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

REPORT ON THE COMPLIANCE INSPECTION OF KITGUM DISTRICT LOCAL GOVERNMENT FOR FINANCIAL YEAR 2024/2025

JUNE 2026

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ACRONYMS

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

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance inspection of Kitgum District Local Government for the financial year 2024/2025 and reviewed ten procurement and disposal transactions.

The overall objective of the compliance inspection was to assess and establish the degree of compliance of the Entity's procurement system and processes with the provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023, PPDA Guidelines, 2024 and the level of procurement performance over the inspection period.

From the findings of the compliance inspection, the performance of Kitgum District Local Government for FY 2024/2025 was **satisfactory** with an overall weighted average risk rating of **26.8%**. The risk rating was weighted to determine the overall risk level of the Entity as detailed in Chapter 3 of the report.

Despite the satisfactory performance, the following key exceptions were noted during the inspection:

1. Out of the 14 audit recommendations issued by the Authority in the FY 2023/2024 report, the Entity implemented only five (35.7%), leaving nine (64.3%) outstanding, contrary to Section 10 (1) (a) of the PPDA Act, Cap. 205. As a result, the unresolved gaps continue to compromise the efficiency, transparency and internal controls of the Entity's procurement function, leaving it vulnerable to persistent operational lapses.

2. Nine procurements worth UGX. 2,449,884,299, were executed outside the procurement plan for the financial year 2024/2025, contrary to Section 60 (10) of the PPDA Act, Cap. 205. This compromised budget management and exposed the Entity to the risk of funding shortfalls and accumulation of domestic arrears.

3. The Entity experienced an average delay of 110 working days in the execution of four procurements worth UGX. 598,074,579, contrary to Section 51 of the PPDA Act, Cap. 205. This prolonged the lead times in the procurement processes thereby hindering efficient service delivery.

4. Irregular and inadequate requirements in the bidding documents of four procurements worth UGX. 588,826,914, which included a demand for proof of VAT registration and a failure to specify the required tax period for the Income Tax Clearance Certificate, contrary to Regulation 42 (b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. Inappropriate bidding requirements mislead potential bidders into preparing non-responsive bids which affects competition.

5. Non-disposal of 80 obsolete assets because the Entity's FY 2024/2025 disposal plan captured only 24 of the 104 obsolete items recommended for disposal by the FY 2023/2024 Board of Survey report. This was contrary to Regulation 2 (l) of the PPDA (Disposal of Public Assets) Regulations, 2023, resulting in continuous asset depreciation and an increased risk of loss or vandalism.

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

1. The Accounting Officer should:
   i) Strengthen the mechanism of implementing the Authority's recommendations so as to improve the Entity's performance in accordance with Section 10 (1) (a) of the PPDA Act, Cap. 205. This should include appointment of a Task Force to oversee the timely implementation of all the Authority's recommendations.
   ii) Not authorize procurements outside the Entity's approved procurement plan, except in emergency situations, in accordance with Section 60 (10) of the PPDA Act, Cap. 205.
   iii) Establish a structured, cross-departmental framework to align procurement planning with actual execution. Specifically, the framework should:
      a) Deploy a monthly procurement tracker dashboard to monitor progress;
      b) Enforce strict internal "cut-off" deadlines for User Departments to initiate planned procurements; and
      c) Amend the procurement plan whenever necessary in accordance with Section 60 (7) of the PPDA Act, Cap. 205.
   iv) Conduct procurement processes efficiently and economically to maximize value for money in accordance with Section 51 of the PPDA Act, Cap. 205.
   v) Task the Head, Procurement and Disposal Unit to prepare a comprehensive disposal plan that includes the remaining 80 obsolete items identified in the FY 2023/2024 Board of Survey report and expedite the disposal process in accordance with Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023.
   vi) Establish an asset disposal tracking mechanism whereby a formal reconciliation procedure requires the PDU to map the annual Board of Survey report directly against the draft disposal plan before it is finalized and approved by the Contracts Committee.

2. The Head, Procurement and Disposal Unit should set evaluation criteria that is appropriate and suited to the objectives of the procurement in accordance with Regulation 42 (b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

3. The Contracts Committee should quality assure bidding documents, specifically verifying that the evaluation criteria are complete and accurate in compliance with Regulation 42 (b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

Kitgum District Local Government should implement the recommended action plan on pages **26 - 27** of this report.

1.0 CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance inspection of Kitgum District Local Government for the financial year 2024/2025 and reviewed ten sampled procurement and disposal 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, PPDA Regulations, 2023 and PPDA Guidelines, 2024.

1.2 Compliance 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, PPDA Regulations, 2023, PPDA Guidelines, 2024 and the level of procurement performance over the inspection period.

The specific objectives of the compliance inspection were to:

1. Establish the level of compliance by the Procuring and Disposing Entity with the general provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023 and PPDA Guidelines 2024;
2. Assess the degree of compliance with the PPDA Act, Cap. 205 and PPDA Regulations, 2023 in the conduct of disposal activities; and
3. Assess the level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) requirements where applicable.

1.3 Structure of the Entity

Kitgum District Local Government is the administrative authority governing Kitgum district, located in the Acholi sub-region of Northern Uganda. The district operates under Uganda's decentralization system and manages public services, local economic development, and infrastructure for its population.

According to Section 28 of the PPDA Act, Cap. 205, the Accounting Officer has the overall responsibility for the successful execution of procurement and disposal processes in a Procuring and Disposing Entity. The Accounting Officer of Kitgum District Local Government during the financial year under review was Mr. Abubakar Habib, 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 Membership

No	Name	Job Title	Position	Appointment Date
1.	Mr. Alfred Omony	District Fisheries Officer	Chairperson	15th May 2025
2.	Mr. Denish Ocia	Principal Agricultural Officer	Secretary	15th May 2025
3.	Ms. Stella Apu	Principal Human Resource Officer	Member	30th April 2024
4.	Mr. Fred Owot	Senior Education Officer	Member	30th April 2024

No	Name	Job Title	Position	Appointment Date
5.	Ms. Beatrice Lanyero Tokwiny	Community Development Officer	Member	15th May 2025

According to Section 33 (a) 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 during the financial year under review was headed by Ms. Susan Catherine Apio.

1.4 Compliance inspection scope

The inspection involved a review of the procurement process, disposal process, general compliance issues and contract implementation of ten transactions under financial year 2024/25 (***Appendix 1***).

1.5 Methodology

On 6th March 2026, the Entity was notified about the compliance inspection exercise. A sample of ten procurement transactions conducted in the financial year 2024/2025 was selected based on stratified random sampling. An entry launch meeting was held on 16th March 2026 between the PPDA team and the Entity's officials.

Two officers conducted the exercise under the supervision of the Regional Manager, Northern Region. During the exercise, the team examined records and documents of the sampled procurement transactions. This involved a review of the Entity's procurement/disposal planning, initiation, bidding, evaluation, contract placement and management.

On completion of file review, the team met with various stakeholders to discuss and obtain clarifications on some of the preliminary findings. A debrief meeting was held on 18th March 2026 between the team and the Entity's officials. A management letter was issued to the Entity for management's response on 19th May 2026 and the Entity's responses to the issues raised were received on 4th June 2026.

On completion of data collection and before writing the report, the Regional Manager reviewed the working papers for completeness. The working papers contained a detailed chronology of findings on each of the sampled transactions. The report presents the key findings and conclusions arising from the compliance inspection.

2.0 CHAPTER TWO: FINDINGS AND RECOMMENDATIONS

2.1 Compliance by the Procuring and Disposing Entity with the general provisions of the PPDA Act, Cap. 205, PPDA Regulations, 2023 and PPDA Guidelines 2024

2.1.1 Procurement planning and implementation analysis

A review of the Entity's procurement plan and monthly reports for FY 2024/2025 revealed the following findings:

i) Deviation from the procurement plan by 10%

Section 60 (2) of the PPDA Act, Cap. 205 requires a Procuring and Disposing Entity to plan its procurement and disposal in a rational manner, and Section 60 (7) of the PPDA Act, Cap. 205 permits the Entity to review and update its procurement plan on a quarterly basis and in any other case, wherever necessary. The Authority found that the Entity's procurement plan implementation rate for financial 2024/2025 stood at 110%, reflecting a negative implementation variance of UGX. 528,730,992. This occurred because of weak procurement planning and ineffective monitoring controls within the Entity. Table 2 below summarises the procurement plan implementation rate:

Table 2: Procurement plan implementation rate

Description	Amount (UGX)
Total procurement plan value inclusive of VAT (UGX)	5,057,981,410
Total procurement spend value inclusive of VAT (UGX)	5,586,712,402
Procurement plan implementation rate (%)	110
Implementation variance (UGX)	(528,730,992)

The Authority further noted that three procurements, valued at UGX. 15,677,384, were not implemented, which affected the performance of the procurement plan, as detailed in Table 3 below.

