PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY
"Regulating for Results"

COMPLIANCE INSPECTION REPORT FOR FINANCIAL YEAR 2024/2025

BUKOMANSIMBI DISTRICT LOCAL GOVERNMENT

JUNE 2026

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ACRONYMS

FY	Financial Year
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
UGX	Uganda Shillings
ESHS	Environmental, Social, Health and Safety

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance inspection of Bukomansimbi District Local Government for FY 2024/25, covering 10 sampled procurement and disposal transactions. The inspection assessed compliance with the PPDA Act, Cap. 205, PPDA Regulations, 2023 and PPDA Regulations, 2014 for the Force Account Mechanism, PPDA Guidelines, 2024, as well as the Entity's procurement performance during the period.

Overall, the Entity's procurement and disposal activities were generally compliant with the applicable legal and regulatory framework. The required procurement and disposal structures were in place, and with the disposal activities yet to be conducted as recommended in the board of survey report. However, the inspection identified weaknesses, failure to fully implement previous audit recommendations; delays in the procurement process; initiation of procurement without an approved budget; failure to conduct detailed evaluation; failure to dispose of obsolete assets; failure to maintain key procurement, Force Account and contract management records; and failure to monitor contractors' compliance with environmental, social, health and safety safeguards.

Although these weaknesses did not materially undermine the overall integrity of the procurement system, they revealed deficiencies in procurement planning, contract management, disposal, and monitoring that could adversely affect service delivery, value for money, supplier confidence, and achievement of Government policy objectives. The Entity's performance for FY 2024/25 was therefore assessed as **Moderately Satisfactory**, with an overall weighted average risk score of **53.47%**, requiring targeted management interventions to strengthen efficiency, contract management, and compliance.

The following key exceptions were noted:

1. The Entity did not fully implement 62.50% of the 16 previous audit recommendations, comprising seven not implemented and three partially implemented. This was contrary to Section 10(1)(a) of the PPDA Act, Cap. 205, which empowers the Authority to direct a Procuring and Disposing Entity to take corrective action to address persistent breaches of the Act, Regulations, or Guidelines. The outstanding recommendations undermined improvement of the procurement function and indicated weak internal follow-up and accountability.

2. Section 51 of the PPDA Act, Cap. 205 requires all procurement and disposal activities to be conducted in a manner that promotes economy, efficiency, and value for money. The Authority found significant delays in seven procurements worth UGX 589,657,712, averaging 137 days from the start of the financial year to initiation, 52 days from initiation to invitation to bid, and 33 days from invitation to bid to contract signing. These delays undermined efficient project implementation and timely service delivery, and weakened budget absorption within the financial year.

3. The Entity did not conduct a detailed technical evaluation of equipment availability, key personnel, and their qualifications in five procurements worth UGX 370,801,462, contrary to Regulation 15(b) of the PPDA (Evaluations) Regulations, 2023. This exposed the Entity to the risk of awarding contracts to bidders without adequate technical capacity to execute the required works.

4. In the procurement for 210 three-seater desks for primary schools worth UGX 50,400,000, the Authority found that:
   i) Procurement was initiated without an approved budget, contrary to Regulation 4(1)(a) and (c) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. Under Minute No. BKM/DEC/03/06/2025, the District Executive Committee reallocated UGX 50,400,000 from retention funds already committed to ongoing Education Department works. This exposed the Entity to delayed payment of existing contractors, accumulation of arrears, and potential litigation; and
   ii) Key procurement records were not maintained, contrary to Section 33 (o) of the PPDA Act, Cap. 205. Missing records included Contracts Committee minutes approving the procurement method, shortlist, Evaluation Committee, and contract award. This weakened the audit trail, transparency, internal controls, and accountability over the procurement.

5. Regulation 3 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023 requires the User Department or the appropriate department of a Procuring and Disposing Entity that is responsible for the management of public assets, to initiate a process for disposal of a public asset by making a request for disposal of the public asset to the Accounting Officer. The Authority found that the responsible User Departments did not initiate the disposal of obsolete assets including motor vehicles and motor cycles, which resulted into continued holding of obsolete assets, leading to avoidable storage and maintenance costs, reduced accountability for public assets, and increased risk of loss, misuse, deterioration or vandalism.

6. Section 33 (o) of the PPDA Act, Cap. 205 requires the Head, Procurement and Disposal Unit to maintain and archive procurement and contract management records. The Authority found that key records including progress reports, works programmes, Contracts Committee approvals, Contract Management Plans, technical supervision reports, and payment certificates were missing in nine procurements worth UGX 702,170,552, including the micro-scale irrigation procurement worth UGX 593,047,000. This impacted on the audit trail and undermined transparency, accountability, and effective contract oversight.

7. Section 130 (5) (e) of the PPDA Act, Cap. 205 requires an Entity applying the Force Account mechanism to maintain and manage records, equipment and supplies for the works to ensure value for money. The Authority found that the Entity did not generate a procurement and contract management file for each of the roads and therefore key implementation records for road works were missing, which included monthly reports to the Authority, call-off orders, and progress/completion status reports. The absence of these records impacted on the audit trail and limited the Entity's ability to demonstrate transparency, accountability, and value for money in applying the Force Account mechanism.

8. Regulation 52 of the PPDA (Contracts) Regulations, 2023 requires a Contract Manager to ensure that the provider performs the contract in accordance with the terms and conditions specified in the contract. The Authority found that the Entity did not effectively monitor contractors' compliance with environmental, social, health and safety safeguards in six procurements worth UGX 432,914,302. Despite the Bills of Quantities providing for ESHS requirements worth UGX 4,148,017, the Entity did not maintain detailed monitoring reports, supported by pictorial evidence, to confirm implementation of the safeguards. This exposed

the projects to the risk of environmental degradation, health and safety incidents affecting workers and surrounding communities, and expenditure on ESHS provisions that could not be adequately verified or accounted for.

In light of the above exceptions, the Authority recommends the following:

1. The Accounting Officer should:
   (a) Task the Internal Auditor to follow up and ensure full implementation of the Authority's recommendations in accordance with Section 10 (1) (a) of the PPDA Act, Cap. 205; and take immediate corrective action to close the outstanding recommendations by preparing a time-bound implementation action plan, assign each action to a named responsible officer with clear deadlines and conducting quarterly management reviews of progress until full implementation is achieved;
   (b) Initiate procurements early for procurable items provided for in the approved budget for the financial year or are part of the approved supplementary funding, and issue Purchase Order or letter of acceptance when funds are received, in order to expedite service delivery in accordance with Circular on Initiation of Procurements dated 8th October 2010;
   (c) Task the Head, Procurement and Disposal Unit to prepare and submit monthly reports of the status on implementation of the procurement plan for monitoring laxity and improve on efficiency in the execution of the plan in accordance with Section 51 of the PPDA Act, Cap. 205;
   (d) Not initiate procurement for which funds are not available or adequate in the budget of the Entity except where payments are to be effected under subsequent financial years or the Secretary to the Treasury confirms in writing that the required funding shall be available in accordance with Regulation 4 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;
   (e) Determine the reserve price of the assets to be disposed of by obtaining a valuation in accordance with Regulation 24 of the PPDA (Disposal of Public Assets) Regulations, 2023) and submit prepare a disposal plan in accordance with Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023;
   (f) Direct the Contract Managers, Head PDU and Finance to regularise and strengthen contract documentation for the micro-scale irrigation programme by availing and filing complete payment documentation for all contractors; and maintaining verified evidence of co-funding for each farmer;
   (g) Regularise and strengthen Force Account documentation and oversight by establishing and maintaining a complete Force Account file for each road work activity executed under the mechanism, including approvals, work plans, costing, material requisitions/issues, supervision records, and completion evidence; and preparing and filing comprehensive periodic progress/status reports with pictorial evidence; and
   (h) Recover from the contractors for the respective procurements in Table 10 of the attached report for the total amounts worth UGX 4,148,017 paid for ESHS requirements where the required ESHS activities were not implemented in accordance with the contract and the Bill of Quantities, and retain evidence of recovery/refund on the contract file.

2. Evaluation Committees should conduct a detailed technical evaluation of bids in line with the criteria stated in the bidding document and in accordance with Regulation 15 of the PPDA (Evaluation) Regulations, 2023.

3. The Head Procurement and Disposal Unit should keep all documentation relating to a procurement on the procurement action file in accordance with Section 33 (o) of the PPDA Act, Cap. 205.

4. The Contract Managers should:
   (a) Keep and archive all contract management records and distribute copies to key stakeholders including the PDU as required under Regulation 52 (3) (a) (vii) of the PPDA (Contracts) Regulations, 2023;
   (b) Always task contractors to submit work programs as per the terms and conditions of the contract before contract execution in accordance with Regulation 52 (3) (ii) of the PPDA (Contracts) Regulations, 2023;
   (c) Prepare Contract Management Plans using Form 49 and forward a copy to the Procurement and Disposal Unit for purposes of monitoring in accordance with Regulation 50 (3) of the PPDA (Contracts) Regulations, 2023; and
   (d) Always task the contractors to meet their contractual obligations as stipulated in the contracts including the contractor's adherence to environmental, health and social safeguard measures and its compliance in accordance with Regulation 52 of the PPDA (Contracts) regulations, 2023.

Bukomansimbi District Local Government should implement the recommended action plan on pages **32** to **34** of this report.

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance inspection of Bukomansimbi District Local Government for the Financial Year 2024/2025 and reviewed 10 sampled procurement transactions. 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, the PPDA Regulations, 2023 and PPDA Regulations, 2014 on Force Account Mechanism, and PPDA Guidelines, 2024.

1.2 Inspection Objectives

The overall objective of the compliance inspection was to assess and establish the degree of compliance of Entity's procurement system, process and disposal with the provisions of the PPDA Act, Cap. 205; the PPDA Regulations, 2023 and PPDA Regulations, 2014 on Force Account Mechanism; and PPDA Guidelines, 2024 and the level of procurement performance over the inspection period.

The specific objectives of the inspection were to:

1. Establish the level of compliance by the Entity with the general provisions of the PPDA Act, Cap. 205 and PPDA Regulations 2014 and 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 PPDA 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;
4. Assess the implementation of the Force on Account Mechanism for road works; and
5. Assess the performance of Microscale Irrigation Projects under the UGIFT program.

1.3 Structure of the Entity

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 the Procuring and Disposing Entity. The Accounting Officer of Kyankwanzi District Local Government during the Financial Year under review was Mr. Lawrence Ben Marley, the Chief Administrative Officer.

