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

PERFORMANCE AUDIT REPORT FOR FINANCIAL YEAR 2024/2025

MASAKA SCHOOL OF COMPREHENSIVE NURSING

JUNE 2026

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Act	Public Procurement and Disposal of Public Assets Act, 205
CC	Contracts Committee
FY	Financial Year
GCC	General Conditions of Contract
HPDU	Head, Procurement and Disposal Unit
ITB	Instruction to the Bidders
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
SCC	Special Conditions of Contract

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance inspection of Masaka School of Comprehensive Nursing for FY 2024/25, covering 10 sampled procurement and disposal transactions. The inspection assessed compliance with the PPDA Act, Cap. 205, the PPDA Regulations, 2023, and PPDA Guideline No. 2 of 2025 on procurement and disposal for school, 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 no disposal activities conducted. However, the inspection identified weaknesses, including failure to constitute the Procurement and Disposal Unit; failure to prepare procurement plan for FY 2024/2025; non-submission of quarterly procurement and disposal reports to the Authority; inadequate bidding document; and signing of inadequate contracts.

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 **Unsatisfactory**, with an overall weighted average risk score of **72%**, requiring targeted management interventions to strengthen efficiency, contract management, and compliance.

The following key exceptions were noted during the Compliance Inspection Exercise.

1. Failure to constitute the Procurement and Disposal Unit (PDU) with adequate and qualified staff, resulting in an understaffed unit that is unable to effectively execute its functions. This results in increased risk of procurement non-compliance such as use of inappropriate methods of procurement leading failure to achieve value for money;

2. Failure to prepare and submit the procurement plan for FY 2024/25 to the PPDA, contrary to Section 58 of the PPDA Act, Cap. 205, which requires a Procuring and Disposing Entity (PDE), each financial year and by the date set by the PS/ST, to prepare and submit its annual procurement plan to the Authority. This could lead to un coordinated procurement activities, budget implementation challenges, and increase risk of inefficiency use of public resources;
3. Failure to submit quarterly procurement and disposal reports to the Authority, for FY 2024/25 contrary to Guideline No. 2 of 2025 on procurement and disposal for school's clause 5.2.1 which requires a PDE to submit quarterly procurement and disposal reports. This limits the supervision role due to failure to access real-time data on procurements undertaken by the entity;

4. Use of inadequate solicitation documents, contrary to Guideline No.2 of 2025 on procurement and disposal for school's clause 16 which provides the content the solicitation

document for supplies, works and services. This leads to unclear procurement requirements which may lead to disputes and failure to obtain value for the money spent;

5. Lack of evidence of issuance of Best Evaluated Bidder (BEB) Notices, contrary to PPDA Guideline No. 2 of 2025 on procurement and disposal for schools, clause 12.10.6, which require a PDE to deliver a copy of the BEB notice to all bidders and obtain proof of delivery. The Authority found no evidence in all ten sampled procurement files. This compromises transparency and fairness in procurement process and may deny bidders a right to challenge the procurement outcome which may expose the entity to legal disputes; and
6. Signing of inadequate contracts, contrary to Regulation 9(1) of the PPDA (Contracts) Regulations, 2023, which prescribes the contents of a contract and how it should be prepared. The Authority found that the Entity signed inadequate contracts in all ten sampled procurements. This leads to unclear obligations and responsibilities which weakened the contract enforcement and failure to achieve Value for money.

In light of the above Exceptions, the Authority Recommends the following:

1. Management should comply with PPDA Guideline no.2 of 2025 on procurement and disposal for school's clause 5.18.1 by recruiting adequate and qualified staff to ensure the Procurement and Disposal Unit is properly staffed and able to effectively execute its functions;
2. The Accounting Officer should submit the Entity's quarterly procurement and disposal reports to the Authority using Form 2 in accordance with PPDA Guideline No.2 of 2025 on procurement and disposal for school's clause 5.2.1;
3. The Head, Procurement and Disposal Unit should prepare and customise the applicable Standard Bidding Document for each procurement, ensuring they are complete, accurate, and fully compliant with PPDA Guideline No.2 of 2025 on procurement and disposal for schools' clause 16 which describes the content for preparation of the bidding document ;
4. The Accounting Officer should enforce, as a strict prerequisite to contract signing, that every contract is complete, internally consistent, and aligned with the approved bidding documents and the signed evaluation report, and that it contains all essential provisions including the scope of works/supplies/services, performance security, payment terms, timelines, dispute resolution mechanisms, and clearly defined obligations of each party in accordance with Regulation 9 of the PPDA (Contracts) Regulations, 2023;
5. The Accounting Officer should institute strict measures of delivering notices of best evaluated bidders to all bidders who participates in the procurement and instructs the procurement and disposal unit to files the evidence in accordance with PPDA Guideline No. 2 of 2025 on-procurement and disposal for school's clause 12.10.6.

Masaka School of Comprehensive Nursing should implement the recommended action plan on page **30** of this report.

CHAPTER 1: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a compliance inspection of Masaka School of Comprehensive Nursing 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 Guideline No. 2 of 2025 on procurement and disposal for school.

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; and the PPDA Regulations, 2023, PPDA Guideline No. 2 of 2025 on procurement and disposal for school, 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 Masaka School of Comprehensive Nursing with the general provisions of the PPDA Act, Cap. 205 and the attendant PPDA Regulations with regard to the performance of the procurement structures and conduct of procurement processes;
2. Assess the degree of compliance of the Entity' disposal process with the provisions of the PPDA Act, Cap. 205 and the attendant PPDA Regulations; and
3. Assess the level of efficiency and effectiveness in contract implementation including the application of Environmental, Social, Health and Safety (ESHS) requirements in the procurement process.

1.3 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 Masaka School of Comprehensive Nursing during the Financial Year under review was Ms. Nannyondo Harriet, the Principal.

The School Governing Council approved the members of the Contracts Committee listed in Table 1 below:

Table 1: Composition of Contracts Committee

No	Name	Position	Date of Appointment	
1	Ms. Asaliah Nalwanga	Senior Tutor	1st July 2024	Chairman
02	Ms. Mary Dorcus Gino	Procurement Officer	1st July 2024	Member
03	Ms. Ritah Kaleth	Legal Officer	1st July 2024	Member
04	Ms. Grace Nansamba	Senior Titor	1st July 2024	Member
05	Mr. Richard Jjinga	IT Manager	1st July 2024	Secretary

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 during the financial year under review was headed by Ms. Mary Dorcus Gimo.

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 **Annex 2.**

1.5 Methodology

The Entity was notified of the compliance inspection exercise on 02nd September 2025 prior to the commencement of fieldwork. A sample of procurement transactions conducted during the Financial Year 2024/2025 was selected for review.