Table 3: Planned procurements that were not implemented

No.	Subject of procurement	Estimated Amount (UGX)
1.	Opening of 8km Community Access Road (CAR) from Sub-County Headquarter via Bajere, Rosil-Longor HC III in Omiya Pacwa.	11,993,563
2.	Land tilting.	3,000,000
3.	Computer desks maintenance.	683,821
TOTAL		**15,677,384**

Implication

Exceeding the approved budget results in domestic arrears, while failure to fully execute planned procurements indicates weaknesses in planning, inadequate needs assessment, and limited absorption capacity or funding gaps in meeting budget targets.

<u>Management Response</u>

It is true the above projects were not implemented because the User Departments submitted their departmental plans, but never initiated the procurements.

Authority's comment

While Management provided a factual reason for why the procurements did not happen, a procurement plan is a commitment to execute in order to deliver service. If the User Departments failed to submit requisitions (PP Form 5), it was the responsibility of Procurement and Disposal Unit to follow up, issue reminders and track progress. Letting the procurements lapse simply because the requisition forms were not submitted showed a significant failure in internal coordination, oversight, and proactive management.

Recommendations

The Accounting Officer should establish a structured, cross-departmental framework to align procurement planning with actual execution. Specifically, the framework should:

1. Deploy a monthly procurement tracker dashboard to monitor progress;
2. Enforce strict internal "cut-off" deadlines for User Departments to initiate planned procurements; and
3. Mandate formal amendments whenever changes are made to the procurement plan in accordance with Section 60 (7) of the PPDA Act, Cap. 205.

ii) Conducting procurements outside the approved procurement plan

Section 60 (10) of the PPDA Act, Cap. 205 mandates the Entity to carry out only those procurements within the approved procurement plan, except in emergency situations. The Authority found that nine procurements, worth UGX. 2,449,884,299, were executed outside the procurement plan for the financial year 2024/2025. This was due to weak procurement planning, inadequate monitoring of procurement activities and failure to align procurement execution with the approved procurement plan, as detailed in Table 4 below:

Table 4: Procurements executed outside the approved procurement plan

No.	Subject of Procurement	Method of Procurement	Contract Award Date	Contract Amount (UGX)
1.	Rehabilitation of 26.9KM Community Access Roads in Namokora North Sub-County, Kitgum District.	Open domestic bidding	16th December 2024	2,199,514,826
2.	Supply of live fish fingerlings, seine net and fish feeds.	Request for Quotation	17th December 2024	4,992,000
3.	Supply of KTB beehives and other bee equipment.	Request for Quotation	17th December 2024	11,364,500
4.	Hire of workshop garage at Kitgum General Hospital.	Open domestic bidding	11th October 2024	300,000
5.	Supply and delivery of science equipment for Labongo Seed Secondary School.	Open domestic bidding	5th March 2025	50,744,653
6.	Supply and delivery of ICT equipment to Layamo Seed Secondary School.	Open domestic bidding	5th March 2025	158,988,320
7.	Cleaning of wards, toilets and offices at Kitgum General Hospital.	Open domestic bidding	11th October 2024	3,500,000
8.	Provision of meals and refreshment.	Open bidding	11th October 2024	20,480,000

No.	Subject of Procurement	Method of Procurement	Contract Award Date	Contract Amount (UGX)
9.	Supply of reinforced concrete culverts.	Open domestic bidding	11th October 2024	At unit price
TOTAL				2,449,884,299

Implication
Executing procurements outside the approved procurement plan compromised budget management and exposed the Entity to the risk of funding shortfalls and the accumulation of domestic arrears.

Management Response
It is true the above procurements were not captured in the updated procurement plan.

Authority's comment
While Management acknowledged executing procurements worth UGX. 2.45 billion outside the approved procurement plan, it failed to provide any justification, emergency context, or corrective action for the anomaly. This unauthorized expenditure constituted non-compliance with Section 60 (10) of the PPDA Act, Cap. 205, signaling financial indiscipline and a severe breakdown of internal controls.

Recommendations
1. The Accounting Officer should only authorize procurements within the Entity's approved procurement plan, except in emergency situations, in accordance with Section 60 (10) of the PPDA Act, Cap. 205.
2. User Departments should undertake periodic reviews and updates of their procurement plans, preferably on a quarterly basis or as needed, and forward the revised plans to the Head, Procurement and Disposal Unit for consolidation and the Contracts Committee's approval before any changes are effected, in accordance with Section 60 (7) of the PPDA Act, Cap. 205.
3. The Contracts Committee should ascertain that, prior to approval, every procurement is duly captured in the Entity's approved procurement plan, in accordance with Section 30 (d) of the PPDA Act, Cap. 205.

2.1.2 Failure to implement 64.7% of the Authority's previous audit recommendations

Under Section 10 (1) (a) of the PPDA Act, Cap. 205, the Authority may direct the concerned Entity to take corrective measures necessary to address any breach of the Act, Regulations or Guidelines. In the financial year 2023/2024 report, the Authority issued 14 audit recommendations; however, the Entity implemented only five (35.7%) and nine (64.3%) remained outstanding i.e., seven (50%) were partially implemented and two (14.3%) were not implemented. The Entity's failure to fully implement the Authority's recommendations was attributed to weak follow-ups and limited capacity to enforce compliance as detailed in the Table 5 below:

Table 5: Implementation of previous audit recommendation for FY 2023/2024

Responsible Officer	Recommended Action	Status
Accounting Officer	1. In accordance with Section 60 (10) of the PPDA Act, Cap. 205, desist from approving procurements outside the	Not Implemented

Responsible Officer	Recommended Action	Status
	procurement plan. In case new activities are identified and approved, then the procurement plan should be updated regularly in compliance with the requirements of Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023.	
	2. Task User Departments to nominate a member of staff for Accounting Officer's appointment as a Contract Manager to supervise projects implemented by the Entity, in accordance with Regulation 51 (1) and 50 (1) of the PPDA (Contracts) Regulations, 2023.	Partially implemented
	3. With the support of the Heads of User Department, ensure that the appointed Contract Managers prepare and submit contract management plans and progress reports to the Accounting Officer and a copy to the Procurement Unit as required by Regulations 50 (3) and 52 (2) of the PPDA (Contracts) Regulations, 2023.	Partially implemented
	4. Ensure that projects are completed within the contractual period, handed-over and completion certificates issued accordingly, as per Regulation 52 of the PPDA (Contracts) Regulations, 2023.	Partially implemented
	5. Task the stakeholders involved in the project implementation in the Entity to adhere to the environmental and social safeguard requirements from the start of a project, in order to achieve the objectives of Section 66 of the PPDA Act, Cap. 205.	Partially implemented
Contracts Committee	Follow the law in executing their role in the procurement process and desist from awarding contracts to bidders at costs higher than the budget and workplan, so as to protect the Entity from accumulating domestic arrears, as guided by Regulations 6 (1) (b & e); 7 (1) and 8 (1) of the PPDA (Contracts) Regulations, 2023.	Partially implemented
The Head, Procurement and Disposal Unit	1. Observe strict adherence to the requirements of the law and prepare bidding documents with clear specifications, evaluation requirements and guidance that encourages competitive bidding, in compliance with Regulation 42 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023, for the Entity to achieve its procurement objectives.	Partially implemented
	2. Take appropriate actions including review of the evaluation reports, to ensure that the Evaluation Committees: i. Adequately assess the documents provided by the bidders for compliance, as required in Regulations 18 (1-3) of the PPDA (Evaluation) Regulations, 2023 in order to protect the Entity from contracting unresponsive providers; and	Not implemented

Responsible Officer	Recommended Action	Status
	ii. Adhere to the evaluation criteria stated in the bidding documents issued to bidders during evaluation, in compliance with the requirements in Regulations 5 (1-2) of the PPDA (Evaluation) Regulations, 2023. This will ensure that the evaluation process selects capable and reliable providers in the Entity.	
	3. Prepare a disposal plan for the Entity annually and submit the approved plan to the Authority in accordance with Regulations 2 (1) of the PPDA (Disposal) Regulations, 2023 to aid the disposal process of unserviceable assets in the Entity and have in place complete procurement files in the Entity with all necessary records, as required in Section 44 of the PPDA Act, Cap.205 so as to achieve good procurement record keeping and management in the PDU.	Partially implemented

Implication
The unresolved gaps continue to compromise the efficiency, transparency and internal controls of the Entity's procurement function, leaving it vulnerable to persistent operational lapses.