The Permanent Secretary/Secretary to the Treasury of the Ministry of Finance Planning & Economic Development approved the members of the Contracts Committee listed in Table 1 below:

Table 1: Contracts Committee for the FY 2024-2025

No.	Name	Job Title	Position on Committee	Date of Appointment
1.	Ms. Sumaya Nalunkuma	Senior Lands Management Officer	Chairperson	16th August 2023
2.	Mr. Deus Mujuni Nsiimeki	Senior Agricultural Officer	Secretary	28th November 2023

3.	Mr. Charles Njuba	Senior Labour Officer	Member	16th August 2023
4.	Mr. Daniel Kizza Kabaziguruka	Senior Assistant Town Clerk	Member	22nd July 2024
5.	Mr. Cyprus Kipako	Senior Health Inspector	Member	17th April 2023

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 contract were to be managed by the Procurement and Disposal Unit. The Procurement and Disposal Unit was fully staffed during the period under review in accordance with Section 32 of the PPDA Act, Cap. 205 as indicated in Table 2 below:

Table 2: Staff in the Procurement and Disposal Unit

No.	Name	Position	Qualification	Date of appointment
1.	Mr. Bashir Kawooya	Senior Procurement Officer	• Masters of Science in Supply Chain Management • Bachelors in Supply and Procurement Management	1st August 2017
2.	Ms. Betty Nassamula	Procurement Officer	• PGD in Procurement and Supply Chain Management • Bachelors of Procurement and Logistics Management	10th March 2014

1.4 Scope of the Inspection

The compliance inspection involved a review of the procurement process, disposal process, general compliance issues and contract implementation of 10 transactions under the Financial Year 2024/2025 vide Appendix 2.

1.5 Inspection Methodology

Under the supervision of the Regional Manager, Central Region, a Senior Officer Performance Monitoring and an Officer Performance Monitoring conducted the exercise. They examined records and documents for each sampled procurement transaction and obtained relevant and sufficient evidence to derive the compliance inspection conclusions. This involved a review of the Entity's procurement/disposal planning, initiation, bidding, evaluation, contract placement and management.

During the compliance inspection exercise, the inspection team met with the staff from the Procurement and Disposal Unit, Contracts Committee, Internal Audit and User Departments where necessary, to obtain crucial qualitative information about the internal control system and processes in place.

The inspection commenced on 20th April 2026 and a debrief meeting to discuss preliminary findings was held with the Entity's management and staff on 22nd April 2026 before the team could embark on preparation of the management letter. The management letter was sent to the Entity on 19th May 2026 with a request to submit a Management Response by 27th May 2026 which was submitted on 8th June 2026.

CHAPTER TWO: FINDINGS AND RECOMMENDATIONS

2.1 COMPLIANCE WITH THE GENERAL PROVISIONS OF THE PPDA ACT, CAP. 205 AND PPDA REGULATIONS 2014 AND 2023 WITH REGARD TO THE PERFORMANCE OF THE PROCUREMENT STRUCTURES AND CONDUCT OF PROCUREMENT AND DISPOSAL PROCESSES

2.1.1 Failure to fully implement 62.50% of the previous recommendations

Section 10 (1) (a) of the PPDA Act, Cap. 205 provides that; where there is persistent breach of this Act or regulations or guidelines made under this Act, the Authority may direct the concerned procuring and disposing entity to take such corrective action as may be necessary in the circumstances, to rectify the breach.

Bukomansimbi District Local Government was issued a compliance inspection report for FY 2022/2023 in March 2024. Out of 16 recommendations, seven (43.75%) were not implemented and three (18.75%) were partially implemented, as indicated in Table 3 below:

Table 3: Implementation of Previous Recommendations

No.	Recommended Action	Status	Management Response
1.	The Accounting Officer should put in place a strong internal mechanism and a dedicated team of staff for implementation of audit recommendations to ensure full implementation of the Authority's previous audit recommendations.	Not implemented	*Management acknowledged the Authority's observation and promised to institute a team including staff from audit department to follow-up on the implementation of the recommendations*
2.	The Accounting Officer should provide the Procurement and Disposal Unit with sufficient space and shelves in order to maintain and archive records of the procurement and disposal process in accordance with Section 41 (1) of the PPDA Act, 2003.	Partially Implemented	*Management acknowledged the Authority's observation and explained that the Entity was working hard to provide sufficient space and shelves for safe custody of the procurement and disposal records.*
3.	The Accounting Officer should conduct a supplier appraisal to ascertain why providers, do not want to do business with the Entity and should develop strategies to maximize competition in accordance with Section 45 and 46 of the PPDA Act, 2003.	Not implemented	*Management acknowledged the Authority's observation on low bidder participation and explained that some issues were beyond the Entity control including personal, systems and policy issues among others.*
4.	The Accounting Officer should ensure that a Procurement and Disposal Plan is submitted to the Authority for all items recommended for disposal in the Board of Survey in accordance with Section 58 (2) (a), (c) and (e) of the PPDA Act, 2003.	Not implemented	*Management acknowledged the Authority's observation and explained the Entity had submitted the disposal plan with the disposal process to be initiated.* **Authority's comment:** Noted the Entity's response with a disposal

No.	Recommended Action	Status	Management Response
			plan uploaded to the E-Reporting link on 23rd September 2025.
5.	The Accounting Officer should expedite the valuation to determine the reserve prices and proceed with the disposal process with appropriate disposal methods in accordance with Regulation 24, Regulation 2 and Regulation 3 of the PPDA (Disposal of Public Assets) Regulations, 2023.	Not implemented	*Management acknowledged the Authority's observation and attributed it to challenges including clearance from line Ministries with the registration books and valuation by the Chief Mechanical Engineer among others, which, had been sorted, with the Entity expected to dispose in the FY 2026/2027* **Authority's comment:** The Authority noted management's response; however, no supporting documentation was provided to confirm that the reported challenges had been resolved. In particular, the Entity did not submit the request for valuation by the Chief Mechanical Engineer, clearances from the relevant line Ministries, or the valuation report. Accordingly, the audit finding was maintained.
6.	The Head Procurement and Disposal Unit should prepare quality solicitation documents in accordance with Regulations 33-38 of the PPDA (Rules and Methods for procurement of Works, Supplies and Non-Consultancy Services) Regulations, 2023.	Partially Implemented	*Management noted the Authority's observation and explained that it has been hard for the Entity to determine what a quality solicitation document because there were no specific factors for requirements. Therefore, the Entity request for guidance and support.* **Authority's comment:** The Authority noted management's response and request for guidance. The Entity is advised to customise solicitation documents to the specific procurement requirement while upholding the principles of competition, transparency, fairness, and value for money. Requirements should be relevant, proportionate, and necessary to establish a bidder's capacity. The excessive

No.	Recommended Action	Status	Management Response
			equipment requirements identified in Table 6 were restrictive, limited competition, and undermined value for money.
7.	The Head Procurement and Disposal Unit should ensure that all documentation relating to a procurement are be kept on the procurement action file in accordance with Section 31(o) of the PPDA Act 2003.	Not Implemented	*Management acknowledged the Authority's observation and explained that at times there is no power over the documents kept with the User Departments.* **Authority's comment:** The Authority noted management's response; however, custody of records by User Departments does not relieve the Entity of its responsibility to maintain a complete procurement audit trail.
8.	The User Department should initiate the process for disposal of the assets in a timely manner where the board of survey of the Entity has recommended for the disposal of a public asset in accordance with Regulation 3 (1), (2) and (3) of the PPDA (Disposal of Public Assets) Regulations 2023.	Not Implemented	*Management acknowledged the Authority's observation and promised to take necessary action*
9.	The Contract Managers should ensure that all contract management records are kept and archived as required in accordance with Regulation 52 (3) (a) (vii) of the PPDA (Contracts) Regulations, 2023.	Not Implemented	*Management acknowledged the Authority's observation and promised to take action.*
10.	The Contract Managers should upon receipt of the contract, prepare a Contract Management Plan using Form 49 and a copy forwarded to the Procurement and Disposal Unit for purposes of monitoring in accordance with Regulation 50 (3) of the PPDA (Contracts) Regulations, 2023.	Partially Implemented	*Noted the Authority's observation and explained that this was fully implemented.* **Authority's comment:** Noted the Entity's response; however, Contract Management Plans were not prepared for some of the procurements reviewed during the inspection.

Implication

This indicates weak follow-through on corrective actions, allowing control gaps to persist and increasing the risk of repeat non-compliance, inefficiencies and poor value for money.

Recommendations

The Accounting Officer should:

a) Task the Internal Auditor to follow up and ensure full implementation of the Authority's recommendations in accordance with Section 10 (1) (a) of the PPDA Act, Cap. 205.

b) Take immediate corrective action to close the outstanding recommendations by:

   i. Preparing a time-bound implementation action plan for the two not implemented and four partially implemented recommendations, assigning each action to a named responsible officer with clear deadlines;

   ii. Maintaining an implementation tracker with required evidence for each action; and

   iii. Conducting quarterly management reviews of progress until full implementation is achieved, and submitting the implementation status and supporting evidence to PPDA upon request.

2.1.2 Delays in procurement process

Section 51 of the PPDA Act, Cap. 205 provides that; all procurement and disposal shall be conducted in a manner which promotes economy, efficiency and value for money.

The Authority found that the Entity delayed to initiate procurements in relation to the financial year beginning 1st July 2024; placing an invitation to bid under quotation method and signing of contracts after confirmation of funding by the Accounting Officer, in seven procurements worth UGX 589,657,712 as indicated in Table 4 below:

Table 4: Procurements with delays in the procurement process

No.	Subject of procurement	Value (UGX)	Initiation date	Date of invitation	Contract date
1.	Construction of a 5-stance pit latrine at Ggingo P/S and Bigasa RC P/S	63,493,000	18th March 2025 *(Delay of 182 working days from the beginning of FY)*	25th April 2025 *(Delay of 27 working days from date of initiation)*	29th May 2025 *(Delay of 24 working days from date of invitation)*
2.	Sitting, drilling and pump testing of two production boreholes at Lukenke village Kibinge S/C and Kikuuta village Kitanda S/C	69,974,000	30th October 2024 *(Delay of 87 working days from the beginning of FY)*	25th April 2025 *(Delay of 123 working days from date of initiation)*	29th May 2025 *(Delay of 24 working days from date of invitation)*
3.	Procurement and supply of water quality and testing kit	31,900,000	30th October 2024 *(Delay of 87 working days from the beginning of FY)*	10th February 2025 *(Delay of 70 working days from date of initiation)*	29th May 2025 *(Delay of 76 working days from date of invitation)*
4.	Rehabilitation of a two classroom at Butenga Moslem P/S	105,893,908	12th March 2025 *(Delay of 179 working days*	25th April 2025 *(Delay of 31 working days from*	29th May 2025 *(Delay of 23 working days*

No.	Subject of procurement	Value (UGX)	Initiation date	Date of invitation	Contract date
			from the beginning of FY)	*date of initiation)*	*from date of invitation)*
5.	Procurement and supply of bicycles for VHTS	186,956,250	16th January 2025 *(Delay of 140 working days from the beginning of FY)*	25th April 2025 *(Delay of 70 working days from date of initiation)*	29th May 2025 *(Delay of 23 working days from date of invitation)*
6.	Construction of staff houses at Bigasa Health Center II (Phase I)	52,441,088	20th November 2024 *(Delay of 102 working days from the beginning of FY)*	5th December 2024 *(Delay of 12 working days from date of initiation)*	6th February 2025 *(Delay of 42 working days from date of invitation)*
7.	Renovation of a Classroom block at Butenga COU P/S	78,999,466	12th March 2025 *(Delay of 179 working days from the beginning of FY)*	25th April 2025 *(Delay of 31 working days from date of initiation)*	29th May 2025 *(Delay of 23 working days from date of invitation)*
Total		**589,657,712**	**Average = 136.57**	**Average=52**	**Average= 33.57**

Implication

Delays in the procurement process impacts on efficiency of project execution and service delivery, and eventually weakens budget absorption within the financial year

Management response

Management acknowledged the Authority's observation and explained that the Head, Procurement and Disposal Unit was tasked to periodically submit status reports on procurement plan implementation for monitoring and follow up with the User Departments for submissions to the Contracts Committee, and timely contract signing.