Two Senior Officers and one Officer conducted the inspection under the supervision of the Regional Manager. During the exercise, the team reviewed records and documents relating to the sampled procurement transactions and obtained sufficient and appropriate evidence to support the inspection conclusions. This involved a review of the Entity's procurement and disposal planning, initiation, bidding, evaluation, contract award, contract management, and disposal processes.

The inspection exercise commenced on 05th November 2025. Upon completion of the file review, the inspection team engaged management and relevant staff to discuss and obtain clarification on preliminary findings. A debrief meeting was subsequently held with the Entity's management and staff.

A management letter detailing the preliminary findings was issued to the Entity on 22nd April 2026 requesting management responses. The Entity submitted its responses on 29th April 2026, and these have been considered in the preparation of this report.

Upon completion of the inspection, the Regional Manager reviewed the working papers for adequacy and completeness. The working papers contained detailed records of the findings arising from the sampled procurement transactions. This report presents the key findings, conclusions, and recommendations arising from the compliance inspection.

CHARTPER 2: FINDINGS AND RECOMMENDATIONS

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

2.1.1 Failure to Prepare and Submit the Procurement Plan for FY 2024/25 to PPDA

Section 58 of the PPDA Act, Cap. 205 requires a Procuring and Disposing Entity to, each financial year and by the date set by the Secretary to the Treasury, prepare and submit its annual procurement plan (in line with the Minister's budget preparation procedures) to the Permanent Secretary/Secretary to the Treasury (PS/ST) and the Authority for the following financial year. The Authority found that although the Entity prepared a procurement plan for FY 2024/2025, it did not submit it to the Authority, despite procuring items worth UGX 582,983,696.

Implication

This limited PPDA's ability to provide timely oversight and guidance, and reduced transparency and accountability over procurement activities undertaken during the year. It also increased the risk of unplanned and potentially irregular procurements, weak alignment between the budget and procurement execution.

Management Response

Management acknowledged the omission in submitting the Annual Procurement Plan to the Authority despite its preparation. This anomaly arose from inadequate capacity building and limited follow-up mechanisms within the Procurement and Disposal Unit (PDU)since the school was newly enrolled into effective Government procurement implementation.

Recommendation

The Accounting Officer should strictly comply with Section 58 of the PPDA Act, Cap. 205 and the applicable regulations by submitting the Entity's approved Annual Procurement Plan to PPDA within the prescribed timelines.

2.1.2 Failure to submit quarterly y procurement and disposal reports to PPDA for FY 2024/25

PPDA Guideline No .2 of 2025 on procurement and disposal for school's clause 5.2.1 which requires a PDE to submit quarterly procurement and disposal reports to the Authority. Contrary to the provisions, the Authority found that the Entity did not submit any quarterly procurement report for the entire financial year under review.

Implication

Failure to submit monthly procurement reports to the Authority in a timely manner undermines transparency, accountability, and effective oversight of the procurement process. It limits the Authority's ability to provide timely guidance, feedback, and corrective advice to the Entity.

Management Response

Management acknowledged non-submission of monthly procurement and disposal reports and attributed it to capacity gaps within the PDU and lack of a structured reporting system since the school was newly enrolled into effective Government procurement implementation. Management has now assigned responsibility to the Procurement Officer to prepare and submit monthly reports using Form 2 by the 15th of every month.

Recommendation

The Accounting Officer should submit the Entity's quarterly procurement and disposal reports to the Authority using PPDA e-reporting link and Form 2 in accordance with PPDA Guideline No 2 of 2025 on procurement and disposal for school's clause 5.2.1. The reports should provide accurate and complete information on all procurement and disposal activities undertaken during the reporting period, including the status of ongoing procurements, contracts awarded.

2.1.3 Commencement of Procurements without estimated Costs on the Requisition Forms

Regulation 3(1)(b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023, provides that a procurement requirement shall be initiated using Part 1 of Form 5. The Authority found that the Entity did not fully fill form 5 Schedule 1 with the estimated value of the supplies, works or non-Consultancy services for all 10 the sampled procurements files worth UGX 582,983,696 as detailed in Table below 2 below.

Table 2 :Procurements without Estimated Costs on Requisition Forms

No.	Subject of Procurement	Amount (UGX)
1.	Food staff and poultry products under framework contract -MSCN/SPLS/24-25/00003	308,196,196
2.	Supply of Photography, identity cards and related things under framework contract -MSCN/SPLS/2024-25/00021	2,550,000
3.	Computer supplies, consumables and Accessories under framework contract -MSCN/SPLS/2024-25/00001	9,465,000
4.	Repair and Maintenance Electricity, Power and other related gadgets -MSCN/SPLS/2024-25/00045	1,035,450
5.	General construction of building under framework contract -MSCN/WRKS/2024-25/00047	16, 353,620
6.	Assorted Office Stationery -MSCN/SUPUPLS/2024/2025/00006	13,006,000
7.	Toner and Cartridge -MSCN/SUPLS/2024/2025/00015	7,978,200
8.	Print, Art and Design under frame work contract MSCN/SUPUPLS/2024/2025/00035	7,810,000
9.	Uniforms, Curtains, Protective wear, Carpets, netting and bidding fitting -MSCN/SUPUPLS/2024/2025/00009	206,614,230
10.	Sports and games equipment's under frame work contract MSCN/SUPUPLS/2024/2025/00010	9,975,000
	TOTAL	**582,983,696**

Implication

This weakened the integrity of the procurement initiation and approval process, since key decision-makers could not reliably confirm the estimated cost, budget adequacy and appropriateness of the procurement method at the point of initiation. It also increased the risk of mis-procurement, poor planning, cost escalations and irregular approvals.

Management Response

Management acknowledged the weakness arising from the completion of requisition forms without inclusion of estimated costs. This was attributed to a knowledge gap, which led to inadequate enforcement of procurement procedures by both user departments and the Procurement and Disposal Unit (PDU), particularly as the school had only recently been enrolled into effective Government procurement implementation.

Recommendation

1. The User Department should initiate procurements on form 5 for works, supplies and non-consultancy services, and on form 18 for consultancy services indicating the estimated costs based on market survey and the available funds in accordance with Regulation 3(1)(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 not allow procurement to advance to the stage of preparing the procurement method and submission for the Contracts Committee unless the requisition form contains a properly determined and documented estimated cost.
3. Contracts Committee should only deliberate on requisitions that have estimated costs based on market survey as a basis for the threshold that determine the method of procurement.