Management Response
We acknowledge the observation made by the Authority. We pledge to implement the Authority's recommendations in the future.

Recommendation
The Accounting Officer should strengthen the mechanism of implementing the Authority's recommendations so as to improve the Entity's performance in accordance with Section 10 (1) (a) of the PPDA Act, Cap. 205. This should include appointment of a Task Force to oversee the timely implementation of all the Authority's recommendations.

2.1.3 Failure to include revenue sources in the Entity's consolidated procurement plan
Regulation 6 (a) of the PPDA (Procurement Planning) Regulations, 2023 requires a Procuring and Disposing Entity to include in its procurement plan the supplies, works, consultancy and non-consultancy services to be procured, along with their respective costs. The Authority found that the Head, Procurement and Disposal Unit did not include revenue collections in the Entity's procurement plan for the financial year 2024/2025. This was attributed to inadequate planning controls that led to the omission of revenue collection services from the consolidated procurement plan.

Implication
Inadequate planning exposed the Entity to the risk of failing to achieve its objectives, as expected funds from the above revenue source were omitted from the planning and budgeting process.

Management Response
We acknowledge the Authority's finding and pledge to include revenue sources in the Entity's consolidated procurement plan in future.

Recommendations

In accordance with Regulation 6 (a) of the PPDA (Procurement Planning) Regulations, 2023:

1. User Departments should in preparation of their annual work plans include expected locally raised revenues before submitting their plans to the Procurement and Disposal Unit to facilitate orderly execution of annual procurement activities.
2. The Head, Procurement and Disposal Unit should include revenue sources in the Entity's consolidated procurement plan annually.

2.1.4 Failure to report micro procurements

Regulation 15 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023 provides that: *"A Procuring and Disposing Entity shall for each month, using the format of Form 2 of the Schedule, submit to the Authority, by the fifteenth day of the following month, a report on the procurement activities undertaken by the Procuring and Disposing Entity in the month which shall include information on the providers who undertook the procurement".*

The Authority found that the Entity did not submit to the Authority the micro-procurements undertaken during the financial year 2024-2025. The non-compliance stemmed from the User Departments' failure to report micro-procurements executed to the Procurement and Disposal Unit, coupled with weak internal oversight by the PDU and Contracts Committee.

Implication

Failure to report to the Authority all procurements undertaken by the Entity contravened the principles of transparency and accountability in public procurement.

Management Response

We acknowledge the findings on failure to report the micro procurements. We pledge to act on the recommendations made by Authority.

Recommendation

The Head, Procurement and Disposal Unit should submit to the Authority monthly procurement and disposal reports and performance data of all procurement transactions including micro procurements undertaken by the Entity not later than the fifteenth day of the following month in accordance with Regulation 15 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023.

2.1.5 Delays in the procurement process

Section 51 of the PPDA Act, Cap. 205, provides that all procurement and disposal should be conducted in a manner which promotes economy, efficiency and value for money. The Authority noted an average delay of 110 working days at various stages of the procurement cycle of four procurements worth UGX. 598,074,579. These delays in the procurement cycle were due to inadequate monitoring of procurement timelines and weak internal controls as detailed in Table 6 below:

Table 6: Delays in the procurement process

No.	Subject of Procurement	Contract Amount (UGX)	Exceptions
1.	Construction of staff house at Lodumoyere Primary School.	95,934,472	**Delay by the Contracts Committee to approve the procurement**: The procurement was initiated on 11th March

No.	Subject of Procurement	Contract Amount (UGX)	Exceptions
			2024 and it was approved by the Contracts Committee on 29th November 2024 causing a delay of 181 working days.
2.	Spot improvement of Akilok-Locom 1.8 km road.	223,067,674	**Delay to initiate a procurement**: The planned date was 9th September 2024; however, the procurement was initiated on 6th January 2025 causing a delay of 81 working days.
3.	Drilling and construction of five boreholes.	134,856,300	This applies to cases Nos. 3-4: **Delay by the Contracts Committee to approve the bidding document and method of procurement**: Whereas the Accounting Officer confirmed funding on 2nd July 2024, the Contracts Committee approved the bidding document and method of procurement on 29th November 2024, causing a delay of 108 working days.
4.	Completion of pipe water at Okol.	144,216,133	
	Total	**598,074,579**	**Average delay - 110 working days**

Implication
Delays in procurement processes result into prolonged lead times in the procurement process thereby hindering efficient service delivery.

Management Response
We acknowledge the observation made by Authority, that there was a delay in the procurement process. However, we pledge to act on the recommendation of the Authority for improvement.

Recommendation
The Accounting Officer should task the Head, Procurement and Disposal Unit and Heads of User Departments to conduct all procurements in a manner which promotes economy, efficiency and value for money in accordance with Section 51 of the PPDA Act, Cap. 205.

2.1.6 Confirmation of funding without delegated authority from the Accounting Officer

Section 28 (1) (f) of the PPDA Act, Cap. 205, requires the Accounting Officer to certify the availability of funds to support the procurement or disposal activities.

The Authority found that the confirmation of funding in four procurements worth UGX. 761,564,025 was done by other Entity staff without evidence of authorized delegation by the Accounting Officer. This was due to the Accounting Officer's failure to document the delegated responsibility of certifying availability of funds as detailed in Table 7 below:

Table 7: Procurements where funds availability was confirmed by persons without delegated authority from the Accounting Officer

No.	Subject of Procurement	Contract Amount (UGX)	Findings
1.	Drilling and construction of five boreholes.	134,856,300	This applies to cases Nos. 1-3: The Deputy Chief Administrative Officer, Mr. Abubakar Habib confirmed funding and approved the procurement requirements without evidence of delegation by the Accounting Officer.
2.	Completion of pipe water at Okol.	144,216,133	
3.	Completion of renovation of Council Hall and modern gate construction at District Headquarters.	104,808,992	
4.	Low-cost sealing of Pawidi-Lagoro 0.5Km Road.	377,682,600	Mr. John Otto confirmed funding and approved the procurement of the requirement without evidence of delegation from the Accounting Officer.
	Total	**761,564,025**	

Implication
This amounted to usurping powers of the Accounting Officer as enshrined under Section 28 (1) (f) of the PPDA Act, Cap. 205.

Management Response
It is true that there were no formal delegation letters, however, these officers were at the station acting on behalf of the Accounting Officer during her absence. We take note of the recommendation of Authority in future procurements.

Recommendation
The Accounting Officer should in writing formally delegate the Officer that certifies the availability of funding for procurement or disposal activities on her behalf, in accordance with Regulation 16 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023.

2.1.7 Low bidder participation
Section 49 of the PPDA Act, Cap. 205 requires all procurement and disposal processes to be conducted in a manner that promotes competition and ensures value for money. The Authority found low bidder participation in four procurements worth UGX. 489,445,131, where the Entity recorded either one/two bidders per procurement process. This was attributed to the absence of records confirming that all shortlisted bidders were invited. Details of these procurements are provided in Table 8 below:

Table 8: Procurements with low bidder participation

No.	Subject of Procurement	Contract Amount (UGX)	No. of Invited bidders	No. of bids received
1.	Renovation of one block of 4-classrooms and office at Orom Primary School.	109,840,335	6	1

No.	Subject of Procurement	Contract Amount (UGX)	No. of Invited bidders	No. of bids received
2.	Renovation of one block of 5-classrooms at Okidi Primary School.	139,939,504	6	2
3.	Drilling and construction of five boreholes.	134,856,300	6	2
4.	Completion of renovation of Council Hall and modern gate construction at District Headquarters.	104,808,992	11	1
	Total	**489,445,131**	**29**	**6**
	Average	**N/A**	**7.25**	**1.5**

Implication

Low bidder participation encumbers competition thus failure to achieve value for money.