Authority's comment: The Authority noted management's response and the interventions undertaken to strengthen monitoring of procurement plan implementation, follow up with User Departments, and facilitate timely submission to the Contracts Committee and contract signing. The Authority will assess the effectiveness and outcomes of these measures during subsequent follow-up. Accordingly, the observation was maintained for monitoring purposes.

Recommendation

The Accounting Officer should:

i) Initiate procurements early for procurement items provided for in the approved budget for the financial year or are part of the approved supplementary funding, and issue Purchase Order or letter of acceptance when funds are received, in order to expedite service delivery in accordance with Circular on Initiation of Procurements dated 8th October 2010; and

ii) Task the Head, Procurement and Disposal Unit to prepare and submit monthly reports of the status on implementation of the procurement plan for monitoring laxity and improve on efficiency in the execution of the plan in accordance with Section 51 of the PPDA Act, Cap. 205.

2.1.3 Inadequate solicitation documents

Section 67 (2) of the PPDA Act Cap. 205 provides that; all solicitation documents shall detail the terms and conditions, which shall apply to any resulting contract; and contain the General Conditions of Contract, or a statement of the General Conditions of Contract which shall apply.

The Authority found that in three procurements worth UGX 231,499,748, the Procurement and Disposal Unit prepared bidding documents requiring the bidders to submit equipment that were not required in the execution of works, contrary to section 67 (2) of the PPDA Act, Cap. 205 as indicated in Table 5 below:

Table 5: Inadequate solicitation documents

No.	Subject of Procurement	Amount (UGX)	Irregularity
1.	Construction of a 5- stance pit latrine at Ggingo P/S and Bigasa RC P/S	63,493,000	Excessive requirements for equipment, i.e., Concrete mixer, Concrete vibrator and Jumper compactor
2.	Construction of a 5- stance pit latrine at Buligita P/S and St Patrick Buyoga P/S	62,112,840	
3.	Rehabilitation of a two classroom at Butenga Moslem P/S	105,893,908	
Total		**231,499,748**	

Implication

Excessive requirements discourage potential bidders from participation in the bidding process which leads to low bidder participation.

Management Response

Management acknowledged the Authority's observation and explained that discussions had been held with the stakeholders involved in the preparation of the bidding documents including the District Engineer for improvement.

Recommendation

The Head, Procurement and Disposal Unit should, during preparation of bidding documents, provide for sufficient equipment that are proportionate to works to be executed in accordance with Regulations 33-38 of the PPDA (Rules and Methods for procurement of Works, Supplies and Non-Consultancy Services) Regulations, 2023.

2.1.4 Irregularities at evaluation

i) Failure to conduct detailed technical evaluation

Regulation 15 (b) of the PPDA (Evaluation) Regulations, 2023 requires a detailed evaluation of bids that are responsive after preliminary examination and administrative compliance in order to determine the technical responsiveness of those bids.

The Authority found that in five procurements worth UGX 370,801,462, the Entity did not conduct a detailed technical evaluation to determine technical responsiveness. Specifically, the evaluation did not assess the availability of key personnel including the relevant academic qualifications and work experience; and availability of essential equipment including attachment of documentary evidence of ownership, lease, hire (such as registration books, agreements or memoranda or purchase order) as required in the solicitation documents for procurements indicated in Table 6 below:

Table 6: Procurements without detailed technical evaluation

No.	Subject of procurement	Value (UGX)
1.	Construction of a 5- stance pit latrine at Ggingo P/S and Bigasa RC P/S	63,493,000
2.	Sitting, drilling and pump testing of two production boreholes at Lukenke village Kibinge S/C and Kikuuta village Kitanda S/C	69,974,000
3.	Rehabilitation of a two classroom at Butenga Moslem P/S	105,893,908
4.	Construction of staff houses at Bigasa Health Center II (Phase I)	52,441,088
5.	Renovation of a Classroom block at Butenga COU P/S	78,999,466
Total		**370,801,462**

Implication

This undermined the integrity of the evaluation process and increased the risk of awarding contracts to providers who lacked the required technical capacity.

Management Response

Management noted the Authority's observation and explained that a detailed technical evaluation was conducted.

Authority's comment: The Authority noted management's response; however, no documentary evidence such as detailed evaluation sheets or supporting verification records was provided to demonstrate that the qualifications and experience of the proposed technical personnel and the availability of essential equipment were evaluated. Accordingly, the observation was maintained.

Recommendation

Evaluation Committees should conduct a detailed technical evaluation of bids in line with the criteria stated in the bidding document and in accordance with Regulation 15 of the PPDA (Evaluation) Regulations, 2023.

2.1.5 Irregular utilisation of committed funds worth UGX 72,000,000 of retention

The Authority noted that, under Minute No. BKM/DEC/03/06/2025, the District Executive Committee (DEC) held a meeting on 12th June 2025, approved UGX 72,000,000 of retention under SFG and School maintenance funds for the purchase of 210 three-seater desks for primary schools worth UGX 50,400,000 and repair of the Education Sector Double Cabin LG 0010-017 which had spent over two years in garage worth UGX 21,600,000.

The Authority found that:

1. The procurement for repair of the Education Sector Double Cabin LG 0010-017 worth UGX 21,600,000 were carried out outside the procurement plan contrary to Section 60 (10) of the PPDA Act, Cap. 205;
2. The Entity diverted UGX 72,000,000 that had been committed for payment of retentions for the works projects in the financial year under inspection to payment for supply of school desks and repair of a motor vehicle contrary to Regulation 4 (1) (a) and 4 (1) (c) of the PPDA (Rules and Methods for procurement of supplies, works and non-consultancy services) Regulations, 2023;
3. Missing Procurement Action File for the repair of the Education Sector Double Cabin LG 0010-017 worth UGX 21,600,000. Therefore, details of the pre-inspection and post inspection reports; and payment details were not availed; and
4. In the procurement for the purchase of three-seater desks for primary school worth UGX 50,400,000 initiated on 17th June 2025, the following procurement records were missing on Procurement Action file:
   i) Contracts Committee minutes on approval of procurement method with justification and the Evaluation Committee;
   ii) An approved shortlist of bidders;
   iii)The evaluation report not dated but signed by Mr. Bashir Kawooya, Mr. Eric Luweesi and Ms. Juliet Nanjobe; and
   iv)Contracts Committee minutes for the contract award.

Implications

- Implementation of unplanned procurements led to re-allocation/diversion of funds that exposed the Entity to risks of accrued non-payments of providers which may result into litigation risks.
- Failure to maintain procurement records and the procurement action file for the for repair of the Education Sector Double Cabin LG 0010-017 was a sign of non-transparency and weaknesses in the internal controls that illustrates an ineffective accountability system within the Entity, resulting into financial loss.
- Failure to indicate the dates of the evaluation impacts on audit trail on sequence of the procurement activities.

Management Response

Management noted the Authority's observation and explained that the missing file and records had been submitted for verification.

Authority's comment: Noted the Entity's response; however, the procurement action file for repair of the Education Sector Double Cabin LG 0010-017 worth UGX 21,600,000 was not provided for verification, and with the procurement not in the procurement plan for the FY 2024-2025. Additionally, the Entity did not provide response on the diversion of the committed funds (retention) worth 72,000,000, failure to include the date of the evaluation report, and the aforementioned records of the Contracts Committee not provided for verification.

Recommendations

1. The Accounting Officer should:
   i) Not initiate procurement for which funds are not available or adequate in the budget of the Entity except where payments are to be effected under subsequent financial years or the

Secretary to the Treasury confirms in writing that the required funding shall be available in accordance with Regulation 4 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; and
   ii) Make full payments to contractors on certification for the retention after the defect liability period and ensure that the Entity is not in to domestic arrears.
2. The Contracts Committee should in line with Section 30 (d) of the PPDA Act, Cap. 205, desist from approving procurements outside the plan.
3. The Head, Procurement and Disposal Unit should:
   i) Prepare and submit a shortlist of bidders to Contracts Committee for approval in accordance with Regulation 53 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; and
   ii) Keep all documentation relating to a procurement on the procurement action file in accordance with Section 33 (o) of the PPDA Act, Cap. 205.

2.1.6 Low bidder participation

Regulation 20 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 provides that procurement using the quotation method shall be by selection of bidders using a shortlist which shall have at least six providers.

The Authority found that in seven procurements worth UGX 1,101,664,158, the Entity received less than six bids under the quotation method despite having an approved shortlist of at least six bidders, thereby limiting competition and value for money contrary to Sections 48 and 49 of the PPDA Act, Cap. 205, as indicated in Table 7:

Table 7: Procurements with low bidder participation

No.	Subject of procurement	Amount (UGX)	No. of bids received
1.	Construction of a 5- stance pit latrine at Ggingo P/S and Bigasa RC P/S	63,493,000	2
2.	Sitting, drilling and pump testing of two production boreholes at Lukenke village Kibinge S/C and Kikuuta village Kitanda S/C	69,974,000	1
3.	Procurement and supply of water quality and testing kit	31,900,000	1
4.	Rehabilitation of a two classroom at Butenga Moslem P/S	105,893,908	1
5.	Procurement and supply of bicycles for VHTS	186,956,250	2
6.	Supply and delivery of 210 three-seater desks	50,400,000	1
7.	Design, supply and installation of micro irrigation system	593,047,000	2
	Total	**1,101,664,158**	

Implication

This reduced competitive pressure on price and quality, increasing the risk of inflated costs, limited choice of capable providers and suboptimal contract outcomes, thereby compromising value for money.

Management response

Management acknowledged the Authority's observation and promised to implement the Authority's recommendations. Further, the Entity is to engage contractors and suppliers to discuss challenges for their failure to respond to bid invitations and come up with a way forward.

Recommendations

The Accounting Officer should direct the Head, Procurement and Disposal Unit to strengthen competition under the quotation method by:

i. Issuing RFQs to all providers on the approved shortlist and confirming their capacity/availability before invitation in accordance with Regulations 20 (1) and 31 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;

ii. Allowing adequate response time and ensuring requirements are clear and non-restrictive in accordance with Regulations 31 (2) and 56 (1) (e) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; and

iii. Where fewer than six bids are received, documenting the reasons and re-inviting or applying an alternative method where appropriate, to comply with Sections 48 and 49 of the PPDA Act, Cap. 205 and achieve value for money.

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

2.2.1 Failure to dispose obsolete assets

Section 60 (2) (e) of the PPDA Act, Cap. 205 provides that a Procuring and Disposing Entity shall plan its procurement and disposal in a rational manner and in particular shall integrate the disposal of assets, both listed and unlisted, in its assets register as well as in its income and expenditure budget.

