were recommended for safe disposal but a potential bidder had interest in them and paid for them. Toshiba, HP Laser & Epson under reserve price lot 5.

Recommendation

The Accounting Officer should ensure that assets are disposed of in accordance with Regulation 7(2) of the Public Procurement and Disposal of Public Assets (Disposal of Public Assets) Regulations, 2023.

2.2.2 Failure by Procurement and Disposal Unit to seek approval from Contracts committee for the use of Public Auction Method.

The inspection also revealed that the Procurement and Disposal Unit did not seek prior approval from the Contracts Committee to use Public Auction Method in the disposal of the identified assets worth UGX 9,730,000 contrary to Regulation 8(1) of the Public Procurement and Disposal of Public Assets (Disposal of Public Assets) Regulations, 2023.

Implication

This undermines the powers of the Contracts Committee to authorize the choice of a procurement and disposal procedure in accordance to Section 31(1)(a)(i) of the PPDA Act Cap 205.

Management Response

This is noted and in the next disposal process the Procurement and Disposal Unit will ensure to submit particular Forms for particular disposal methods to Contracts Committee for approval. However, Contracts Committee that sat on 28th May 2024 approved Public Auction as a method for disposal in its minutes.

Recommendation

The Accounting Officer should ensure that assets are disposed of in accordance with Section 31(1)(a)(i) of the PPDA Act Cap 205.

2.2.3 Failure to seek approval from the Accounting Officer, Ministry of Education and Sports to dispose the identified assets.

The Authority also noted that there was no written approval from the Ministry of Education and Sports to the School's governing body authorizing the disposal of the identified assets in accordance to Clause 9.2.6(b) of the PPDA Procurement and Disposal Guideline 5/2014 for Schools in Uganda.

Implication

This poses the risk of disposing valuable or strategic assets without proper justification and reduces transparency of the disposal process.

Management Response

This is noted and the Entity shall implement seeking for approval from Ministry of Education and Sports before disposal of assets is executed. The assets were a big risk to the learners since they were in an open space thus disposing them off after valuation by the Government valuers.

Recommendation

The Accounting Officer should ensure that they seek approval from the competent authorities prior to any disposal process.

2.3 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.

2.3.1 Contract management system

2.3.1.1 Failure to manage contracts and prepare contract implementation Plans

The Accounting Officer did not appoint contract managers and also failed to prepare contract implementation plans for all the ten (10) procurements worth UGX 251,007,222 contrary to Regulation 50 (1) of the PPDA (Contracts) Regulations, 2023 as detailed in Table 6 below:

Table 6: Procurements without nomination of Contract Managers

No.	Subject of procurement	Contract (UGX)	Amount
1.	Purchase of materials for repainting the main hall block, stores, 2 classrooms and science laboratory.		12,477,000
2.	Supply of short & long sleeved customized white shirts		28,770,000
3.	Supply of stationery		18,776,000
4.	Supply of firewood for kitchen use		1,000,000
5.	Staff breakfast for 5 weeks from 4/11/24 to 6/12/2024		1,388,000
6.	Supply of 20 Dell OptiPlex 3000 desktop computer series intel ci5 & 3 APC UPS BX750MI-MS		53,690,000
7.	Supply of Dry foods including maize flour, beans, sugar, rice, salt and cooking oil		53,402,500
8.	Renovation of Classroom block floor (Terrazo flooring)		30,934,733
9.	Proposed Ramp connection between classroom blocks at LSS		49,152,989
10.	Provision of Security services for the month of September.		1,416,000
Total			251,007,222

Implication

Failure to appoint contract managers and failure to prepare management reports to the Accounting Officer may result into sub-standard deliverables or shoddy/delayed works.

Management Response

This is noted and the appointment of contract managers is underway by the Accounting Officer and management reports will be prepared accordingly.

Recommendation

The Accounting Officer should ensure that contract managers are appointed in accordance with Regulation 50 (1) of the PPDA (Contracts) Regulations, 2023.

3 CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

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

3.1 Overall Compliance Inspection Conclusion

The performance of Luzira Secondary School for the Calendar Year 2024 was **Unsatisfactory** with overall weighted average risk rating of **90.4%**.