Management Response

It is true that there were incidences of low bidder participation. The recommendations of the Authority are taken note of. However, we intend to hold a sensitization workshop with service providers to find out some of their challenges.

Recommendations

1. The Accounting Officer should enforce a clear method of dispatch of bid invitations such as using official emails that provide proof of receipt by all invited bidders to ensure consistency in how all bidders are contacted; and
2. The Head, Procurement and Disposal Unit should develop shortlists of providers that are expected to participate and meet the eligibility requirements of the Entity in accordance with Regulation 53 (4) (c) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.1.8 Irregularities in bidding documents

According to Regulation 42 (a) and (b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 when preparing each bidding document, a Procuring and Disposing Entity must ascertain that the statement of requirements is defined precisely to eliminate bidder doubt or assumption, and that the evaluation criteria clearly outline all appropriate factors and their method of application. The Authority found irregularities in the bidding documents of four procurements worth UGX. 588,826,914. This was attributed to inadequate quality assurance and review procedures by the PDU during the preparation of bidding documents as detailed Table 9 below:

Table 9: Irregularities in the bidding documents

No	Subject of Procurement	Contract Amount (UGX)	Exceptions
1.	Renovation of one block of 4-classrooms and office at Orom Primary School.	109,840,335	This applies to cases Nos. 1-3: • Irregular requirement of proof of VAT registration: The Authority found that

No	Subject of Procurement	Contract Amount (UGX)	Exceptions
2.	Renovation of one block of 5-classrooms at Okidi Primary School.	139,939,504	Requirement No. 2 under documents evidencing eligibility in the bidding document, irregularly required bidders to submit proof of VAT registration. • Unclear evaluation criteria: The Authority found that Requirement No. 2 under documents evidencing eligibility in the bidding document, required bidders to submit a tax clearance certificate without specifying the required tax period. • The Authority found that the bidding document did not provide for a Performance Securing Declaration. **Management Response** *We acknowledge the findings for future improvement.*
3.	Construction of one block of 2-classrooms at Odunglee Primary School.	115,979,401	
4.	Spot improvement of Akilok-Locom 1.8 km road.	223,067,674	• Irregular requirement of proof of VAT registration: The Authority found that Requirement No. 2 under documents evidencing eligibility in the bidding document, irregularly required bidders to submit proof of VAT registration. • The Authority found that bidding document did not provide for a Performance Securing Declaration. **Management Response** *We acknowledge the concerns and aim to improve in those areas.*
	Total	**588,826,914**	

Implication

Incomplete and inappropriate bidding requirements mislead potential bidders into preparing non-responsive bids which results in low bidder participation.

Recommendations

1. The Contracts Committee should quality assure bidding documents, specifically verifying that the statement of requirements and evaluation criteria are complete and accurate in compliance with Regulation 42 (a) and (b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
2. The Head Procurement and Disposal Unit should:
   i) Prepare solicitation documents that define the requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity in accordance with Regulation 42 (a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; and

ii) Set evaluation criteria that is appropriate and suited to the objectives of the procurement in accordance with Regulation 42 (b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.1.9 Failure to invite a minimum of six providers

Regulation 53 (1) of the PPDA (Rules and Methods for procurement of supplies, works and non- consultancy services) Regulations, 2023 provides that: *"A shortlist shall have at least six bidders, except for micro procurement which shall have three bidders."* The Authority found that only five providers were issued bid invitations instead of the mandatory minimum of six, for the procurement of spot improvements on the Akilok-Locom 1.8km road worth UGX. 223,067,674. This was due to limited knowledge of PPDA provisions for shortlisting of providers such as, in addition to the Entity's prequalified list of providers, the Entity may shortlist other providers using the Register of Providers of the Authority, the list of pre-qualified providers of another Entity or market knowledge.

Implication

Low bidder invitation denies the Entity attainment of competitive prices.

Management Response

The observation made by Authority was true, that only five firms were invited to bid for the project. This was because these were the only firms prequalified by the district.

Authority's comment

The Authority noted the Entity's response of having only five prequalified firms. However, Regulation 53 (3) of the PPDA (Rules and Methods for procurement of supplies, Works and Non-Consultancy Services) Regulations, 2023 advises that in addition to the Entity's prequalified list of providers, the Entity may shortlist other providers using the Register of Providers of the Authority, the list of pre-qualified providers of another Entity or market knowledge.

Recommendations

1. The Head, Procurement and Disposal Unit should prepare a shortlist with a minimum of six providers using the Entity's list of pre-qualified providers, or the Register of Providers of the Authority; the list of pre-qualified providers of another Entity, or market knowledge in accordance with Regulation 53 (1) and (3) of the PPDA (Rules and Methods for procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
2. The Contracts Committee should not approve any invitation of less than six bidders without justifiable reasons in accordance with Regulation 53 (2) of the PPDA (Rules and Methods for procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.1.10 Passing of a non-compliant bidder

Regulation 3 (2) (b) of the PPDA (Evaluation) Regulations, 2023 requires the Chairperson of the Evaluation Committee to be responsible for conducting the evaluation in accordance with the bidding document. The Authority found that the Evaluation Committee recommended award of the contract to a non-complaint bidder in the procurement for renovation of one block of 4-classrooms and office at Orom Primary School worth UGX. 109,840,335.

This was attributed to Evaluation Committee's deviation from the set evaluation criteria in the bidding document as detailed below:

The Best Evaluated Bidder, B.N Engineering Company Limited, in its bid submission dated 5th May 2025:

i) Submitted unsigned CVs of the key staff below, contrary to the bidding document requirement that mandated signed CVs:
   - Mr. James Olila (Project Manager)
   - Mr. Nelson Aremo (Site Engineer)
   - Mr. Alfred Tabule (Foreman Mason)
   - Mr. Patrick Odiya (Foreman Electrical)
   - Mr. Godfrey Onencan (Environmentalist)

ii) Provided for commencement of the works within seven days from the date of contract signing, contrary to SCC (GCC 1.1 (ee)) of the bidding document which stated that: *"The start date shall be immediately after contract signature."*

iii) Provided for a completion period of 60 days contrary to SCC (GCC 17.1) of the bidding document which required a completion date of 30th June 2025 (approximately one month).

Implication

This contravened the principles of fairness and transparency in the evaluation process and resulted into award of the contract to a non-compliant bidder.

Management Response

We acknowledge the observations made by the Authority. This was an oversight and we pledge to improve.

Recommendation

The Chairperson of the Evaluation Committee should guide the members to conduct bid evaluation following the evaluation criteria specified in the bidding document issued to bidders in accordance with Regulations 3 (2) (b) and 5 (1) of the PPDA (Evaluation) Regulations, 2023.

2.1.11 Incorrect information in the evaluation reports

Regulation l2 (1) (a) of the PPDA (Evaluation) Regulations, 2023 provides that "*the Evaluation Committee shall prepare an evaluation report which shall indicate the total price of the bid of each bidder and the technical score of each bidder as read out at the public opening of the financial bids.*"

The Authority found that the Evaluation Committees recorded incorrect information in the evaluation reports for two procurements worth UGX. 211,913,873, This was due to insufficient understanding of evaluation reporting requirements and inadequate quality review of information recorded in the evaluation report before approval as detailed in Table 10 below.