The Authority's review of the Board of Survey report for FY 2023/2024 dated 29th August 2024 (received by the Ministry of Finance, Planning and Economic Development on 30th August 2024) found that several items were recommended for disposal. However, the Entity had not taken action to dispose of the assets, as indicated in Table 8 and Figure 1:

Table 8: unserviceable items recommended for disposal

Item	Unique identifier (Tag/Registration Number)	Quantity	Location
Motorcycle	LG 0142-28, Yamaha DT 125	1	District Headquarter
Motorcycle	LG 0009-017, Yamaha DT 125	1	District Headquarter
Motorcycle	UDA 998 U, Yamaha DT 125	1	District Headquarter
Motorcycle	UDK 202Q, Yamaha DT 125	1	District Headquarter
Motorcycle	UG 1894 R, Honda KL	1	District Headquarter
Motorcycle	Jialing 125 with no number plate	3	District Headquarter
JMC Double Cabin pickup	LG 0005-017	1	Town Councils
Tractor	LG 0006-017	1	Town Councils
Tractor trailer	LG 0007-017	1	Town Councils
Motorcycle	LG 138-017	1	Town Councils

Figure 1: Obsolete items parked at Butambala District headquarter

Non-functional road equipment, motorcycles and vehicles parked at the district headquarter as at 20th April 2026

Implication
This resulted in continued holding of obsolete assets, leading to avoidable storage and maintenance costs, reduced accountability for public assets, and increased risk of loss, misuse, deterioration or pilferage.

Management Response
Management acknowledged the Authority's observation and attributed the failure to challenges including clearance from line Ministries with the logbooks and valuation by the Chief Mechanical Engineer report among others. However, all were sorted and the Entity is expected to conduct the disposal exercise in the FY 2026/2027.

Authority's comment: The Authority noted management's response; however, no documentary evidence was provided to confirm that the reported challenges had been resolved. In particular, the Entity did not submit the request to the Chief Mechanical Engineer for valuation, the relevant clearances from the line Ministries, or the valuation report. Accordingly, the observation was maintained.

Recommendations
1. The Accounting Officer should:
   i) Determine the reserve price of the assets to be disposed of by obtaining a valuation in accordance with Regulation 24 of the PPDA (Disposal of Public Assets) Regulations, 2023)
   ii) Prepare a disposal plan for the public assets recommended for disposal in the board of survey report and after valuation for disposal in accordance with Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023.
2. The User Department should initiate the disposal process after the valuation of the assets recommended for disposal in the board of survey report and in accordance with Regulation 3 of the PPDA (Disposal of Public Assets) Regulations, 2023.

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

2.3.1 Failure to Maintain Contract Management Records

Section 33 (o) of the PPDA Act, Cap. 205 provides that the Procurement and Disposal Unit shall maintain and archive records of the procurement and disposal process.

The Authority found that nine contracts worth UGX 702,170,552 had missing contract management records including progress reports, Contract Management Plans, payment records and performance securing declaration among others contrary to Section 33 (0) of the PPDA Act, Cap. 205 as indicated in Table 9 below:

Table 9: Procurements with missing records on the Procurement Action Files

No.	Subject of Procurement	Amount (UGX)	Missing Records
1.	Sitting, drilling and pump testing of two production boreholes at Lukenke village Kibinge S/C and Kikuuta village Kitanda S/C	69,974,000	• Completion certificates • Progress reports with pictorial evidence on progress/status • Completion reports with photos from the contractor as provided for in the BOQs • Records on quality control and material testing with a provision of UGX 200,000 in the BOQs • Contract Management Plan (Form 49) • The best evaluated bidder's Bid
2.	Supply and delivery of 210 three-seater desks	50,400,000	• Shortlist and the corresponding Contracts Committee minutes of approval • Contract Manager appointment • Specifications with drawings • The distribution list with the corresponding schools • Verification report • Contract Management Plan (Form 49)
3.	Procurement and supply of water quality and testing kit	31,900,000	• Copy of bid invitation under RFQ • Contract Management Plan (Form 49)
4.	Rehabilitation of a two classroom at Butenga Moslem P/S	105,893,908	• Progress reports • Contract Management Plan (Form 49)
5.	Procurement and supply of bicycles for VHTS	186,956,250	• Appointment of Contract Manager • Contract Management Plan (Form 49)
6.	Construction of a 5- stance pit latrine at Buligita P/S and St Patrick Buyoga P/S	62,112,840	• Progress reports • Payment vouchers

No.	Subject of Procurement	Amount (UGX)	Missing Records
7.	Construction of a 5- stance pit latrine at Ggingo P/S and Bigasa RC P/S	63,493,000	Progress reports
8.	Construction of staff houses at Bigasa Health Center II (Phase I)	52,441,088	• Payment vouchers • Works programs submitted by contractor as required under GCC 27 of the signed contract
9.	Renovation of a Classroom block at Butenga COU P/S	78,999,466	
Total		**702,170,552**	

Implications
- Lack of progress reports portrayed inadequate contract management and supervision of the projects in line with the contractual requirements, and terms and conditions.
- Failure to submit work programs weakened planning and control of contract execution, since the Entity lacked an agreed programme to monitor progress, allocate resources and manage risks. It increased the likelihood of uncontrolled delays, poor coordination, weak supervision and disputes over timelines
- Failure to maintain payment records was a sign of weak internal controls which impacted on the accountability.
- Failure to prepare a Contract Management Plan made it difficult for the Entity to effectively manage, monitor and report on contractor performance and milestones during the course of project execution.

Management Response

Management noted the Authority's observation by Authority and explained that the Entity had been strict with the Engineers tasked to prepare progress reports and Contract Management Plans.

Authority's comment: The Authority noted management's response and reviewed the records submitted. While some records were provided and removed from the findings, the records for the procurements indicated in Table 9 above were not submitted for verification.

Recommendations
1. The Head, Procurement and Disposal Unit should keep all documentation relating to a procurement on the procurement action file in accordance with Section 33 (o) of the PPDA Act, Cap. 205.
2. The Contract Managers should:
   i) Keep and archive all contract management records and distribute copies to key stakeholders including the PDU as required under Regulation 52 (3) (a) (vii) of the PPDA (Contracts) Regulations, 2023;
   ii) Always task contractors to submit work programs as per the terms and conditions of the contract before contract execution in accordance with Regulation 52 (3) (ii) of the PPDA (Contracts) Regulations, 2023; and
   iii) Prepare Contract Management Plans using Form 49 and forward a copy to the Procurement and Disposal Unit for purposes of monitoring in accordance with Regulation 50 (3) of the PPDA (Contracts) Regulations, 2023.

2.3.2 Non-adherence to the Environmental, Social, Health and Safety Safeguards

Regulation 52 of the PPDA (Contracts) regulations, 2023 provides that a contract manager shall make certain that the provider performs the contract in accordance with the terms and conditions specified in the contract.

The Authority found that the Entity did not monitor six contracts worth UGX 432,914,302 for compliance with environmental, social and health safeguards (ESHS). The required ESHS reports were not prepared by the District Environment Officer and the District Community Development Officer, and evidence of environmental screening and management of social and health aspects was not available, despite a total provision of UGX 4,148,017 for ESHS activities in the Bill of Quantities as indicated in Table 10 below:

Table 10: Procurements without ESHS reports

No.	Subject of procurement	Contract Value (UGX)	Provision for ESHS (UGX)	PPDA Finding
1.	Construction of a 5-stance pit latrine at Ggingo P/S and Bigasa RC P/S **Contractor:** Allied Axis (U) Ltd	63,493,000	600,000	Despite a provision of UGX 600,000 in the contractor's Bill of Quantities for the environmental mitigation, there was no evidence of implementation of the following activities in the two schools: **Bigasa P/S:** • Plastic container with a metallic stand, ready to use with a closing and opening mechanism operated by foot. Item includes a soak pit • Allow a sum of UGX 100,000 for social mitigation as approved by the DCDO **Ggingo P/S:** • Supply a hand washing facility of 20 litre plastic container with a metallic stand ready to use with a closing and opening mechanism operated by foot • Allow a sum of UGX 100,000 for social mitigation as approved by the DCDO
2.	Sitting, drilling and pump testing of two production boreholes at Lukenke village Kibinge S/C and	69,974,000	160,017	Despite a provision of UGX 160,017 in the contractor's Bill of Quantities for the environmental concerns and mitigation measures, there was no evidence for the planting and protecting of five (5) fruit trees as approved by the Engineer/ Senior Environment

No.	Subject of procurement	Contract Value (UGX)	Provision for ESHS (UGX)	PPDA Finding
	Kikuuta village Kitanda S/C **Contractor:** East Africa Boreholes Ltd			Officer at the catchment protection area.
3.	Rehabilitation of a two classroom at Butenga Moslem P/S **Contractor:** Karobs Enterprises Ltd	105,893,908	1,288,000	Despite a provision of UGX 1,288,000 in the contractor's Bill of Quantities for the environmental mitigation, there was no evidence of implementation of the following activities: • Supply and deliver to the school plastic waste bins of 230 litres with moving wheels. • Supply, plant and maintain 64 SM paspalum and flowers for six months. • Supply, plant and maintain ten trees as approved by the Environmental Officer- no specific tree species.
4.	Construction of staff houses at Bigasa Health Center II (Phase I) **Contractor:** Hudan Engineering Works Ltd	52,441,088	200,000	Despite a provision of UGX 200,000 in the contractor's Bill of Quantities for the environmental and social mitigation, there was no evidence of implementation of the social and health safeguard as approved by the DCDO.
5.	Renovation of a Classroom block at Butenga COU P/S **Contractor:** R.B Mubiru Services	78,999,466	700,000	Despite a provision of UGX 700,000 in the contractor's Bill of Quantities for the environment and social mitigation measures, there was no evidence of implementation of the following activities: • Planting five shade trees, five fruit trees and planting assorted flowers around the building as approved by the Environmental Officer • Social mitigation measures
6.	Construction of a 5-stance pit latrine at	62,112,840	1,200,000	Despite a provision of UGX 1,200,000 in the contractor's Bill of Quantities for the environmental

No.	Subject of procurement	Contract Value (UGX)	Provision for ESHS (UGX)	PPDA Finding
	Buligita P/S and St Patrick Buyoga P/S **Contractor:** R.B Mubiru Services			mitigation, there was no evidence of implementation of the following activities in the two schools: **St. Patrick P/S:** • Supply of a hand washing facility of 20 litre plastic containers with a metallic stand, ready to use with a closing and opening mechanism operated by foot • Allow a sum of UGX 100,000 for social mitigation as approved by the DCDO **Buligita P/S:** • Supply of a hand washing facility of 20 litre plastic containers with a metallic stand, ready to use with a closing and opening mechanism operated by foot • Allow a sum of UGX 100,000 for social mitigation as approved by the DCDO
	Total	**432,914,302**	**4,148,017**	

Implication

Failure to implement ESHS requirements increases the risk of accidents and injury to workers and the public (especially children), and may lead to environmental degradation (soil erosion, loss of vegetation, poor site restoration) and community complaints.

Management Response

Management acknowledged the Authority's observation and promised to implement the recommendations.