2.1.4 Commencement of the Procurement without Contracts Committee Approval

PPDA Guideline No. 2 of 2025 on procurement and disposal for school's clause 5.10.1 provides that a Contracts Committee shall be responsible for approving bidding documents. The Authority found that in all the sampled procurements worth UGX 582,983,696, the Entity commenced procurements prior to Contracts Committee approval of the bidding documents contrary to provisions of the law.

Table 3: The Procurements that were Commenced without Contracts Committee's Approval

No.	Subject of Procurement	Amount (UGX)
1.	Food staff and Poultry Product under framework contract -MSCN/SPLS/24-25/00003	308,196,196
2.	Supply of Photography, identity cards and related things under framework contract -SCN/SPLS/2024-25/00021	2,550,000
3.	Computer supplies, consumables and Accessories under framework contract -SCN/SPLS/2024-25/00001	9,465,000
4.	Repair and maintenance Electricity, Power and other related gadgets -MSCN/SPLS/2024-25/00045	1,035,450
5.	General construction of building under framework contract -MSCN/WRKS/2024-25/00047	16, 353,620
6.	Assorted Office Stationery -SCN/SUPUPLS/2024/2025/00006	13,006,000
7.	Toner and Cartridge -SCN/SUPLS/2024/2025/00015	7,978,200

No.	Subject of Procurement	Amount (UGX)
8.	Print, Art and Design under frame work contract - MSCN/SUPUPLS/2024/2025/00035	7,810,000
9.	Uniforms, curtains, protective wear, carpets, netting and bidding fitting -MSCN/SUPUPLS/2024/2025/00009	206,614,230
10.	Sports and games equipment's under frame work contract - MSCN/SUPUPLS/2024/2025/00010	9,975,000
	TOTAL	**582,983,696**

Implication

This undermined governance and accountability in the procurement process, since procurements were initiated using bidding documents that had not been subjected to the Contracts Committee's mandatory approval. It increased the risk of defective or non-compliant bidding documents (including unfair or restrictive requirements), compromised fairness and transparency, and exposed the Entity to complaints, investigations, and possible cancellation/nullification of the procurement proceedings for procedural non-compliance.

Management Response

Management acknowledged the irregularity and attributed it to procedural lapses and limited oversight since the school was newly enrolled into effective Government procurement implementation.
Management pledged that going forward, all bidding documents, evaluation teams, and procurement methods will be submitted to the Contracts Committee for approval before initiation of procurement processes following PPDA Guideline No.2/2O25 on Procurement and Disposal for Schools.

Recommendation

The Head Procurement and Disposal Unit should submit all the solicitation documents, recommended bidders, method of procurement and evaluation teams to the Contracts Committee for the approval before invitation of bidders in accordance with PPDA Guideline No.2 of 2025 on procurement and disposal for school's clause 5:10.1(e).

2.1.5 Inadequate Solicitation Documents

PPDA Guideline No.2 of 2025 on procurement and disposal for school's clause 16 provides that a Procuring and Disposing Entity shall, when preparing each bidding document ascertain that; the most appropriate type of contract shall result from the procurement proceedings in terms of contractual protection to the Procuring and Disposing Entity, structure of payment, payment terms and method of payment. Contrary to the regulation above, the Authority found that Procurement and Disposal Unit prepared inadequate solicitation documents worth UGX 582,983,696 by using prequalification documents to come up with frame work contracts as detailed in Table 4 below:

Table 4: Procurements with Inadequate Solicitation Documents

No.	Subject of Procurement	Value (UGX)	Irregularity
1.	Food staff and poultry products under framework contract MSCN/SPLS/24-25/00003	308,196,196	• No Bid data sheet • No Special & General Conditions of contract • No price schedule • No list of required items • No Terms of Reference were provided • No bid Securing declaration • No delivery period was stated
2.	Supply of photography, identity cards and related things under framework contract MSCN/SPLS/2024-25/00021	2,550,000	• No Bid Data sheet • No Special &General Conditions of contract attached • No price schedule was attached • No list of required Specifications • No bid Securing declaration • No delivery period
3.	Computer supplies, consumables and Accessories under framework contract MSCN/SPLS/2024-25/00001	9,465,000	• No Special conditions & General Conditions of contract were attached • No price schedule attached • No list of required items • No specifications • No bid Securing declaration • No delivery period
4.	Repair and maintenance Electricity, power and other related gadgets MSCN/SPLS/2024-25/00045	1,035,450	• No Special &General Conditions of contract • No price schedule attached • There was no list of required items • No Specifications • No Terms of Reference • No bid Securing declaration • No delivery period
5.	General construction of building under framework contract MSCN/WRKS/2024-25/00047	16, 353,620	• No Special conditions of contract attached • No General Conditions of contract attached • No list of price schedule was attached • No list of required items • No Specifications • No scope of work was attached • No bid Securing declaration • No delivery period

No.	Subject of Procurement	Value (UGX)	Irregularity
6.	Assorted office stationery MSCN/SUPUPLS/2024/2025/00006	13,006,000	• No evaluation criteria were stated • No Special conditions of contract • No General Conditions of contract • No price schedule (list of what is required) • No compliance sheet
7.	Toner and Cartridge MSCN/SUPLS/2024/2025/00015	7,978,200	• No evaluation criteria were provided • No General conditions of the contract were attached • No specifications were provided • No price schedule (list of what is required) • No compliance sheet was attached
8.	Print, Art and Design (under framework contract) MSCN/SUPUPLS/2024/2025/00035	7,810,000	• No evaluation criteria • conditions of the contract • No Special conditions of contract • No General Conditions of contract • No specifications • No price schedule (list of what is required) • No compliance sheet
9.	Uniforms, curtains, protective wear, carpets, netting and bidding fitting MSCN/SUPUPLS/2024/2025/00009	206,614,230	• No evaluation criteria • No Special conditions of contract • No General Conditions of contract • No specifications • No price schedule (list of what is required) • No compliance sheet
10.	Sports and games equipment's under frame work contract MSCN/SUPUPLS/2024/2025/00010	9,975,000	• No evaluation criteria • No Special conditions of contract • No General Conditions of contract • No specifications were provided • No price schedule (list of what is required) • No compliance sheet was attached
	TOTAL	**582,983,696**	

Implication

Bidders were invited to bid with incomplete information which amounted to unfairness and unequal competition hence increasing the risk of mispricing and inflated costs.

Management Response

Management acknowledged the finding and attributed it to inadequate capacity building, particularly as the school had only recently been enrolled into effective Government procurement implementation. Management has since directed the Procurement and Disposal Unit (PDU) to strictly adhere to PPDA Guideline No. 2/2025 on Procurement and Disposal for Schools and to ensure the use of PPDA Standard Bidding Documents for all procurement processes.