Table 10: Incorrect information recorded in evaluation reports

No	Subject of Procurement	Contract Amount (UGX)	Exceptions	Management Response
1.	Construction of one block of two	115,979,401	**Incorrect information in the evaluation report**:	• *The Evaluation Committee made a*

No	Subject of Procurement	Contract Amount (UGX)	Exceptions	Management Response
	classrooms at Odunglee Primary School.		• Whereas BN Engineering Company Limited's bid price was UGX. 115,979,401 VAT inclusive as per the submitted bills of quantities and at bid opening, the evaluation report indicated that BN Engineering Company Limited's bid price was UGX. 98,287,628 and was corrected by adding UGX. 17,691,773 making a total awarded price UGX. 115,979,401 which was not true. • Whereas the total proposed procurement estimate price was UGX. 98,287,628 as per Form 5, the Evaluation Committee recorded a procurement estimate of UGX. 115,979,401.	*typing error at the financial stage of the evaluation report by indicating that arithmetic corrections were made to BN Engineering Company Limited's bid price.* • *We acknowledge the findings as this was an over sight driven by the planned figure of only 98,000,000.*
2.	Construction of a staff house at Lodumoyere Primary School.	95,934,472	**Incorrect information in the evaluation report**: Whereas the total proposed estimated value was UGX. 100,000,000 as per the PP Form 5, the Evaluation Committee indicated UGX. 95,934,477 in their evaluation report.	*The contract price recommended by the Evaluation Committee was the corrected bid price of UGX. 95,934,477.* **Authority's comment** The Entity's response was noted, but it did not address the Authority's finding of the Evaluation Committee recording a wrong procurement estimated

No	Subject of Procurement	Contract Amount (UGX)	Exceptions	Management Response
				value of UGX. 95,934,477 instead of UGX. 100,000,000 as per the PP Form 5.
	Total	**211,913,873**		

Implication
Recording incorrect information in evaluation reports results in inappropriate procurement decisions, compromises the integrity of the evaluation process and exposes the Entity to complaints.

Recommendations
The Contracts Committee should always review and verify all information recorded in the evaluation reports before submission for approval and ensure that that evaluation reports include all necessary information in accordance with Regulation 12 (1) (a) of the PPDA (Evaluation) Regulations, 2023.

2.1.12 Poorly drafted contract
Regulation 40 (1) of the PPDA (Contracts) Regulations, 2023 provides that: *"A contract shall specify the payment terms to apply to the contract, including:*
(a) The payment method;
(b) The payment structure;
(c) The payment documents
(d) The payment period; and
(e) The currency of payment."

The Authority found that the Entity signed an inadequate contract for the construction of one block of 2-classrooms at Odunglee Primary School worth UGX. 115,979,401. Specifically, the agreement omitted the mutually negotiated payment terms, which dictated that the first installment of UGX. 90 million would be paid in FY 2024/2025, with the balance settled in FY 2025/2026. This omission was attributed to poor contract drafting by the Procurement and Disposal Unit and a subsequent failure by the Contracts Committee to adequately review the contract document prior to approving it for the Accounting Officer's signature.

Implication
Lack of clear payment information in the contract may result into unnecessary conflicts between the providers and the Entity, ultimately leading to legal disputes.

Management Response
We acknowledge the observation made by Authority. The recommendation of the Authority is noted for immediate action.

Recommendation
The Head, Procurement and Disposal Unit should prepare contracts that contain clear contract payment terms in accordance with Regulation 40 (1) of the PPDA (Contracts) Regulations, 2023.

2.2 Compliance with the PPDA Act, Cap. 205 and PPDA Regulations, 2023 in the conduct of disposal activities

Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023 provides for disposal planning, specifically:

- Regulation 2 (1) provides that: *"For the purposes of disposal planning, an Accounting Officer shall, in each financial year, cause the public assets of a Procuring and Disposing Entity to be reviewed, to identify the public assets to be disposed of in the following financial year."*
- Regulation 2 (2) provides that: *"A Procuring and Disposing Entity may use the Board of Survey or a User Department to identify the public assets to be disposed of."*

The Authority found that the Board of Survey report for the financial year 2023-2024 boarded off unserviceable/obsolete assets and the Entity disposed of some of the unserviceable assets in the financial year 2024/2025; however, the following exception was noted:

2.2.1 Failure to include all unserviceable assets in the disposal plan

Contrary to Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023, the Authority found that the Entity's disposal plan for the financial year 2024/2025 did not include all obsolete items recommended for disposal by the Board of Survey report of financial year 2023/2024. Out of the 104 items (see Appendix III) recommended for disposal, the Entity's disposal plan had only 24 items to be disposed of. This anomaly was attributed to weak disposal planning and monitoring mechanism within the Entity.

Implications

- Failure to prepare a comprehensive disposal plan hindered the Entity from determining the appropriate disposal methods, timelines and reserve prices of the obsolete assets to be disposed.
- The undisposed assets continue to lose value through depreciation and face risks of loss or vandalism, ultimately eroding value for money.

Management Response

We acknowledge the observation made by Authority. The recommendation of the Authority is taken note of.

Recommendation

The Accounting Officer should:

1. Task the Head, Procurement and Disposal Unit to prepare a comprehensive disposal plan that includes the remaining 80 obsolete items identified in the FY 2023/2024 Board of Survey report and expedite the disposal process in accordance with Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023.
2. Establish an asset disposal tracking mechanism whereby a formal reconciliation procedure requires the PDU to map the annual Board of Survey report directly against the draft disposal plan before it is finalized and approved by the Contracts Committee.

2.3 Efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) requirements where applicable

2.3.1 Failure to handover the projects and issue completion certificates

Regulation 52 (3) (d) of the PPDA (Contracts) Regulations, 2023 requires a Contract Manager to manage the handover of the acceptance procedures. The Authority found that there were no handover reports and completion certificates for two procurements worth UGX. 482,491,592 indicated in Table 11 below. This anomaly was attributed by inadequate supervision of contract completion/project closure.

Table 11: Procurements with Missing Records

No.	Subject of Procurement	Contract Amount (UGX)	Exceptions	Management Response
1.	Low-cost sealing of Pawidi- Lagoro 0.5km Road.	377,682,600	• Failure to handover the projects. • Failure to issue a completion certificate to the contractors.	*The projects were completed. The payment records and commissioning reports are available for verification.* **Authority's comment** The Authority verified and considered the evidence submitted by the Entity, but maintained its findings where the submission failed to address the issues noted.
2.	Completion of renovation of Council Hall and modern gate construction at District Headquarters.	104,808,992		
	Total	**482,491,592**		

Implication

Failure to formally hand over the project and issue completion certificate weakens accountability for defects which exposes the Entity to financial and operational risks.

Recommendation

The Contract Managers should always manage the handover of the acceptance procedures of the projects after the project is completed in accordance with Regulation 52 (3) (d) of the PPDA (Contracts) Regulations, 2023 requires.

2.3.2 Assessment of the Progress and Performance of the Micro-Scale Irrigation Program in Kitgum District Local Government

Background

The Micro-scale Irrigation Program is in line with Uganda's National Irrigation Policy which aims to create 1.5 million hectares of irrigated land by the year 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 subsidizes 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. Within this total cap the maximum Government payment for a tank stand is UGX 2,000,000; and
- 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.

Finding:
The Authority found that out of the 49 farmers who submitted Expressions of Interest and met the basic self-assessed criteria, 30 farmers made co-payment and microscale irrigation kits were installed and completed in the FY 2024/2025. The shortfall representing 19 (38.8%) eligible farmers who failed to co-fund stemmed from a lack of credit mechanisms or financial linkages to support the farmers in raising capital, a challenge further compounded by strict payment timelines.

Table 12 below shows the summary, progress of the procurement and implementation of the Microscale Irrigation Program in Ktgum DLG in the financial year 2024/2025.

Table 12: Summary status of the procurement of microscale irrigation equipment in FY 2024/2025

Level	**Definition**	**Kitgum DLG Statistics by Number (FY 2024/25)**
Interested Farmer	Those farmers who submitted an Expression of Interest and met the basic self-assessed criteria.	49
Eligible Farmer	Those farmers who had a farm visit and were found to meet the eligibility criteria.	26 *(Most farm visits were completed in the FY 2023/2024).*
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.	30
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.	30
Completed Farmer	*Those Farmers where the irrigation equipment supplier was paid by the Local Government and all paperwork is complete.*	30
Total of microscale irrigation kits installed and completed in the FY 20242025		**30**

Table 13 below shows the farmers who benefited from complete equipment installations under the Microscale Irrigation Programme in Ktgum DLG for the financial year 2024/2025:

Table 13: Farmers who benefited from equipment installations under Micro Scale Irrigation Programme in Kitgum District