Recommendations

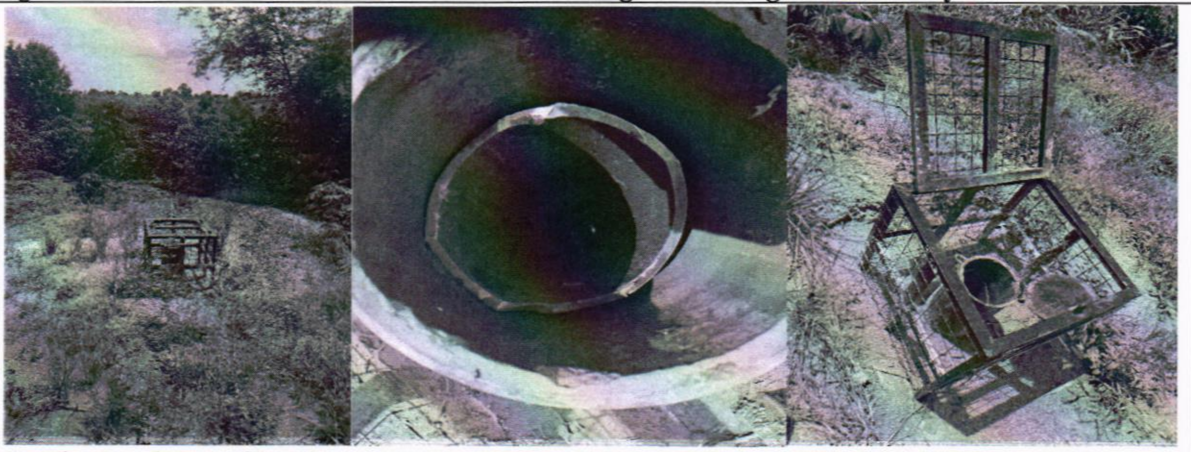
1. Recover from the contractors of the respective procurements in Table 10 above, for total amounts worth UGX 4,148,017 paid for ESHS requirements, where the required ESHS activities were not implemented in accordance with the contract and the Bill of Quantities, and retain evidence of recovery/refund on the contract file.
2. Contract Managers should always task the contractors to meet their contractual obligations as stipulated in the contracts including the contractor's adherence to environmental, health and social safeguard measures and its compliance in accordance with Regulation 52 of the PPDA (Contracts) regulations, 2023.

2.3.3 Poor management of production borewell

On 29th May 2025, the Entity signed contract with East Africa Boreholes Ltd for siting, drilling and pump testing of two production boreholes at Lukenke village Kibinge S/C and Kikuuta village Kitanda S/C worth UGX 69,974,000.

During physical verification, the Authority found that the protection cage for the production borewell at Lukenke village in Kibinge Sub County was not locked/sealed, with objects/stuffs dumped into the well by the community as shown in Figure 2 below:

Figure 2: Production borehole at Lukenke Village in Kibinge Sub County



Production borewell with a protection cage without locks as at 21st April 2026

Implications

- This increases costs of the project with extra funds required to restore to its original state before the next phase and therefore, value for money for funds invested is not realised.
- Without security, the project components are at risk of vandalism from the community.

Management Response

Management acknowledged the Authority's observation and directed the District Water Officer to provide an explanation on the observation and way forward on how to minimise mishandling of site components by the community.

Authority's comment: The Authority noted management's response and the intervention initiated through the District Water Officer. The Authority will assess the effectiveness of the proposed measures to prevent community mishandling of site components during subsequent follow-up. Accordingly, the observation was maintained for monitoring purposes.

Recommendation

1. The Accounting Officer should task the Contract Manager/District Water Officer to explain why the project site is not well managed and the strategies/restrictions in place to minimise the community from mishandling the site components.
2. The Head, Procurement and Disposal Unit should, every three months, prepare and submit to the Accounting Officer a report on all contracts signed by the Entity, highlighting the problems encountered in managing the contracts in accordance with Regulation 52 (4) of the PPDA (Contracts) Regulations, 2023.

2.4 IMPLEMENTATION OF FORCE ACCOUNT MECHANISM

Section 130 (5) (e) of the PPDA Act, Cap. 205. which provides that, for the purpose of ensuring value for money in the application of the Force Account Mechanism, the Accounting Officer of a Procuring and Disposing Entity shall maintain and manage the records, equipment and supplies of the works in accordance with the Public Finance Management Act, 2015.

a) Missing records on planned roads executed using Force Account Mechanism

The Authority noted that on 9th July 2024, the Ministry of Works & Transport received an annual workplan for one billion maintenance Grant for the financial year 2024/2025 of roads to be executed as indicated in Table 11 below:

Table 11: Planned roads executed using Force Account Mechanism in FY 2024-2025

No.	Road name	Maintenance cost estimate (UGX)
1.	Kawoko-Kataaba-Kigangazzi (19.9Km)	219,424,060
2.	Bigasa-Butalaga-Kigangazi (8Km)	98,890,420
3.	Buyonga-Kisabwa-Nabajuzi (10.5Km)	178,118,200
4.	Bukomansimbi-Bulenge (12.5Km)	158,541,664
5.	Kagando-Kamanda-Kikondeere (11.1Km)	156,088,712
6.	Nsoloolo-Kelezia-Kagologolo-Lwamerenge (10.8Km)	138,936,944
7.	Maintenance of road equipment	50,000,000
Total		**1,000,000,000**

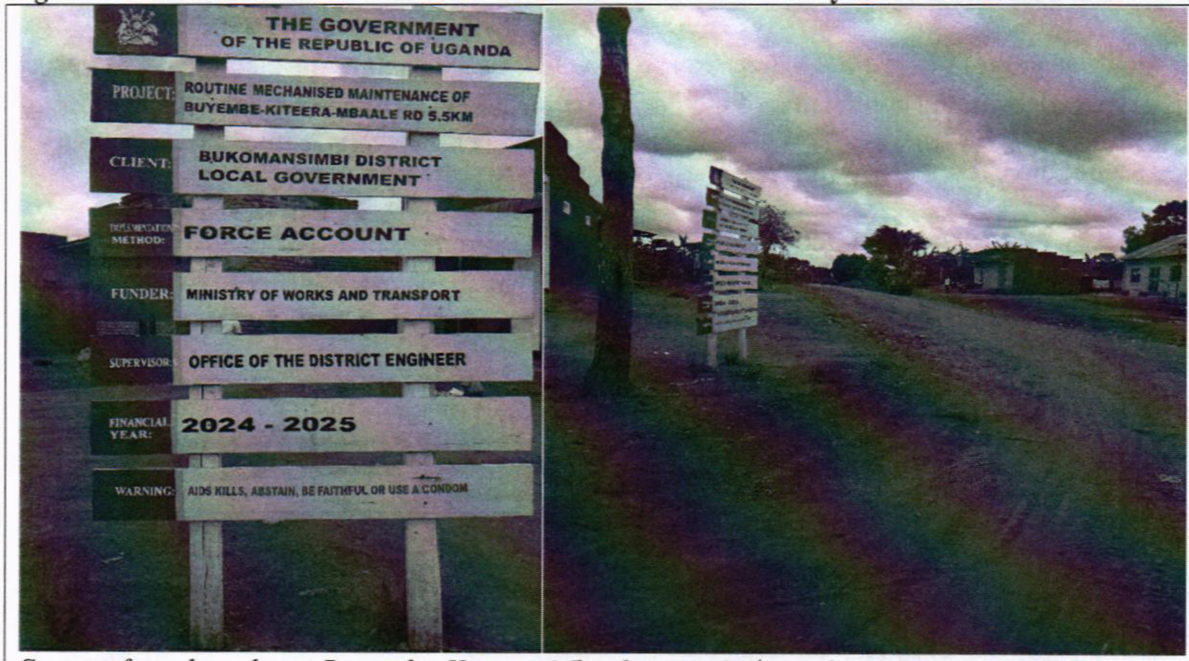
In light of the above in Table 11, the Authority found that there were no procurement and contract management files for the above road works executed using Force Account Mechanism. Additionally, the following records for the same roads were missing, contrary to Section 130 (5) (e) of the PPDA Act, Cap. 205:

i. Call off orders for supply of construction materials including gravel and fill materials, concrete culverts and hardcore; and for supply of fuel and lubricants for each road in Table 10 above; and
ii. Comprehensive progress and substantial completion reports, with pictorial evidence on execution of the road works.

b) Missing records on implementation of Buyembe-Kiteera-Mbaale Road

During physical verification, the Authority noted that the Entity executed works under Force Account Mechanism for the routine mechanised maintenance of 5.5Km Buyembe-Kiteera-Mbaale Road (which was not among the planned roads indicated in Table 11 above) with a site board erected in Mbaale as shown in Figure 3 below:

Figure 3: Site board for mechanised maintenance of 5.5Km Buyembe-Kiteera-Mbaale Road



Status of road works on Buyembe-Kiteera-Mbaale as at 21st April 2026

The Authority found there was no procurement and contract management file for the routine mechanised maintenance of 5.5Km Buyembe-Kiteera-Mbaale Road and subsequently, the following records were missing:

i. Call off orders for supply of construction materials including gravel and fill materials, concrete culverts and hardcore; and for supply of fuel and lubricants; and
ii. Comprehensive progress reports and substantial completion reports, with pictorial evidence on execution of the road works.

Implications

- This undermined transparency, accountability and value for money in the execution of Force Account works, since the absence of procurement and contract management files and key supporting records made it difficult to verify what was executed, by whom, at what cost, and whether the outputs met the required standards.
- This also increased the risk of unsupported expenditure, overpayments, diversion or misuse of materials (including culverts), weak supervision, poor quality works and delays going undetected.

Management Response

Management noted the Authority's observation and records were retrieved from the concerned officers.

Authority's comment: The Authority noted management's response and reviewed the records submitted. While some records were provided and were removed from the findings, the Entity did not maintain separate Force Account files for each road and the aforementioned records were not submitted for verification. The Authority further noted that:

(i) Payments totaling UGX 363,804,267 were made to Haji Abdul Mugerwa for fuel supplies without VAT, yet no evidence was provided to confirm the supplier's VAT registration status or exemption.

(ii) The progress reports were not comprehensive and lacked pictorial evidence confirming implementation of ESHS measures and other works, including tree planting, installation of project billboards, and reflective road signs.

Recommendations

The Accounting Officer should:

1. Task the District Engineer to maintain all records on the implementation of Force Account Mechanism and share copies with the Procurement and Disposal Unit for filing in accordance with Section 130 (5) (e) of the PPDA Act, Cap. 205. Furthermore, the records should be made accessible efficiently whenever various mandated stakeholders require access;
2. Regularise and strengthen Force Account documentation and oversight by:
   i) Establishing and maintaining a complete Force Account file for each road work activity executed under the mechanism, including approvals, work plans, costing, material requisitions/issues, supervision records, and completion evidence; and
   ii) Preparing and filing comprehensive periodic progress/status reports with pictorial evidence, and submitting the required quarterly reports to URF/MoWT for all Force Account works.

2.5 PROGRESS AND PERFORMANCE OF THE MICRO-SCALE IRRIGATION PROGRAM IN BUKOMANSIMBI DISTRICT LOCAL GOVERNMENT

Background

Government of Uganda with support from World Bank's Uganda Intergovernmental Fiscal Transfer Program for Results Additional Financing (UgIFT-AF) project received funds to implement Micro Scale Irrigation Schemes to support low-income farmers. The objective was to enhance update of cost-effective micro-irrigation technology so as to improve farmer productivity and standard of living in line with the Ugandan National Irrigation policy and vision 2040.