Recommendation

1. The Accounting Officer should direct the Head Procurement and Disposal Unit to consistently use comprehensive and detailed Standard Bidding Documents (SBDs) in strict compliance with PPDA Guideline No .2 of 2025 on procurement and disposal for school's clause 16. The SBDs should clearly articulate the scope of work, technical specifications, evaluation criteria and methodology, qualification requirements, contract conditions, performance security requirements, delivery timelines, and payment terms to ensure transparency, fairness, and value for money.
2. The Contracts Committee should provide an independent oversight function of reviewing all the submitted Standard Bidding Document to verify their completeness and suitability for the entity's requirement to attain value for money
3. The Head Procurement and Disposal Unit should;
   i. Prepare and customise all Standard Bidding Documents (SBDs) for each specific procurement, ensuring they are complete, accurate, and compliant with Guideline No. 2 of 2025 on procurement and disposal for schools' clause 16.
   ii. Incorporate clear and detailed specifications, evaluation criteria, contract conditions, performance security requirements, delivery schedules, and any other mandatory provisions prescribed under the law to avoid ambiguities, inconsistencies, and non-compliance.
   iii. Establish an internal quality assurance review mechanism to verify completeness and accuracy of the SBDs before submission to the Contracts Committee for approval, thereby enhancing transparency, competition, and value for money.

2.1.6 Use of Wrong Solicitation Document for Framework Contracts.

Paragraph 6.1 of the PPDA Guidance on use of Framework Contracts, 2014 for procurement of supplies, works and non-consultancy services, requires Procuring and Disposing Entities to use PPDA's Standard Bidding Document for framework contracts and use the open bidding method. The Authority found that the Entity used pre-qualification documents instead of the framework contract solicitation document to contract bidders for works, supplies and none consultant services.

The Solicitation Document did not include Key information necessary for entering into a framework contract amongst others as listed below;

1. Estimate of the quantities of the materials the Entity intends to procure.
2. The estimated unit costs and unit of measure (to be completed by bidders).
3. The estimated total bid price and price schedules based on the estimated quantities of supplies or services.
4. The scope of the framework contract was not clearly indicated.
5. The payments statement against which individual call-off orders would be issued and paid was missing.

6. The evaluation methodology should have included among others, acceptable response times to call-oft orders, delivery points, capacity of the bidders in terms of experience of performing similar works and financial capabilities.
7. The Statement of Requirements should have provided sufficient information to enable bidders to efficiently and accurately prepare bids that are realistic and competitive and to ensure that bids meet the Procuring and Disposing Entity's needs.
8. The other documents forming part of the contract such as call-off orders to be issued under the contract should have been stated.
9. A sample call-off order, which should be attached to the agreement form, as an example of the call-off orders to be placed under the framework contract supported by a list of supplies, scope of work or terms of reference for the services and price schedule were missing.
10. The fact that the call-off order must be signed by the authorised signatory, who is defined in the special conditions of contract was also missing.
11. The minimum acceptable quantities beyond which the contractor can reject the call off order.

Contrary to Paragraph 6.1 of the PPDA Guidance on use of Framework Contracts, 2014 for procurements, Masaka School of Comprehensive Nursing used pre-qualification documents to formulate framework contracts.

Table 5: Framework Contracts Entered in using Pre-qualification Exercise.

No.	Subject of Procurement	Provider	Amount (UGX)
1.	Food staff and poultry product under framework contract MSCN/SPLS/24-25/00003	• Matsazan Company Limited • Kemico Trading Company • Morritex General Supplies • Jech Distributors Ltd	308,196,196
2.	Supply of photography, Identity cards andrelated things under framework contract MSCN/SPLS/2024-25/00021	Mugerwa Godfrey	2,550,000
3.	Computer supplies,consumables and Accessories under framework contract MSCN/SPLS/2024-25/00001	• Zaga Technologies Ltd • Colchester • Alexas	9,465,000
4.	Repair and Maintenance Electricity, Power Back and other related gadgets MSCN/SPLS/2024-25/00045	Matsazan Company Limited	1,035,450
5.	General construction of building Under framework contract MSCN/WRKS/2024-25/00047	Matsazan Company Ltd	16, 353,620
6.	Assorted office stationery MSCN/SUPUPLS/2024/2025/00006	Raink Ventures Ltd Tesam Investments Ltd Allexus Business Solution	13,006,000
7.	Toner and Cartridge MSCN/SUPLS/2024/2025/00015	Tesam Investments Allexus Business Solution	7,978,200

No.	Subject of Procurement	Provider	Amount (UGX)
		Purity Ways	
8.	Print, Art and Design under framework contract MSCN/SUPUPLS/2024/2025/00035	Dataline Graphics Joveris Ltd Allexus Business Solution	7,810,000
9.	Uniforms, Curtains, Protective wear, Carpets, netting and bidding fitting MSCN/SUPUPLS/2024/2025/00009	Goreth Kisembo Tamale Point Art Solution Dataline Graphics Cissy Garment	206,614,230
10.	Sports and games equipment's under frame work contract MSCN/SUPUPLS/2024/2025/00010	Masaka Sport Dealers A-One Quality Sports Ltd	9,975,000
Total			**582,983,696**

***NB:** The amounts indicated above were derived from the documents such as invoices from suppliers requesting for payments, that were availed to the Audit team not necessarily contract price since most contracts had no contract prices*

Implication

Inviting bidders using Standard Bidding Documents with incomplete information amounted to unfairness treatment in biddingprocess due to non-disclosure of all information at bidding stagehence increasing the risk of mispricing and inflated costs.

Management Response

Management acknowledged the use of prequalification documents instead of the prescribed framework contract documents. This was due knowledge gap since the school was newly enrolled into effective Government procurement implementation.

Recommendation

1. The Head Procurement and Disposal Unit should;
   i. Submit to the Contracts Committee all Standard Bidding Documents, including those for Framework Contracts, that are properly prepared, customized, and strictly complying with Regulations 33–40 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 and the PPDA Act.
   ii. Strictly adhere to the PPDA Guidelines on Framework Contracts (2014) when initiating and managing framework arrangements to ensure legality, transparency, and proper structuring of call-off procedures.
   iii. Use the prescribed Framework Contract Solicitation Document whenever procuring under a framework arrangement, and clearly tailor it to indicate:
      - The scope and nature of supplies/works/services;
      - The duration of the framework contract;
      - The estimated quantities or ceiling values;
      - The method of award for either single or multiple providers;

- The procedure for call-off orders; and
- Applicable performance securing declaration and contract management provisions.

iv. Clearly advertise all procurements as Framework Contracts where Masaka School of Comprehensive Nursing, intends to establish a framework arrangement, to ensure bidders are fully aware of the contractual structure and competition conditions.

v. Establish an internal quality assurance review mechanism within the procurement and disposal unit to confirm that the Framework SBDs are complete, consistent, and compliant before submission to the Contracts Committee for approval.