No.	Farmer details	Contract Amount (UGX)	Amount paid by the farmer (UGX)	Details of installation
1.	Ms. Margret Aryemo, of Lauda Village, Aloto Parish, Lalano Sub-County.	23,200,000	5,200,000	Type: Solar powered irrigation system. Water source: Shallow well Distance: 20m.
2.	Mr. Fredrick Simon Ochola of West Village cell, Westland B ward, Central Division.	13,185,500	3,296,375	Type: Solar powered irrigation system. Water source: Stream. Distance: 60m.
3.	Mr. Patrick Okello of Putuke West Village, Oryang B Parish, Kitgum Matidi Sub-County.	12,790,000	3,197,500	Type: Solar powered irrigation system. Water source: Stream. Distance: 70m.
4.	Mr. George Okello of Gogo Village.	9,914,500	2,478,625	Type: Solar powered irrigation system. Water source: Pond. Distance: 20m.
5.	Ms. Betty Amony of Oryang Ojuma A south Village.	12,000,000	3,000,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 40m.
6.	Mr. Francis Ocaya of Oyuru Village.	19,900,000	1,900,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 70m.
7.	Mr. Robert Okwera of Ocubu latara Village.	18,000,000	4,500,000	Type: Solar powered irrigation system. Water source: Shallow well Distance: 100m.
8.	Ms. Jackline Okot Layet of Pagen West Village.	20,090,000	2,090,000	Type: Solar powered irrigation system. Water source: Shallow well Distance: 10m.
9.	Ms. Flora Okot Aciro of Alyemo Village.	19,213,800	1,213,800	Type: Solar powered irrigation system. Water source: Borehole. Distance: 50m.
10.	Mr. Jasper Oryem of Balakwa Village.	13,570,000	3,392,500	Type: Solar powered irrigation system. Water source: Shallow well Distance: 20m.

No.	Farmer details	Contract Amount (UGX)	Amount paid by the farmer (UGX)	Details of installation
11.	Mr. Micheal Wod Awat Olworo of Lamit Liba Village.	11,180,000	2,795,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 90m.
12.	Mr. Russel Ocen of Panyum Central Village.	11,150,000	2,787,500	Type: Solar powered irrigation system. Water source: stream distance: 80m.
13.	Ms. Beatrice Apiyo of Lakot cugu Village.	13,034,500	3,258,625	Type: Solar powered irrigation system. Water source: Stream. Distance: 60m.
14.	Mr. Ali Yusuf of Boroboro Village.	6,595,320	4,946,490	Type: Engine powered irrigation system. Water source: Stream. Distance: 60m.
15.	Mr. Albino Latim of Langolangola Village.	19,270,000	1,270,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 40m.
16.	Mr. Geoffrey Kilama of Abakadyel Village.	18,850,000	4,712,500	Type: Solar powered irrigation system. Water source: Stream. Distance: 40m.
17.	Mr. Charles Arop of Labal wiyi Village.	13,115,000	3,278,750	Type: Solar powered irrigation system. Water source: Stream. Distance: 90m.
18.	Mr. Filda Acayo of Kona Village.	12,725,000	3,181,250	Type: Solar powered irrigation system. Water source: Stream. Distance: 80m.
19.	Ms. Margaret Atim Lakidi of Ayul A south Village.	19,525,000	1,525,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 150m.
20.	Mr. Dick Gray Olal Odora of Godown Cell.	19,700,000	1,700,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 70m.
21.	Ms. Beatrice Aling Single of Go down cell.	20,000,000	2,000,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 90m.

No.	Farmer details	Contract Amount (UGX)	Amount paid by the farmer (UGX)	Details of installation
22.	Mr. Alfred Luto of Tumangu Village.	14,070,000	3,517,500	Type: Solar powered irrigation system. Water source: Stream. Distance: 80m.
23.	Mr. Charles Erienyu of Bipong Village.	23,200,000	5,200,000	Type: Solar powered irrigation system. Water source: Shallow well Distance: 15m.
24.	Mr. Emmanuel Lapyem of Pamolo Central Village.	20,038,000	2,038,000	Type: Solar powered irrigation system Water source: Stream. Distance: 40m.
25.	Mr. Geoffrey Oketayot of Lemo bongolewic Village.	19,660,000	1,660,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 60m.
26.	Mr. Joseph Gutagwa Okot of Balakwa Village.	18,745,000	4,686,250	Type: Solar powered irrigation system. Water source: Shallow well Distance: 20m.
27.	Ms. Perpetua Akot of Lamit Kapim Central Village.	26,000,000	8,000,000	Type: Solar powered irrigation system. Water source: Shallow well Distance: 10m.
28.	Mr. Christopher Obol Arwai of Abakadyel Village.	25,600,000	7,600,000	Type: Solar powered irrigation system. Water source: Borehole Distance: 15m.
29.	Mr. Patrick Lobo-Olunge Komakech of Palameny Central Village.	23,465,000	5,465,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 90m
30.	MS. Agnes Lakot of Mucwini West.	21,940,000	3,940,000	Type: Solar powered irrigation system. Water source: Stream. Distance: 80m.
	Total	**519,726,620**	**103,830,665**	

Implications

- Without embracing the microscale irrigation system programme, farmers may not be able to sustain agricultural productivity/enhancement amidst changing climatic conditions; and
- Failure to fully implement micro-scale irrigation systems may fail the Government of Uganda to achieve its National Irrigation Policy which aims to create 1.5 million hectares of irrigated land by the year 2040.

Authority's comment
There was no management response to the issue raised.

Recommendations
The Accounting Officer should:
1. Urge farmers to embrace the initiative through conducting continuous awareness programs about the micro-scale irrigation program and its benefit;
2. Advise farmers on ways to access affordable financing so that they can make their co-payments; and
3. Encourage farmers to form groups and nominate a representative on their behalf who will facilitate easier access to the programme in order to alleviate the financial burden.

3.0 CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

3.1 Overall compliance inspection conclusion

The performance of Kitgum District Local Government for the financial year 2024/2025 was **satisfactory** with an overall weighted average risk rating of **26.8%**.

3.2 Entity's performance

The risk rating was weighted to determine the overall risk level of the Entity. The weighting was derived using the average weighted index as shown in Table 14 below:

Table 14: Summary of performance of Kitgum District Local Government

Risk Rating	No.	% By No.	Value (UGX)	% By value	Weight	Total Weighted Score	
						By No.	By Value
High	0	0	0	0	0.6	0	0
Medium	4	40	461,693,712	29	0.3	12	9
Low	5	50	984,631,699	61	0.1	5	6.1
Satisfactory	1	10	158,988,320	10	0	0	0
Total	**10**	**100**	**1,605,313,731**	**100**	**1**	**17**	**15.1**

Weighted Average (By No.) = $\frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{17}{60} \times 100 = 28.3\%$

Weighted Average (By Value) = $\frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{15.1}{60} \times 100 = 25.2\%$

Combined Weighted Average = $\frac{28.3 + 25.2}{2}$ = **26.8%**

Since 26.8% falls within the 31-70% risk range, the performance of the Entity is rated satisfactory as detailed in Table 15 below:

Table 15: Risk Rating

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

GRAPHICAL REPRESENTATION OF THE ENTITY'S PERFORMANCE

Figure 1: Performance by number of contracts

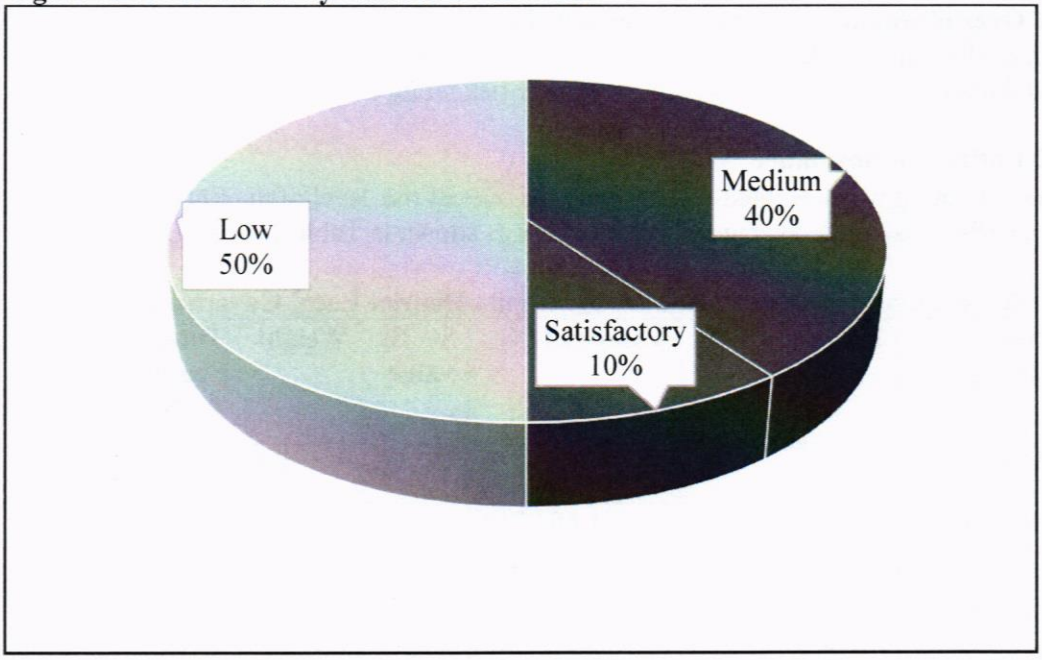
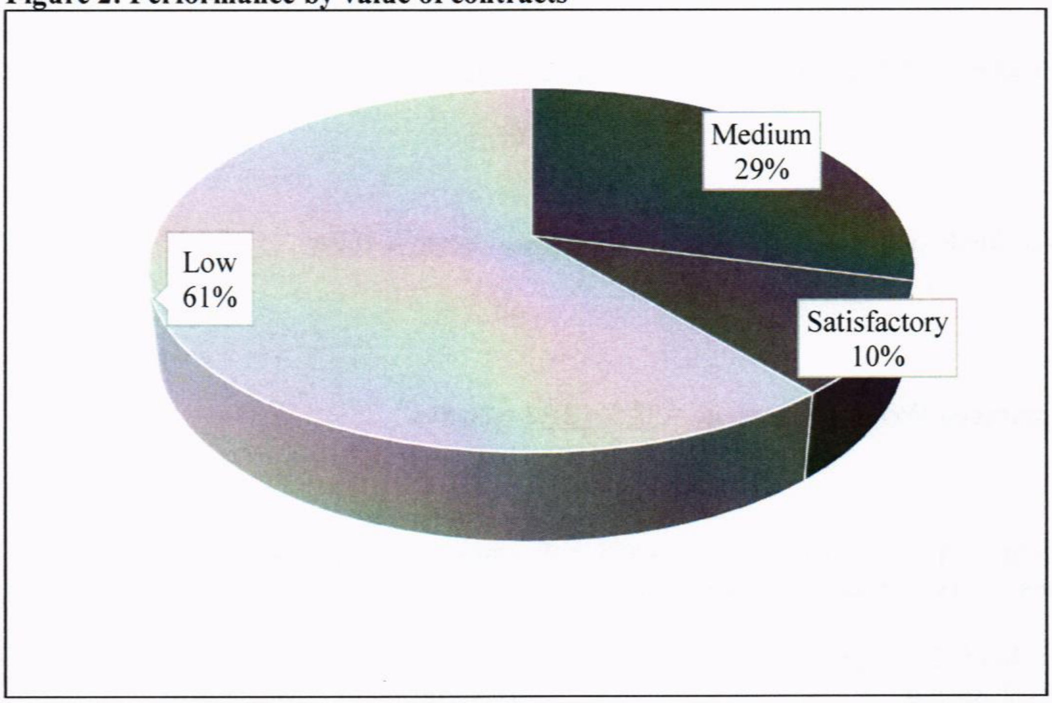


Figure 2: Performance by value of contracts



3.3 Compliance inspection conclusion

Kitgum District Local Government maintained the required procurement and disposal structures, and its activities were generally conducted in compliance with the PPDA Act, Cap. 205, PPDA Regulations and Guidelines; however, the compliance inspection identified critical internal control and performance weaknesses that require urgent management intervention.

Specifically, the Entity left 64.3% of prior audit recommendations outstanding, executed procurements completely off-plan, suffered an average procurement process delay of 110 working days, inserted irregular and restrictive criteria into bidding documents and failed to include 80 out of 104 obsolete assets in its annual disposal plan.

Although these gaps do not completely compromise the procurement and disposal system, they expose operational vulnerabilities in project oversight, risk mitigation, and fiscal discipline. Left uncorrected, this pattern of procedural deviations and weak supervisory controls will continue to stall critical community infrastructure, drain public resources and directly obstruct the realization of public service mandates.

Accordingly, the performance of Kitgum District Local Government for FY 2024/2025 was assessed as satisfactory, with an overall weighted average risk rating of 26.8%, requiring targeted management interventions to strengthen performance and compliance with the statutory and regulatory requirements.

3.4 Recommended Action Plan

Kitgum District Local Government should implement the recommendations in Table 16 below:

Table 16: Recommended Action Plan

Finding	Action/ Recommendation	Responsible Officer	Timeline
Deviation from the procurement plan by 110%.	i) Deploy a monthly procurement tracker dashboard to monitor progress. ii) Enforce strict internal "cut-off" deadlines for User Departments to initiate planned procurements. iii) Amend procurement plan whenever changes occur.	Accounting Officer/ Procurement & Disposal Unit	Quarterly
Procuring outside the approved procurement plan.	Not authorize procurements outside the Entity's approved procurement plan, except in emergency situations.	Accounting Officer/ Contracts Committee	July 2026
Failure to implement the Authority's previous audit recommendations.	Appoint a dedicated Task Force to oversee and accelerate the implementation of the Authority's recommendations.	Accounting Officer	July 2026
Failure to include revenue sources in	Integrate expected locally raised revenues into the User Departmental	User Departments/	July 2026

Finding	Action/ Recommendation	Responsible Officer	Timeline
the Entity's consolidated procurement plan.	annual work plans and the consolidated Entity's procurement plan.	Procurement & Disposal Unit	
Failure to report micro procurements.	Submit monthly procurement and disposal reports and performance data of all procurement transactions including micro procurements.	User Departments/ Procurement & Disposal Unit	Monthly
Delays in the procurement process.	Conduct procurement processes efficiently and economically to maximize value for money.	User Departments/ Contracts Committee	July 2026
Confirmation of funding without delegated authority from the Accounting Officer.	Formally delegate staff undertaking certification of funds availability on his/her behalf.	Accounting Officer	July 2026
Low bidder participation.	i) Ensure transparent bid invitations by using official emails. ii) Shortlist eligible providers who are highly likely to participate.	Procurement & Disposal Unit	July 2026
Irregularities in bidding documents.	i) Set evaluation criteria that is appropriate and suited to the objectives of the procurement. ii) Quality assure bidding documents before approval.	Procurement & Disposal Unit/ Contracts Committee	July 2026
Failure to invite a minimum of six providers.	Shortlist at least six providers from the Entity's pre-qualified list, the Authority's Register of Providers, another Entity's pre-qualified list, or general market knowledge.	Procurement & Disposal Unit	July 2026
Passing of a non-compliant bidder.	Conduct bid evaluation according to the evaluation criteria specified in the bidding document.	Evaluation Committees	July 2026
Poorly drafted contract.	Prepare contracts that contain clear contract payment terms.	Procurement & Disposal Unit	July 2026
Failure to include all unserviceable assets in the disposal plan.	i) Prepare a comprehensive disposal plan and include the remaining 80 obsolete items. ii) Establish an asset disposal tracking mechanism.	Procurement & Disposal Unit	August 2026
Incomplete project handovers.	Manage the handover of the acceptance procedures of the projects after the project is completed.	Contract Managers	July 2026

Appendix 1: Sample list of reviewed procurement files for FY 2024/2025

No.	Procurement Reference Number	Subject of Procurement	Method of procurement	Provider	Contract Amount (UGX)	Risk Rating
1.	KITG868/WRKS/24-25/00009	Low-cost sealing of Pawidi- Lagoro 0.5km Road.	Request for Quotation	Mubuna Investments (U) Limited	377,682,600	Low
2.	KITG868/WRKS/24-25/00014	Spot improvement of Akilok -Locom Road 1.8km under Local PCRG.	Request for Quotation	Giant Plum Enterprises (U) Limited	223,067,674	Low
3.	KITG868/MoES/SUPLS/24-25/00008Lot1	Supply and delivery of ICT equipment to Layamo Seed Secondary School.	Open Domestic Bidding	CGS General Enterprises Limited	158,988,320	Satisfactory
4.	KITG868/WRKS/24-25/00010	Completion of pipe water at Okol.	Request for Quotation	Blair Foundation Limited	144,216,133	Low
5.	KITG868/WRKS/24-25/00021	Renovation of one block of 5-classrooms and office at Okidi Primary School.	Request for Quotation	Giant Plum Enterprises (U) Limited	139,939,504	Medium
6.	KITG868/WRKS/24-25/00004	Drilling and construction of five boreholes.	Request for Quotation	BM Watsan Holdings Limited	134,856,300	Low
7.	KITG868/WRKS/24-25/00008	Construction of one block of 2-classrooms at Odunglee Primary School.	Request for Quotation	BN Engineering Company Limited	115,979,401	Medium
8.	KITG868/WRKS/24-25/00027	Renovation of one block of 4-classrooms at Orom Primary School.	Request for Quotation	BN Engineering Company Limited	109,840,335	Medium
9.	KITG868/WRKS/24-25/000011	Completion of renovation of Council Hall and modern gate construction at the District Headquarters.	Request for Quotation	BN Engineering Company Limited	104,808,992	Low
10.	KIT868/WRKS/24-25/00006	Construction of a staff house at Lodumoyere Primary School.	Request for Quotation	Giant Plum Enterprises (U) Limited	95,934,472	Medium
TOTAL					**1,605,313,731**	