The Micro-scale Irrigation Program supports farmers to purchase and use individual irrigation equipment through a matching grant scheme, in which the cost of the equipment is co-financed by the farmer and the Government of Uganda. The Government subsidises between 25% and 75% of the total cost of the irrigation equipment (which can be sprinkler, drip and drag hosepipe methods using either solar or petrol energy sources). The level of the subsidy varies according to the choice of the irrigation equipment/ technology selected by the farmer as indicated below:

- For solar-powered irrigation equipment, the maximum Government co-payment is 75% of the total cost of equipment and is capped at UGX 18,000,000.
- For petrol-powered irrigation equipment the maximum Government co-payment is 25% of the total cost of equipment and is capped at UGX 5,000,000.

Bukomansimbi District Local Government received funds worth UGX 472,589,418 (as indicated in the consolidated procurement and disposal plan received by the Authority on 23rd June 2025). for the design, supply and installation of the Solar power Micro-scale irrigation systems in the Financial Year 2024-2025.

The Authority noted that out of the 39 farmers who expressed their interest, 21 farmers were eligible in the financial year 2024-2025 for the design, supply and installation of the Solar power Micro-scale irrigation systems. The contractor, Ferest Investments Limited was fully paid for the 21 farmers for the total contract value worth UGX 593,047,000, for irrigation equipment that were successfully installed as indicated in Table 12 below:

Table 12: Summary and status of the procurement of microscale irrigation equipment

Level	Definition	Bukomansimbi DLG statistics by Number (FY 2024/25)
'Interested' Farmer	Those farmers who submitted an Expression of Interest (EOI) and met the basic self-assessed criteria	39
'Eligible' Farmer	Those farmers who had a farm visit and were found to meet the eligibility criteria	39
'Approved' Farmer	Those farmers who made the co-payment, provided documentary proof of their land tenure (if possible) and signed an MOU with the Local Government	Partial details provided
"Installation Accepted' Farmer	Those farmers who had the irrigation equipment installed and the Local Government and farmer verified the equipment and installation was as per quotation and standards	21

Level	Definition	Bukomansimbi DLG statistics by Number (FY 2024/25)
'Completed' Farmer	Those Farmers where the irrigation equipment supplier was paid by the Local Government and all paperwork is complete	21
Total of microscale irrigation kits installed and completed in FY 2024/2025		21

2.5.1 Award of contract above the procurement plan estimate

Regulation 4 (1) (a) and 4 (1) (c) of the PPDA (Rules and Methods for procurement of supplies, works and non-consultancy services) Regulations, 2023 provides that a Procuring and Disposing Entity shall not initiate any procurement for which funds are not available or adequate in the budget of the Procuring and Disposing Entity except where the delivery of supplies, works or non-consultancy services and the consequent payments to a provider are to be effected under subsequent financial years; or the Secretary to the Treasury confirms in writing that the required funding shall be made available.

The Authority found that the Accounting Officer confirmed the availability of funding worth UGX 1,095,850,000 for 38 farmers, with an award made at UGX 942,950,000 for 39 farmers. However, the procurement plan estimate was UGX 472,589,418 with no specific number of microscale irrigation schemes to be established. This caused a variance of UGX 623,260,582 against the confirmed available funds and UGX 470,360,582 against the award total for 39 farmers, contrary to Regulation 4 (1) of the PPDA (Rules and Methods for procurement of supplies, works and non-consultancy services) Regulations, 2023.

Implication

This led to undertaking procurements without adequate budget provision and exposed the Entity to the risk of domestic arrears due to over commitment.

Management response

Management acknowledged the Authority's observation and promised to implement as recommended.

Recommendation

The Accounting Officer should strengthen budget–procurement alignment by:

1. Confirming funding availability based on realistic cost estimates supported by a market/Engineer's estimate and approved procurement plan; and
2. Revising and obtaining approval of the procurement plan (and budget reallocations where necessary) before initiating or awarding procurements whose scope/value materially changes.

2.5.2 Missing Records on the Procurement Action Files

Section 33 (0) of the PPDA Act, Cap. 205 provides that a Procuring and Disposing Entity shall maintain and archive records of the procurement and disposal process.

The Authority found that eight out of the 21 farmers contracted to Ferest Investments Limited for design, supply and installation of micro-scale irrigation systems, did not make complete payments of co-fund as indicated in Table 13 below:

Table 13: Farmers with full payment and outstanding balances of co-fund

No.	Farmer	Award Value (UGX)	Expected Co-fund (UGX)	Paid Co-Fund (UGX)	Outstanding Co-fund (UGX)
1.	Kitayimbwa Deogracious	33,760,000	8,440,000	7,500,000	940,000
2.	Kasagga Gonzagga	27,820,000	6,955,000	4,955,000	2,000,000
3.	Muwukya Lawrence	29,660,000	7,415,000	5,000,000	2,415,000
4.	Sekalema Muzamiru	33,610,000	8,402,500	6,402,500	2,000,000
5.	Batte James	28,215,000	7,053,750	5,553,750	1,500,000
6.	Kayemba Lawrence	31,507,000	7,876,750	0	7,876,750
7.	Namutebi Rosemary	28,960,000	7,240,000	0	7,240,000
8.	Kagimu Leonard	12,370,000	3,092,500	0	3,092,500
9.	Lubega John	27,350,000	6,837,500	6,837,500	0
10.	Kihembo Oliva	11,610,000	2,902,500	2,902,500	0
11.	Kansiime Hope	30,160,000	7,540,000	7,540,000	0
12.	Mulindwa Jude Muganga	34,910,000	8,727,500	8,727,500	0
13.	Ssempijja Uzairu	32,960,000	8,240,000	8,240,000	0
14.	Jjombwe Fred	25,975,000	6,493,750	6,493,750	0
15.	Musoke Joseph Kabanda	29,460,000	7,365,000	7,365,000	0
16.	Nantezza Rukia Nkunyingi	28,725,000	7,181,250	7,181,250	0
17.	Ssemanda Med Masimbi	32,960,000	8,240,000	8,240,000	0
18.	Yiga Muhammad	28,590,000	7,147,500	7,147,500	0
19.	Matovu Thadeo	28,960,000	7,240,000	7,240,000	0
20.	Ssenkungu Denis Kironde	29,535,000	7,383,750	7,383,750	0
21.	Nsamba Aloysious	25,950,000	6,487,500	6,487,500	0
	Total	**593,047,000**	**148,261,750**	**121,197,500**	**27,064,250**

The Authority further found that the following procurement and contract management records for design, supply and installation of micro-scale irrigation systems for 21 farmers that was awarded to Ferest Investments Limited, were missing from the procurement action file for the farmers in Table 13 above:

i) Technical supervision reports;
ii) Payment certificates;
iii) Contract for Nsamba Aloysious
iv) Contract Management Plans (Form 49); and

v) Program for the works in accordance with GCC 36.1 of the signed contract which requires the contractor to submit the program for the works within seven days of contract signature with UGX 200,000 not withheld for late submission of an updated program contrary to GCC 36.3.

Implication

This undermined transparency, accountability and effective contract oversight, since the Entity could not demonstrate that payments were properly certified and supported, or that beneficiary co-funding was received. The absence of Contract Management Plans (Form 49), supervision reports and some contracts also increased the risk of unsupported expenditure, incomplete or substandard installations, disputes and weak value for money. It further limited traceability of what was delivered to specific farmers.

Management Response

Management noted the Authority's observation and explained that records in respect to design, supply and installation of micro scale irrigation systems for 21 farmers that were awarded to Ferest investments LTD were on file.

Authority's comment: The Authority noted management's response; however, the aforementioned records for the 21 farmers in Table 13 above, were not submitted for verification.

Recommendations

The Accounting Officer should direct the Contract Managers, Head PDU and Finance to regularise and strengthen contract documentation for the micro-scale irrigation programme by:

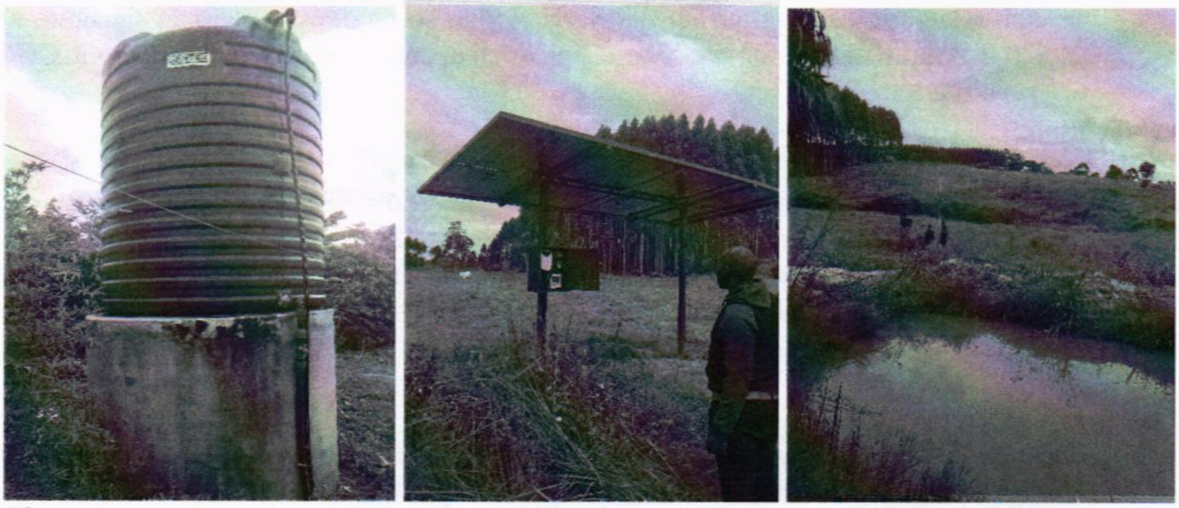
i) Availing and filing complete payment documentation (payment certificates and any other supporting records) ;
ii) Maintaining verified evidence of co-funding for each of the eight farmers (receipts, bank/payment records, and beneficiary register); and
iii) Preparing and filing Contract Management Plans (Form 49) for each contract and ensuring they guide supervision and reporting.

2.5.3 Incomplete Microscale Irrigation Project at Kayemba Lawrence's Farm

Regulation 52 (1) (a) of the PPDA (Contracts) regulations, 2023 provides that; a Contract Manager shall make certain that the provider performs the contract in accordance with the terms and conditions specified in the contract.

During the verification exercise, the Authority found that the irrigation system at Kayemba Lawrence's Farm was operational; however, the contractor had not installed a signpost. The status of Kayemba Lawrence's farm is as shown in Figures 4 below:

Figure 4: Solar powered drag hose irrigation system installed at Kayemba Lawrence's farm



There was no sign post erected at Kayemba Lawrence's Farm as at 21st April 2026

Implication

This undermined accountability and effective contract management, since the beneficiary could not be conclusively identified in the records, weakening traceability and verification of the installation and associated payments. The absence of a signpost reduced transparency and public monitoring, while defective hydrants without repair or replacement indicate weak enforcement of warranty/defects obligations, risking service disruption and reduced value for money.

Management response

Management acknowledged the Authority's observation and promised to install the sign posts and provide evidence of implementation.