This will enhance compliance, promote fair competition, reduce procurement risks, and ensure value for money in the implementation of framework contracts.

2. Contracts Committee should, in strict compliance with Section 28(c) of the PPDA Act, Cap 205, critically and independently review and approve Framework Standard Bidding Documents and approve only after satisfying itself that the framework arrangement is justified, legally compliant, internally consistent, and clearly defines the scope, duration, call-off procedures, evaluation criteria, pricing mechanism, and contractual obligations so as to safeguard competition, transparency, and value for money

2.1.7 Low Bidder participation

Section 45 and 46 of the PPDA Act, Cap. 205 provides that all procurement and disposal shall be conducted in a manner to maximize competition and achieve value for money. The Authority found that that on average, the Entity had a low bidder response rate in four procurements worth UGX. 23,025,450. The Entity attracted either one or two bidders with most sampled procurements at an average response rate of 1bid when the request for quotation method was used as indicated in the Table 6 below.

Table 6: Procurements with Low Bidder Participation

No.	Procurement details	Method of procurement	Contract Value (UGX)	Number of Bids
1.	Supply of photography, identity cards and related things under framework contract MSCN/SPLS/2024-25/00021	Open Domestic Bidding	2,550,000	1
2.	Computer supplies, consumables and Accessories under framework contract MSCN/SPLS/2024-25/00001	Open Domestic Bidding	9,465,000	1
3.	Repair and maintenance Electricity, Power and other related gadgets MSCN/SPLS/2024-25/00045	Open Domestic Bidding	1,035,450	1
4.	Sports and games equipment under frame work contract MSCN/SUPUPLS/2024/2025/00010	Open Domestic Bidding	9,975,000	2
	TOTAL		**23,025,450**	**Av.1.25**

Implication
Limited number of bids reduces competition in the procurement process, affects the attainment of value for money and increasing the risk of inflated prices, favouritism, and misuse of public resources. This undermines transparency, accountability, and value for money, and may indicate a lack of confidence in the procurement system by potential bidders.

Management Response
Management acknowledged the low bidder participation and attributed it to limited market engagement and inadequate advertisement strategies. To improve on competition, Management promised to organize supplier engagement meetings and improve advertisement of procurement opportunities.

Recommendation
The Accounting Officer should devise mechanisms of increasing competition in the Entity's procurement processes to achieve value for money such as holding suppliers conference that will allow open discussion and dialogue with the currents and potential bidders on the causes of low bidder turn up and ways of mitigating and solve any possible challenges that affects competitionand fairness in accordance with Section 45 and 46 of the PPDA Act,Cap. 205.

2.1.8 Delays in the Procurement Process
Section 48 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 there were delays in the procurement process in six procurements worthy UGX. 350,606,266. The delays in the procurement processes of six procurements are detailed in Table 7 below:

Table 7: Delays in the Procurement Process

No.	Subject of Procurement	Amount (UGX)	Issues	PPDA Findings
1.	Food staff and poultry products under framework contract **MSCN/SPLS/24-25/00003**	308,196,196	Delayed opening of bids	Delayed by PDU to open bids for three working days. The bids were received on 2nd September 2024 and opened on 5th September 2024.
2.	Supply of photography, identity cards and related things under framework contract MSCN/SPLS/2024-25/00021	2,550,000	Delayed opening of bids	Delayed by PDU to open bids for three working days. The bids were received on 2ndSeptember 2024 and opened on 5thSeptember 2024
3.	Computer supplies, Consumables and Accessories under framework contract MSCN/SPLS/2024-25/00001	9,465,000	Delayed opening of bids	Delayed by PDU to open bids for three working days. The bids were received on 2ndSeptember 2024 and opened on 5thSeptember 2024

No.	Subject of Procurement	Amount (UGX)	Issues	PPDA Findings
4.	Repair and Maintenance Electricity, Power Back and other related gadgets MSCN/SPLS/2024-25/00045	1,035,450	Delayed opening of bids	Delayed by PDU to open bids for three working days. The bids were received on 2ndSeptember 2024 and opened on 5thSeptember 2024
5.	General construction of building under framework contract MSCN/WRKS/2024-25/00047	16,353,620	Delayed opening of bids	Delayed by PDU to open bids for three working days. The bids were received on 2ndSeptember 2024 and opened on 5thSeptember 20242024
6.	Assorted office stationery MSCN/SUPUPLS/2024/2025/00006	13,006,000	Delayed issue of the bidding document and display of Best evaluated Bidder Notice	Delayed by PDU to issue the bidding document after advertisement for 33 days. The procurement was advertised on 18th July2024 but bidding document was issued on 30th August 2024 Delay by PDU to display the Best Evaluated Bidder Notice for 29 days. Evaluation report was signed and approved on 02nd September 2024, but Best Evaluated bidder Notice was displayed on 14th October 2024.
	TOTAL	**350,606,266**		

Implication
Delayed bid opening compromised transparency and integrity of the bidding process. Bid opening is time-bound process and any delay creates suspicion of possible tampering, manipulation, or interference with bids, thereby undermining stakeholder confidence in the procurement process.

Management Response
Management acknowledged the delays in procurement processes and attributed them to inadequate supervision and poor adherence to procedural timelines. PDU has been instructed to monitor timelines at each stage, and follow PPDA Guideline No.2/2O25on Procurement and Disposal for Schools

Recommendation
The Accounting Officer should institute effective supervision and monitoring mechanisms to ensure strict compliance with the prescribed procurement lead times at every stage of the procurement process in accordance with Section 51 of the Public Procurement and Disposal of Public Assets Act and the timelines provided under the Public Procurement and Disposal of Public Assets (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, and should hold all responsible officers accountable for any unjustified delays in order to promote efficiency, timely service delivery, and achievement of value for money.

2.1.9 Failure by the Internal Auditor to audit the procurement and disposal function
Regulation 27 (a) of the PPDA (Procuring and Disposing Entities) Regulations, 2023 provides that the Internal Audit Department of a Procuring and Disposing Entity shall audit the method used for a procurement and the payment made to establish whether the supplies, works or services are properly ordered, received, verified and paid for in accordance with the Public Finance Management Act, 2015 and the other applicable laws. The Authority found that the Internal Auditor did not conduct any procurement audit throughout the Financial Year 2024/2025.