Appendix II: Risk Rating

Risk	Description
High	Such procurements are 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".
Medium	Procurements that were considered to have weaknesses which, although less likely to lead to material financial loss or to risk damaging the regulatory system or the entity's reputation, warrant timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded "medium" provided that there is sufficient evidence of "hands on management control and oversight" at an appropriate level of seniority.
Low	Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best practice. Deviations from laid 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.

Appendix III: List of unserviceable assets due for disposal

................Member

LIST OF UNSERVICEABLE ITEMS RECOMMENDED FOR DISPOSAL
The Members of the Board must sign this statement immediately below the last entry

S/N	Item	Unique identifier (Tag/Registration Number)	Book Value (UGX)	Comment
1	Motorcycle LG 0068-22	Suzuki TF 125	14,000,000	Nonfunctional to be disposed off
2	Motorcycle UG 1800 A	Suzuki TF 125	14,000,000	Nonfunctional to be disposed off
3	Motorcycle	Suzuki TF 125	14,000,000	Nonfunctional to be disposed off
4	Motorcycle	Suzuki TF 125	14,000,000	Nonfunctional to be disposed off
5	Sofa Chair 2 sets	Not engraved	2,000,000	Nonfunctional to be disposed off
6	Type writer	Not engraved	200,000	Nonfunctional to be disposed off
7	Type writer	Not engraved	200,000	Nonfunctional to be disposed off
8	Type writer	Not engraved	200,000	Nonfunctional to be disposed off

9	Laptop computer	Not engraved	2,000,000	Nonfunctional to be disposed off
10	Desktop Computer	Not engraved	2,000,000	Nonfunctional to be disposed off
11	Dumper Truck	UG 0235W	250,000,000	Nonfunctional to be disposed off
12	Metallic frame	Not engraved	600,000	Nonfunctional to be disposed off
13	Rusted U3 pipes	Not engraved	300,000	Nonfunctional to be disposed off
14	Fencing poles	Not engraved	1,000,000	Nonfunctional to be disposed off
15	Steel plate	Not engraved	300,000	Nonfunctional to be disposed off
16	Sign post frame	Not engraved	300,000	Nonfunctional to be disposed off
17	Chain link	Not engraved	2,500,000	Nonfunctional to be disposed off
18	Rusted beds, weighing scales scrap	Not engraved	400,000	Nonfunctional to be disposed off
19	Printer P2055D	Not engraved	700,000	Nonfunctional to be disposed off
20	Computers	Not engraved	2,000,000	Nonfunctional to be disposed off
21	Land crusher ambulance	UG 2981M	180,000,00000	Nonfunctional to be disposed off
22	Pick-up double cabin	LG 0140-22	140,000,000	Nonfunctional to be disposed off
23	Pick up double cabin	LG 0003-56 JMC	140,000,000	Nonfunctional to be disposed off
24	Motor roller	LG0010-22	52,000,000	Nonfunctional to be disposed off
25	Pick-up double cabin	UG 0209Z	140,000,000	Nonfunctional to be disposed off
27	Pick-up double cabin	UG 0484Z	140,000,000	Nonfunctional to be disposed off
29	Solar batteries	Not engraved	800,000	Nonfunctional to be disposed off
30	Chairs	Not engraved	3,000,000	Nonfunctional to be disposed off
31	Desktop computer	Not engraved	2,000,000	Nonfunctional to be disposed off
32	Trailer	3-NRP-DANIDAFFRC UEB 709	4,500,000	Nonfunctional to be disposed off
33	Trailer	34-NRP-DANIDAFFRC	4,500,000	Nonfunctional to be disposed off
34	Trailer	35-NRP-DANIDAFFRC	4,500,000	Nonfunctional to be disposed off

35	Pedestrian roller	Dynapac lp650#	35,000,000	Nonfunctional to be disposed off
36	Pedestrian roller	Dynapac lp650#	35,000,000	Nonfunctional to be disposed off
37	Chairs	Not engraved	3,000,000	Nonfunctional to be disposed off
38	Cabinets	Not engraved	350,000	Nonfunctional to be disposed off
39	Photocopying machine taskalfa kyocera	3001	5,000,000	Nonfunctional to be disposed off
40	Photocopying machine	Not engraved	5,000,000	Nonfunctional to be disposed off
41	Furniture	Not engraved	750,000	Nonfunctional to be disposed off
42	Tally Machine	691667065	1,000,000	Nonfunctional to be disposed off
43	Used iron sheets	Not engraved	2,000,000	Nonfunctional to be disposed off
44	Container	Not engraved	30,000,000	Nonfunctional to be disposed off
45	Motorcycle	LG 0037-056	14,000,000	Nonfunctional to be disposed off
46	Motorcycle	LG 004-056	14,000,000	Nonfunctional to be disposed off
47	Motorcycle	LG 0032-056	14,000,000	Nonfunctional to be disposed off
49	Motorcycle	LG 0034-056	14,000,000	Nonfunctional to be disposed off
50	Motorcycle	LG 0038-056	14,000,000	Nonfunctional to be disposed off
51	PVC Pipes black	Not engraved	800,000	Nonfunctional to be disposed off
52	Desk top computer	Not engraved	2,000,000	Nonfunctional to be disposed off
53	Photocopy machine	Not engraved	8,000,000	Nonfunctional to be disposed off
54	Dando machine	Not engraved	12,000,000	Nonfunctional to be disposed off

83	Motorcycle	Not engraved	9,000,000	Nonfunctional to be disposed off
84	Fuel trailer	Not engraved	700,000	Nonfunctional to be disposed off
85	Motorcycle	UG LG0019-22	14,000,000	Nonfunctional to be disposed off
86	Double carbine	Not Engraved	80,000,000	Nonfunctional to be disposed off
87	Double carbine	LG 0010-056	14,000,000	Nonfunctional to be disposed off
88	Land crusher pardo	UG 3510 M	150,000,000	Nonfunctional to be disposed off
89	Photocopier	Canon 6416	150,000,000	Nonfunctional to be disposed off
90	Monitor	Cnc4521jj8	160,000,000	Nonfunctional to be disposed off
91	Printer	Sn4161	4,000,000	Nonfunctional to be disposed off
92	Printer	Cncj233958	2,000,000	Nonfunctional to be disposed off
93	Printer	Frjs106455	700,000	Nonfunctional to be disposed off
94	Hp printer hp desk jet	Hu4921y306	700,000	Nonfunctional to be disposed off
95	Hp printer hp desk jet 1018	Vnc4127224	700,000	Nonfunctional to be disposed off
96	Desktop computer	Cn03x7294780434ql5fv	700,000	Nonfunctional to be disposed off
97	Computer inspiron 1545	Opm /alrep	700,000	Nonfunctional to be disposed off
98	Computer desktop computer	Ush6130009	2,000,000	Nonfunctional to be disposed off
99	Copier machine	Canon 7161	2,000,000	Nonfunctional to be disposed off
100	Generator Honda	141146	2,000,000	Nonfunctional to be disposed off
101	Air compressor		300,000	Nonfunctional to be disposed off
102	Gary cabiner	Dis office	350,000	Nonfunctional to be disposed off
103	Printer	Deo's office	400,000	Nonfunctional to be disposed off
104	Wooden book shelve	Education	350,000	Nonfunctional to be disposed off

....Chairperson
....Member