Recommendations

The Contract Manager should enforce contract completion by requiring the contractor to install the required signpost and to provide evidence of implementation (inspection report and photos). Where the contractor fails to comply, the Entity should apply the applicable contractual remedies, including withholding payments and/or other sanctions.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

3.1 Overall Inspection Conclusion

The performance of Bukomansimbi District Local Government for the Financial Year 2024/2025 was Moderately Satisfactory with an overall weighted average risk rating of **53.47%.**

3.2 Entity's risk assessment

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 14 below:

Table 14: Risk Computation

Risk Category	No.	No.%	Value (UGX)	Value %	Weights	Total Weighted Average	
						By No.	By Value
High	1	10.00	50,400,000	3.89	0.6	6.00	2.33
Medium	9	90.00	1,244,817,552	96.11	0.3	27.00	28.83
Low	0	-	0	-	0.1	0.00	-
Satisfactory	0	-	0	-	0	0.00	-
Total	**10**	**100**	**1,295,217,552**	**100**	**1**	**33.00**	**31.17**

Weighted Average (By No.) = $\frac{\sum \text{Weighted Score} \times 100}{60} = \frac{33.00 \times 100}{60} = 55.00\%$

Weighted Average (By Value) = $\frac{\sum \text{Weighted Score} \times 100}{60} = \frac{31.17 \times 100}{60} = 51.95\%$

Combined Weighted Average = $\frac{55.00+51.95}{2} = 53.47\%$

Since **53.47%** falls within the **31-70** risk range, the performance of the Entity is rated **Moderately Satisfactory** as detailed in Table 15 below:

Table 15: Risk rating Table

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

Figure 5: Graphical Representation of the Entity's Risk Assessment by Number

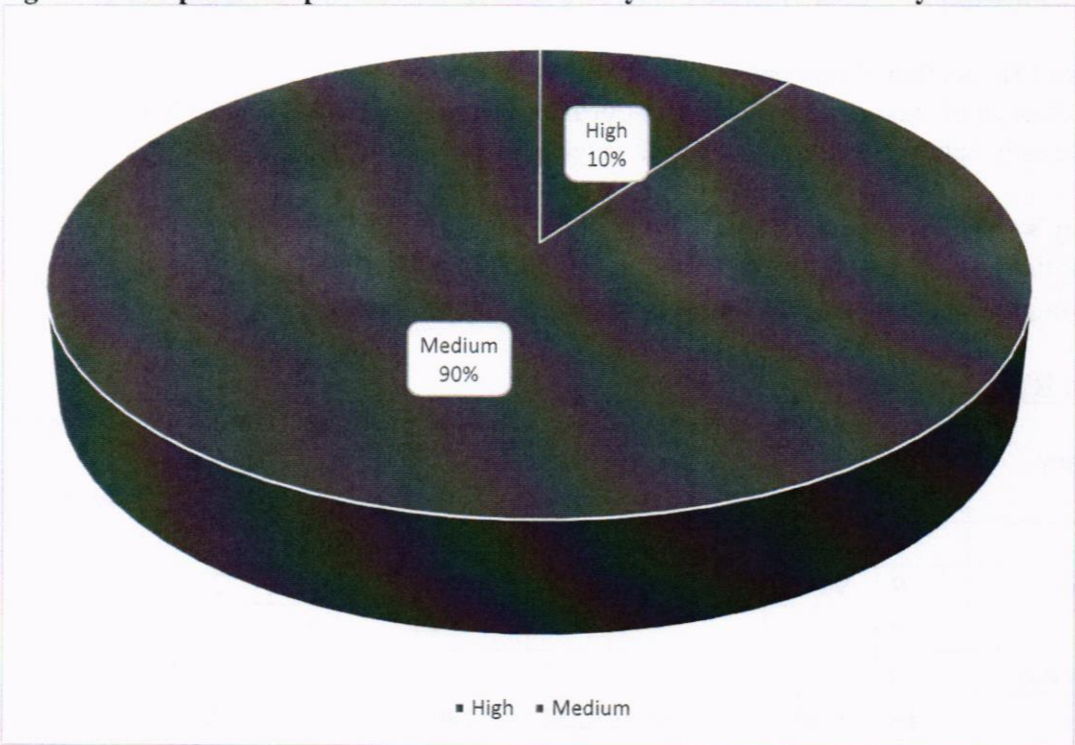
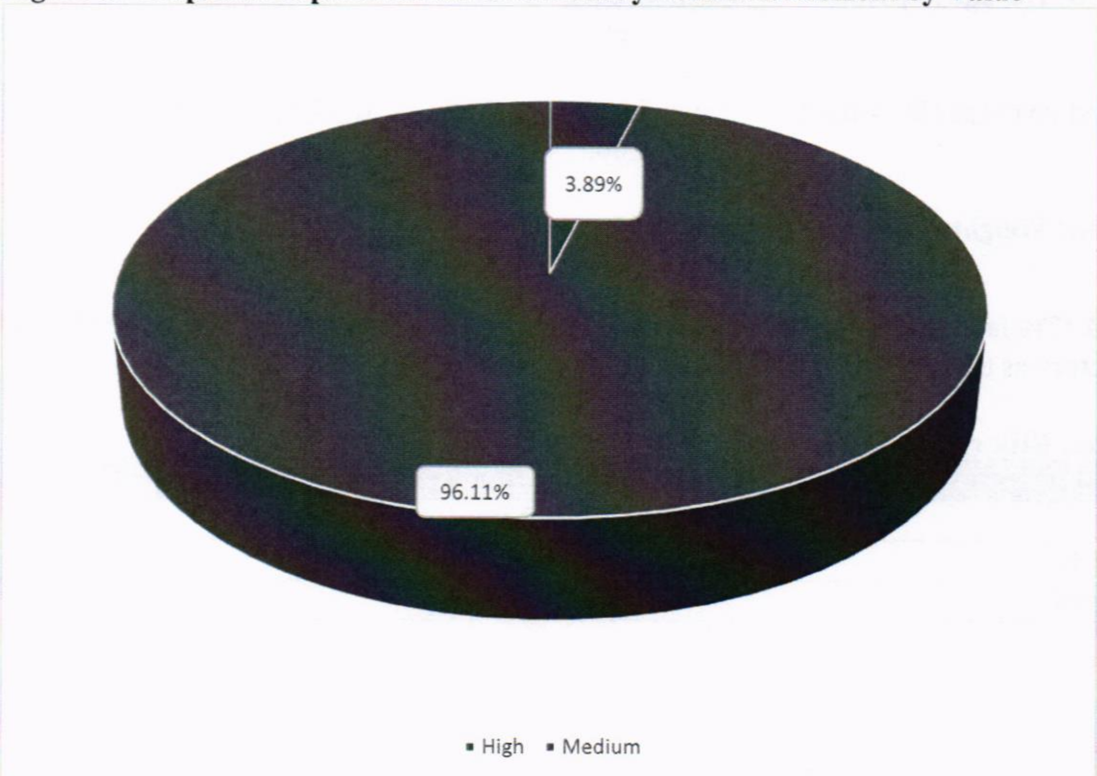


Figure 6: Graphical Representation of the Entity's Risk Assessment by Value



3.3 Inspection Opinion/Conclusion

The Procurement and Disposal activities of Bukomansimbi District Local Government for the Financial Year 2024/2025 were generally conducted in compliance with the provisions of the PPDA Act, Cap. 205, the PPDA Regulations, 2023, PPDA Regulations, 2014 on Force Account Mechanism, and PPDA Guidelines, 2024. The Entity maintained the required procurement and disposal structures, and with the disposal activities yet to be conducted as recommended in the board of survey report.

However, the inspection identified several control and performance weaknesses that require management attention. These include failure to fully implement previous audit recommendations; delays in the procurement process; initiation of procurement without an approved budget; failure to conduct detailed evaluation; failure to dispose of obsolete assets; failure to maintain key procurement, Force Account and contract management records; and failure to monitor contractors' compliance with environmental, social, health and safety safeguards.

While these weaknesses did not materially undermine the overall integrity of the procurement system, they indicate deficiencies in procurement planning, contract management, disposal process and monitoring mechanisms that may adversely affect service delivery, value for money, supplier confidence and achievement of Government policy objectives if not addressed.

Accordingly, the performance of Bukomansimbi District Local Government for the FY 2024/2025 is assessed as **Moderately Satisfactory**, with an overall weighted average risk of **53.47%**, but requiring targeted management interventions to strengthen procurement efficiency, contract management and compliance with statutory and regulatory requirements.

3.4 Recommended Action Plan

Bukomansimbi District Local Government should implement the following recommendations in Table 16 below within the timeframe given in order to improve its performance in Procurement and Disposal.

Table 16: Action Plan

Finding	**Recommendation**	**Responsible Officer**	**Timeline**
Failure to fully implement 62.50% of the previous recommendations	Internal Auditor to follow up and ensure full implementation of the Authority's recommendations in accordance with Section 10 (1) (a) of the PPDA Act, Cap. 205; and take immediate corrective action to close the outstanding recommendations by preparing a time-bound implementation action plan, assign each action to a named responsible officer with clear deadlines and conducting quarterly management reviews of progress until full implementation is achieved.	Accounting Officer/ Internal Auditor	Quarterly
Delays in procurement process	Initiate procurements early for procurement items provided for in the approved budget for the financial year or are part of the approved supplementary funding, and issue Purchase Order or letter of acceptance when funds are received, in order to expedite service delivery in accordance with Circular on Initiation of Procurements dated 8th October 2010.	Accounting Officer/ User Departments	Continuous
Delays in procurement process	Task the Head, Procurement and Disposal Unit to prepare and submit monthly reports of the status on implementation of the procurement plan for monitoring laxity and improve on efficiency in the execution of the plan in accordance with Section 51 of the PPDA Act, Cap. 205.	Accounting Officer/ Head, PDU	Monthly
Irregular utilisation of committed funds	Not initiate procurement for which funds are not available or adequate in the budget of the Entity except where payments are to be effected under subsequent financial years or the Secretary to the Treasury confirms in writing that the required funding shall be available in accordance with Regulation 4 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.	Accounting Officer/ User Departments	Continuous

Finding	Recommendation	Responsible Officer	Timeline
Failure to dispose obsolete assets	Determine the reserve price of the assets to be disposed of by obtaining a valuation in accordance with Regulation 24 of the PPDA (Disposal of Public Assets) Regulations, 2023) and submit prepare a disposal plan in accordance with Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023.	Accounting Officer	October 2026
Failure to Maintain Contract Management Records	Direct the Contract Managers, Head PDU and Finance to regularise and strengthen contract documentation for the micro-scale irrigation programme by availing and filing complete payment documentation for all contractors; and maintaining verified evidence of co-funding for each farmer.	Accounting Officer	Continuous
Missing records on planned roads executed using Force Account Mechanism	Regularise and strengthen Force Account documentation and oversight by establishing and maintaining a complete Force Account file for each road work activity executed under the mechanism, including approvals, work plans, costing, material requisitions/issues, supervision records, and completion evidence; and preparing and filing comprehensive periodic progress/status reports with pictorial evidence.	Accounting Officer/ District Engineer	Continuous
Non-adherence to the Environmental, Social, Health and Safety Safeguards	Recover from the contractors, or obtain a refund of amounts worth UGX 4,148,017 paid for ESHS requirements where the required ESHS activities were not implemented in accordance with the contract and the Bill of Quantities, and retain evidence of recovery/refund on the contract file.	Accounting Officer	September 2026
Failure to Maintain Contract Management Records	Keep all documentation relating to a procurement on the procurement action file in accordance with Section 33 (o) of the PPDA Act, Cap. 205	The Head, Procurement and Disposal Unit	Continuous
Failure to conduct detailed technical evaluation	Conduct a detailed technical evaluation of bids in line with the criteria stated in the bidding document and in accordance with Regulation 15 of the PPDA (Evaluation) Regulations, 2023	Evaluation Committees	Continuous
Failure to Maintain Contract	Keep and archive all contract management records and distribute copies to key stakeholders including the PDU as required	Contract Managers	Continuous