Implication
The absence of internal audit function in procurement and disposal processes demonstrates weak internal control systems, leaving the entity vulnerable to mismanagement, non-compliance, and financial irregularities. This undermines accountability and transparency in procurement and disposal processes, increasing the risk of fraud, corruption, and value-for-money losses.

Management Response
Management acknowledged that procurement audits were not conducted since the school structure lacks the position of an internal auditor. Management promised that going forward, the school will consult the Permanent Secretary Ministry of Education and Sports to guide on the position of an internal Auditor.

Recommendations
1. Accounting Officer should adhere to the legal requirements under Regulation 86(1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023, to establish and maintain adequate internal control systems, including regular audits, to ensure compliance with procurement laws and procedures. Failure to do so constitutes a breach of the regulatory framework.
2. The Head of Internal Audit should on quarter basis audit the procurement and disposal processes and procedures and maintain audit reports in accordance with Regulation 27 (a) of the PPDA (Procuring and Disposing Entities) Regulations, 2023. This should be done as an internal measure for improving performance.

2.1.10 Irregularities at Bid Evaluation Stage
PPDA Guideline No. 2 of 2025-on procurement and disposal for school's clause 12.7.2 provides that the evaluation of bids shall be conducted in accordance with the evaluation criteria specified in the bidding documents. Contrary to the above, the Authority found that there were irregularities during the bid evaluation stage on all ten sampled procurement files. The entity relied on the pre-qualification list

and failed to carry out evaluation on preliminary/administrative, commercial and technical stages. It was noted that the received bids were for prequalification but the entity converted them into procurements and awarded contracts.

The Irregularities noted included;

i. Three stage evaluation criteria for technical evaluation methodology were not followed.
ii. No contract award recommendations were stated in the evaluation report including no financial comparisons and unit costs.
iii. The evaluation team used technical compliance selection and provided rates and technical score. The weighted rates which were not included in the evaluation criteria in SBD.
iv. Evaluation reports were not signed by all evaluation team members and were not dated.
v. Evaluation team members were not approved by the Contracts Committee.
vi. No ethical code of conduct signed by evaluators.

Implication

Irregularities in evaluation process exposes the entity to the risks of awarding contracts to bidders who lack the required technical and financial capacity, who may have ethical and integrity issues. This can result in poor contract performance, delays in service delivery, undermining value for money, transparency, and the credibility of the procurement process as required in Regulations 47 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

Management response

Management acknowledged the irregularities in bid evaluation and attributed them to non-adherence to procedures and inadequate capacity since the school was newly enrolled into effective Government procurement implementation. Management further commits that approved Evaluation Committees will follow the three-stage evaluation process as per PPDA regulations and procedure laid in the PPDA Guideline No.2/2O25on Procurement and Disposal for Schools.

Recommendations

1. The Evaluation Committee Members should strictly adhere to the set evaluation criteria in accordance with the evaluation criteria specified in the bidding document as provided under PPDA Guideline-No. 2 of 2025 on procurement and disposal for schools' clause 12.7.2;
2. The Head, Procurement and Disposal Unit should provide guidance to the Evaluation Committees and ensure that they adhere to the criteria stated in the solicitation document in accordance with Regulation 24(1) Evaluations Regulation, 2023.

2.1.11 Lack of Evidence of Issuance of Best Evaluated Bidder Notices

PPDA Guideline No. 2 of 2025 on procurement and disposal for schools' clause 12.10.6 provides that a Procuring and Disposing Entity shall deliver a copy of the notice of best evaluated bidder to all the bidders and obtain proof of delivery. The Authority found that in all ten sampled procurement files worth UGX. 582,983,696 there was no evidence on file to confirm that the notice of best evaluated bidder was sent to or received by the bidders who had participated.

Implication
This implies that there was lack of transparency in the procurement processes.

Management Response
Management stated that it had evidence that the Best Evaluated Bidder Notices were displayed on the school noticeboard and bidders were informed through phone calls and WhatsApp. However, going forward PDU will use office emails to ensure all notices are formally issued and delivered to intended participants as advised.

Authority's comment
Authority noted Management response and observed that no evidence was provided by management thus retaining the audit finding.

Recommendation
The Accounting Officer should institute strict measures of delivering notices of best evaluated bidders to all bidders who participated in the procurement and instructs the procurement and disposal unit to file the evidence in accordance with PPDA Guideline No 2 of 2025 on-procurement and disposal for schools' clause 12.10.6 .This can be achieved through use of the emails from the prospective bidders.

2.1.12 Signing of Inadequate Contracts
Regulation 9 (1) of the PPDA (Contracts) Regulations 2023 provides the contents of a contract and the manner in which it should be prepared. The Authority found that the Entity signed inadequate contracts in all ten procurements sampled procurements worth UGX. 582,983,696.The details of inadequate contracts for Ten procurements are detailed in Table 8 below:

Table 8: Procurements with Inadequate Contracts

No.	Subject of Procurement	Value (UGX)	Issues noted by the Authority
1.	Food staff and poultry products under framework contract MSCN/SPLS/24-25/00003	308,196,196	The contract had no start and completion dates
2.	Supply of Photography, identity cards and related things under framework contract MSCN/SPLS/2024-25/00021	2,550,000	• The contract had no start date and completion dates • No unit rates were included in the contract
3.	Computer Supplies, Consumables and Accessories under framework contract MSCN/SPLS/2024-25/00001	9,465,000	The contract had no start and completion dates
4.	Repair and Maintenance Electricity, Power Back and other related gadgets MSCN/SPLS/2024-25/00045	1,035,450	• The contract had no terms of reference • The contract had no start date and completion dates
5.	General construction of building under framework contract	16,353,620	• No unit rates were provided for in the contract.

No.	Subject of Procurement	Value (UGX)	Issues noted by the Authority
	MSCN/WRKS/2024-25/00047		• The contract had no start and completion dates
6.	Assorted office stationery MSCN/SUPUPLS/2024/2025/00006	13,006,000	• Contract with no unit costs • No Conditions of the contract
7.	Toner and Cartridge MSCN/SUPLS/2024/2025/00015	7,978,200	• Contracts did not state the contractors' full names • No Special conditions of contract • No General Conditions of contract
8.	Print, Art and Design under framework contract MSCN/SUPUPLS/2024/2025/00035	7,810,000	• Contracts had no unit prices no total price • No completion dates
9.	Uniforms, curtains, protective wear, Carpets, netting and bidding fitting MSCN/SUPUPLS/2024/2025/00009	206,614,230	• Contracts had no total cost • No start and end dates
10.	Sports and games equipment's under frame work contract MSCN/SUPUPLS/2024/2025/00010	9,975,000	Contract had no General conditions of the contract
		582,983,696	

Implications

- This makes contract management extremely difficult hence leading to delays in implementation of projects and delivery of goods and services.
- The signed contract may not be enforceable in the event of disagreements.