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 7 below:

Table 7: Summary of performance of Luzira Secondary School

Risk category	No.	No. %	Value (UGX)	Value %	Weights	Total weighted Average	
						By No.	By Value
High	7	70	247,203,222	98.5	0.6	42	59.1
Medium	2	20	2,804,000	1.1	0.3	6	0.33
Low	1	10	1,000,000	0.4	0.1	1	0.04
Satisfactory	0	0	0	0	0	0	0
Total	10	100	251,007,222	100	1	49	59.47

$$\text{Performance by Number} = \frac{49 \times 100}{60} = 81.7$$

$$\text{Performance by Value} = \frac{59.47 \times 100}{60} = 99.1$$

$$\text{The average weighted risk rating} = \frac{81.7 + 99.1}{2} = 90.4$$

2

Table 8: Risk rating is as follows:

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

Annex A: Transaction list for CY 2024

NO	REFERENCE NUMBER	SUBJECT OF PROCUREMENT	METHOD OF PROCUREMENT	PROVIDER	CONTRACT VALUE (UGX)	RISK RATING
1.	LSS/SUPLS/24/00001	Purchase of materials for repainting the main hall block, stores, 2 classrooms and science laboratory	Direct Procurement	Picasso Enterprises Limited	12,477,000	High
2.	LSS/SUPLS/24/00018	Supply of short & long sleeved customized white shirts	Request for Quotation	B2B International	28,770,000	High
3.	LSS/SUPLS/24/00012	Supply of stationery	Open Domestic Bidding	Star Suppliers	18,776,000	High
4.	LSS/SUPLS/24/00012	Supply of firewood for kitchen use	Open Domestic Bidding	Classic logistics & property management (U) Ltd	1,000,000	Low
5.	LSS/SUPLS/24/00043	Staff breakfast for 5 weeks from 4/11/24 to 6/12/2024	Direct Procurement	Various Local vendors	1,388,000	Medium
6.	LSS/SUPLS/24/00069	Supply of 20 Dell OptiPlex 3000 desktop computer series intel ci5 & 3 APC UPS BX750MI-MS	Request for Quotation	Techman Computer Solutions Ltd	53,690,000	High
7.	LSS/SUPLS/24/00082	Supply of Dry foods including maize flour, beans, sugar, rice, salt and cooking oil	Request for Quotation	Mukisa Global Investments Ltd	53,402,500	High
8.	LSS/WRKS/24/00007	Renovation of Classroom block floor (Terrazo flooring)	Restricted Domestic Bidding	Precision Africa Ltd	30,934,733	High

NO	REFERENCE NUMBER	SUBJECT OF PROCUREMENT	METHOD OF PROCUREMENT	PROVIDER	CONTRACT VALUE (UGX)	RISK RATING
9.	LSS/WRKS/24/00006	Proposed Ramp connection between classroom blocks at LSS	Restricted Domestic Bidding	Togo Construction Ltd	49,152,989	High
10.	LSS/SRVCS/24/00020	Provision of Security services for the month of September.	Open Domestic Bidding	Knob Agencies Ltd	1,416,000	Medium
	Total				251,007,222	

Annex B: Risk Rating Criteria

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

RISK	DESCRIPTION	AREA	IMPLICATION
		document, submitted bids, evaluation report and contract.	
		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	Planning: Lack of initiation of procurements and confirmation of funds.	This implies committing the Entity without funds thereby causing domestic arrears.
	there is sufficient evidence of "hands on management control and oversight" at an appropriate level of seniority.	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	This implies that one cannot ascertain the audit trail namely; whether the necessary approvals were obtained in a procurement process.

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

RISK	DESCRIPTION	AREA	IMPLICATION
	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.		

Annex C: Procurement and Disposal Unit and User Departments

List of staff in the Procurement and Disposal Unit

No.	Name	Title
1.	Acipa Lyoce	Procurement Officer

List of User Departments

1.	Subject Based Departments
2.	Games Department
3.	Music Dance and Drama
4.	Staff Welfare
5.	Students Welfare
6.	Staff Fellowship
7.	Health and Sanitation