Finding	Recommendation	Responsible Officer	Timeline
Management Records	under Regulation 52 (3) (a) (vii) of the PPDA (Contracts) Regulations, 2023.		
Failure to Maintain Contract Management Records	Always task contractors to submit work programs as per the terms and conditions of the contract before contract execution in accordance with Regulation 52 (3) (ii) of the PPDA (Contracts) Regulations, 2023.	Contract Managers	Continuous
Failure to Maintain Contract Management Records	Prepare Contract Management Plans using Form 49 and forward a copy to the Procurement and Disposal Unit for purposes of monitoring in accordance with Regulation 50 (3) of the PPDA (Contracts) Regulations, 2023.	Contract Managers	Immediately after contract signing
Non-adherence to the Environmental, Social, Health and Safety Safeguards	Always task the contractors to meet their contractual obligations as stipulated in the contracts including the contractor's adherence to environmental, health and social safeguard measures and its compliance in accordance with Regulation 52 of the PPDA (Contracts) regulations, 2023.	Contract Managers	Continuous

APPENDIX 1: CASE BY CASE ANALYSIS

No.	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
1.	**Subject:** Supply and delivery of 210 three-seater desks **Ref:** Buko818/supls/24-25/00007 **Actual:** UGX 50,400,000 **Method:** Framework contract **Provider**: Smurfcat Uganda Ltd	• Diversion of committed funds • No Contracts Committee minutes on approval of procurement method with justification and the Evaluation Committee; • No approved shortlist of bidders • The evaluation report not dated but signed by Mr. Bashir Kawooya, Mr. Eric Luweesi and Ms. Juliet Nanjobe; • No Contracts Committee minutes for the contract award • Low bidder participation • Missing record: - Shortlist and the corresponding Contracts - Contract Manager appointment - Specifications with drawings - The distribution list with the corresponding schools - Delivery note - Verification report - Contract Management Plan (Form 49)
No.	**MEDIUM RISK CONTRACTS**	**REASONS FOR MEDIUM RISK**
1.	**Subject:** Sitting, drilling and pump testing of two production boreholes at Lukenke village Kibinge S/C and Kikuuta village Kitanda S/C **Ref:** Buko818/wrks/2024-25/00006 **Actual:** UGX 69,974,000 **Method:** RFQ **Provider**: East Africa Boreholes Ltd	• Delay to initiate procurements; place an invitation to bid under quotation method and contract signing • Failure to conduct detailed technical evaluation • Low bidder participation • Missing record: - Completion certificates - Progress reports with pictorial evidence on progress/status - Completion reports with photos from the contractor as provided for in the BOQs - Records on quality control and material testing with a provision of UGX 200,000 in the BOQs - Contract Management Plan (Form 49) - The best evaluated bidder's Bid • No detailed reports with pictorial evidence were availed to confirm implementation of the environmental concerns and mitigation measures, despite a provision of UGX 160,017 for these activities in the contractor's Bill of Quantities • Poor management of production borewell
2.	**Subject:** Procurement and supply of bicycles for VHTS	• Delay to initiate procurements; place an invitation to bid under quotation method and contract signing

	Ref: Buko818/supls/24-25/00007 **Actual:** UGX 186,956,250 **Method:** RFQ **Provider**: Smurfcat Uganda Ltd	• Low bidder participation • Missing record: - Appointment of Contract Manager - Contract Management Plan (Form 49)
3.	**Subject:** Procurement and supply of water quality and testing kit **Ref:** Buko818/supls/2024-25/00001 **Actual:** UGX 31,900,000 **Method:** RFQ **Provider**: Smurfcat Uganda Ltd	• Delay to initiate procurements; place an invitation to bid under quotation method and contract signing • Low bidder participation • Missing record: - No copy of bid invitation under RFQ - Contract Management Plan (Form 49)
4.	**Subject:** Rehabilitation of a two classroom at Butenga Moslem P/S **Ref:** Buko818/wrks/24-25/00018 **Actual:** UGX 105,893,908 **Method:** RFQ **Provider**: Karobs Enterprises Ltd	• Delay to initiate procurements; place an invitation to bid under quotation method and contract signing • Excessive requirements for equipment, i.e., Concrete mixer, Concrete vibrator and Jumper compactor • Failure to conduct detailed technical evaluation • Low bidder participation • Missing record: - Progress reports - Contract Management Plan (Form 49) • No detailed reports with pictorial evidence were availed to confirm implementation of the environmental mitigation, despite a provision of UGX 1,288,000 for these activities in the contractor's Bill of Quantities
5.	**Subject:** Construction of a 5- stance pit latrine at Ggingo P/S and Bigasa RC P/S **Ref:** Buko818/wrks/24-25/00021 **Actual:** UGX 63,493,000 **Method:** RFQ **Provider**: Allied Axis (U) Ltd	• Delay to initiate procurements; place an invitation to bid under quotation method and contract signing • Excessive requirements for equipment, i.e., Concrete mixer, Concrete vibrator and Jumper compactor • Failure to conduct detailed technical evaluation • Low bidder participation • Progress reports • No detailed reports with pictorial evidence were availed to confirm implementation of the environmental mitigation, despite a provision of UGX 600,000 for these activities in the contractor's Bill of Quantities

6.	**Subject:** Design, supply and installation of micro irrigation system **Ref:** Buko818/supls/2024-25/00015 **Actual:** UGX 593,047,000 **Method:** RFQ **Provider**: Ferest Investments Limited	• Low bidder participation • Missing records: - Technical supervision reports - Payment certificates - Contract for Nsamba Aloysious - Full records of co-fund payment - Contract Management Plan/plans (Form 49) - Program for the works in accordance with GCC 36.1 of the signed contract which requires the contractor to submit the program for the works within seven days of contract signature with UGX 200,000 not withheld for late submission of an updated program contrary to GCC 36.3 - Failure to install a sign post
7.	**Subject:** Construction of staff houses at Bigasa Health Center II (Phase I) **Ref:** Buko818/wrks/24-25/00003 **Actual:** UGX 52,441,088 **Method:** RFQ **Provider**: Hudan Engineering Works Ltd	• Delay to initiate procurements; place an invitation to bid under quotation method and contract signing • Failure to conduct detailed technical evaluation • Missing records i.e., Payment vouchers and Works programs submitted by contractor as required under GCC 27 of the signed contract • No detailed reports with pictorial evidence were availed to confirm implementation of the environmental and social mitigation, despite a provision of UGX 200,000 for this activity in the contractor's Bill of Quantities
8.	**Subject:** Renovation of a Classroom block at Butenga COU P/S **Ref:** Buko818/wrks/24-25/00019 **Actual:** UGX 78,999,466 **Method:** RFQ **Provider**: R.B Mubiru Services	• Delay to initiate procurements; place an invitation to bid under quotation method and contract signing • Failure to conduct detailed technical evaluation • Missing records i.e., Payment vouchers and Works programs submitted by contractor as required under GCC 27 of the signed contract • No detailed reports with pictorial evidence were availed to confirm implementation of the environment and social mitigation measures, despite a provision of UGX 700,000 for these activities in the contractor's Bill of Quantities
9.	**Subject:** Construction of a 5- stance pit latrine at Buligita P/S and St Patrick Buyoga P/S **Ref:** Buko818/wrks/24-25/00024 **Actual:** UGX 62,112,840 **Method:** RFQ **Provider**: R.B Mubiru Services	• Excessive requirements for equipment, i.e., Concrete mixer, Concrete vibrator and Jumper compactor • Missing records i.e., Progress reports and Payment vouchers • No detailed reports with pictorial evidence were availed to confirm implementation of the environmental mitigation, despite a provision of UGX 1,200,000 for these activities in the contractor's Bill of Quantities

APPENDIX 2: PROCUREMENT SAMPLE LIST FOR BUKOMANSIMBI DISTRICT LOCAL GOVERNMENT FOR THE FINANCIAL YEAR 2024/25

No.	Reference No.	Subject of procurement	Method of Procurement	Provider	Contract Value (UGX)	Risk Rating
1.	Buko818/wrks/24-25/00021	Construction of a 5- stance pit latrine at Ggingo P/S and Bigasa RC P/S	RFQ	Allied Axis (U) Ltd	63,493,000	Medium
2.	Buko818/wrks/2024-25/00006	Sitting, drilling and pump testing of two production boreholes at Lukenke village Kibinge S/C and Kikuuta village Kitanda S/C	RFQ	East Africa Boreholes Ltd	69,974,000	Medium
3.	Buko818/supls/2024-25/00001	Procurement and supply of water quality and testing kit	RFQ	Smurfcat Uganda Ltd	31,900,000	Medium
4.	Buko818/wrks/24-25/00018	Rehabilitation of a two classroom at Butenga Moslem P/S	RFQ	Karobs Enterprises Ltd	105,893,908	Medium
5.	Buko818/supls/24-25/00007	Procurement and supply of bicycles for VHTS	RFQ	Smurfcat Uganda Ltd	186,956,250	Medium
6.	Buko818/supls/24-25/00007	Supply and delivery of 210 three-seater desks	Framework contract	Smurfcat Uganda Ltd	50,400,000	High
7.	Buko818/supls/2024-25/00015	Design, supply and installation of micro irrigation system	RFQ	Ferest Investments Limited	593,047,000	Medium
8.	Buko818/wrks/24-25/00003	Construction of staff houses at Bigasa Health Center II (Phase I)	RFQ	Hudan Engineering Works Ltd	52,441,088	Medium
9.	Buko818/wrks/24-25/00019	Renovation of a Classroom block at Butenga COU P/S	RFQ	R.B Mubiru Services	78,999,466	Medium
10.	Buko818/wrks/24-25/00024	Construction of a 5- stance pit latrine at Buligita P/S and St Patrick Buyoga P/S	RFQ	R.B Mubiru Services	62,112,840	Medium
Total					**1,295,217,552**	

APPENDIX 3: 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 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	**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	This implies lack of efficiency, standardisation and avoiding competition.

RISK	DESCRIPTION	AREA	IMPLICATION
	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.	records of issue and receipts of bids, usage of non-pre-qualified firms and splitting procurement requirements.	
		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 obtained in a procurement process.
		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	**Planning:** Lack of procurement reference numbers.	This leads to failure to track the procurements which leads to poor record keeping.
		Bidding Process: Not signing the Ethical Code of Conduct	This leads to failure to declare conflict of interest and lack of transparency.

RISK	DESCRIPTION	AREA	IMPLICATION
	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.		

SATISFACTORY
Relates to following laid down procurement procedures and guidelines and no significant deviation is identified during the conduct of the procurement process based on the records available at the time.