Management Response

Management acknowledged the deficiencies in contract documentation and attributed it to knowledge gap by the instituted structures which have never got a procurement training since the school was newly enrolled into effective Government procurement implementation. Management commits that no contract will be signed unless it contains all mandatory provisions including scope, timelines, pricing, and contract conditions as provided in Annex 10 (Framework contract agreement for procurement of goods and services) of PPDA Guideline No.2/2O25 on Procurement and Disposal for Schools.

Recommendation

The Accounting Officer should strictly enforce that no contract is signed unless it is complete, consistent with the approved bidding documents and evaluation report, and contains all essential provisions including scope of work, performance securing declarations, payment terms, timelines, dispute resolution mechanisms and it spell out the obligations of each party in accordance with Regulation 9 of the PPDA (Contracts) Regulations, 2023.

2.1.13. Missing Records on Procurement Action Files

Section 44 of the PPDA Act, Cap. 205 provides that the Procuring and Disposing Entity shall maintain records on its procurement and disposal proceedings for a period of seven years from the date of a decision to terminate the procurement and disposal action, or the date of contract completion, whichever comes later. The Authority found that there were missing records on all ten procurements action files worth UGX 582,983,696. Table 9 below details the nineteen procurements with missing documents.

Table 9: Procurements with Missing Records

No.	Subject of Procurement	Amount (UGX)	Missing Records
1.	Food staff and poultry products under framework contract MSCN/SPLS/24-25/00003	308,196,196	• Appointment of contract manager • Contract implementation plan • Payment Records • Requisition form for a call off worthy UGX 2,550,000
2.	Supply of photography, identity cards and related things under framework contract MSCN/SPLS/2024-25/00021	2,550,000	• Appointment of Contract manager • Contract Implementation Plan • Completion report • Payment records • Requisition for the call of worth UGX 2,550,000
3.	Computer supplies, consumables and Accessories under framework contract MSCN/SPLS/2024-25/00001	9,465,000	• Appointment of contract Manager • Contract implementation plan • Payment records
4.	Repair and maintenance Electricity, Power Back and other related gadgets MSCN/SPLS/2024-25/00045	1,035,450	• Appointment of Contract Manager • Contract Implementation Plan • Completion report • Payment Records • Requisition form for call-off worth UGX 1,035,450
5.	General construction of building Under framework contract MSCN/WRKS/2024-25/00047	16,353,620	• Appointment of Contract manager • Contract Implementation Plan • Payment records • Requisition was raised for the requirement worth UGX 16,353,620
6.	Assorted office stationery MSCN/SUPUPLS/2024/2025/00006	13,006,000	• Contract implementation plan • Contract management report • Contract managers appointments • Proof of payments

No.	Subject of Procurement	Amount (UGX)	Missing Records
7.	Toner and Cartridge MSCN/SUPLS/2024/2025/00015	7,978,200	• Minutes of Contracts Committee approvals of method and evaluation reports • Record of bid issue was not signed • Record of bid received • Bid opening record • Contract management report • Contract managers appointments • Evidence of payment
8.	Print, Art and Design under framework contract MSCN/SUPUPLS/2024/2025/00035	7,810,000	• Minutes of Contracts Committee approvals • Record of bids received (Form 11) • Bid opening record (Form 12) • Contract management report • Contract managers appointments • Commencement letter • Proof of payment
9.	Uniforms, curtains, protective wear, carpets, netting and bidding fitting MSCN/SUPUPLS/2024/2025/00009	206,614,230	• Minutes of Contracts Committee approvals • Record of bid received • Bid opening record not on file • Bid issue Form (Form 8) • Contract management report • Contract managers appointment • Commencement letter • Payment proof
10.	Sports and games equipment's under frame work contract MSCN/SUPUPLS/2024/2025/00010	9,975,000	• Minutes of Contracts Committee approvals • Record of bid received • Bid opening record not on files • Call off order was availed • Contract management report • Contract managers appointments • Commencement letter
	TOTAL	**582,983,696**	

Implication
Poor record keeping disrupted the audit trail and undermines transparency and accountability in the procurement function, thereby increasing the risk of undetected irregularities, audit queries, financial loss, and non-compliance issues.

<u>Management Response</u>

Management acknowledged poor record-keeping practices and attributed it to the fact that the school had just instituted the PDU function and staff did not receive any professional training but were just learning to put in place a formal mechanism to follow during execution of procurements. Management further states that centralized filing and records management procedures have been introduced within the PDU to ensure all procurement documents are properly maintained.

Recommendation

The Head, Procurement and Disposal Unit should adhere to PPDA Guideline No. 2 of 2025 on procurement and disposal for schools' clause 7.3.1 which provides a list of Procurement records to be maintained by the Procurement and Disposal Unit. This is will facilitate effective audit trails, oversight, and compliance with the law.

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

2.2.1 Failure to Prepare a Disposal Plan

Section 60 (1)(2) of the PPDA, Cap. 205 requires a Procuring and Disposing Entity to prepare and, on a quarterly basis, review and update its procurement and disposal plan. The Authority noted that whereas the Entity prepared the Annual Procurement Plan for the Financial Year 2024/2025, it did not prepare and include a Disposal Plan, which was contrary to Section 60 (1)– (2) of the Act, Cap. 205.

Implication

Failure to prepare a disposal plan exposes the entity to the risk of not disposing off items due for disposal and not following appropriate legal and procedural requirements, which can result in non-compliance with PPDA regulations, loss of public resources, and reduced accountability and transparency in the management of assets.

Management Response

Management acknowledged the finding and explained that the school being newly enrolled into effective Government procurement implementation, all structures including Board of Survey were not yet instituted and could not generate a Board of Survey report from which a disposal plan is extracted. Going forward, a comprehensive disposal plan will be prepared annually based on Board of Survey report as provided in Section 9.2 of PPDA

Recommendation

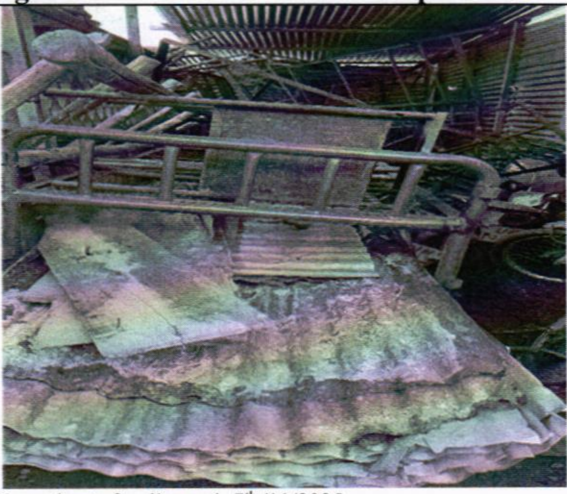
The Accounting Officer should institute strong internal mechanism that over sees that a disposal plan is prepared annually capturing all items identified in the Board of Survey as due for disposal in line with Guideline No. 2/2025 on Procurement and Disposal for Schools clause 9.1.2. For the items where the entity does not have ownership to obtain permission from the line ministry and plan for their disposal to avoid further loss of funds through deterioration.

2.2.2 Failure to Dispose Obsolete Items

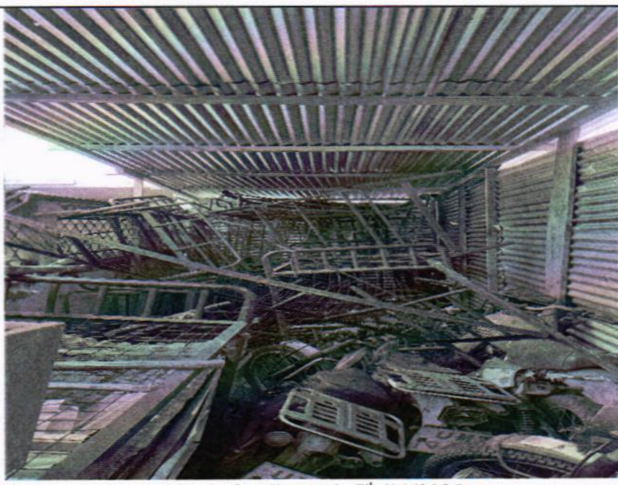
PPDA Guideline No. 2/2025 on Procurement and Disposal for Schools clause 9.1.2 provide that, for purposes of disposal planning, the Accounting Officer shall, in each financial year, cause the public assets of a Procuring and Disposing Entity to be reviewed. However, the Authority was not availed with a copy of the Board of Survey report for the previous financial year, which would have identified the public assets due for disposal. Although some obsolete items due for disposal were physically verified and brought to the attention of the Authority, no disposal was undertaken during the Financial Year 2024/2025 under review.

The list of items that were never disposed of in the Financial Year 2024/2025 by the Entity are indicated in Figure 1 below;

Figure 1: The Items Due for Disposal



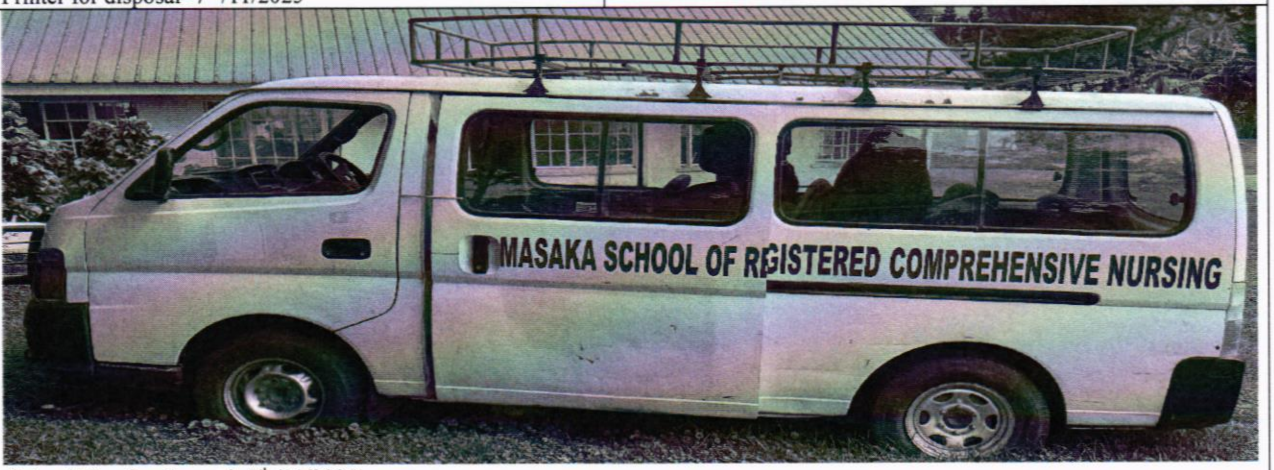
Iron sheets for disposal -7th /11/2025



Motor Cycles and Beds for disposal -7th /11/2025

Printer for disposal -7th /11/2025

School Van for disposal --7th /11/2025



School Van for disposal -7th /11/2025

These photos were taken from Masaka School of Comprehensive Nursing

Implications
Failure to dispose of obsolete or unserviceable assets exposes the government to the risk of holding non-productive resources and losing potential revenue from their timely disposal. It also undermines accountability and transparency in asset management, and may result in non-compliance with the PPDA Act and related disposal regulations, ultimately affecting the efficient use of public resources.

Management Response
Management acknowledged delay in disposal of obsolete assets and stated that a Board of Survey was constituted to identify items for disposal, and that the disposal processes would be initiated in accordance with Section 9.2 of PPDA Guideline No. 2/2025on Procurement and Disposal for Schools.

Recommendation
The Accounting Officer should expedite the process of asset disposal in line with PPDA Guideline No. 2/2025 clause 9.1.2 on Procurement and Disposal for Schools to avoid further loss of asset value.

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 request for a performance securing declaration from successful bidders

PPDA Guideline No. 2 of 2025 on procurement and disposal for school's clause 12.11.1 states that a performance security maybe requested to protect against non-performance of a contract in accordance with the PPDA Guideline on Bid and Performance Securities.

The Authority observed that performance securing declarations were not submitted in all sampled procurements.

Implication
Without a performance securing declaration, there is a higher risk that if a provider fails to fulfill their contractual obligations it leaves the entity with limited remedies of recovering the losses.

Management Response
Management acknowledged the finding of non-compliance with performance securing declaration requirements and stated that PDU has been instructed to request performance securing declarations from successful bidders in line with PPDA Guideline No. 2/2025 on Procurement and Disposal for Schools.

Recommendation
The Head, Procurement and Disposal Unit should adhere PPDA Guideline No. 2 of 2025 on procurement and disposal for school's clause 12.11.1 to the guideline on bid and performance securities by requiring a performance securing declaration for procurements under the restricted domestic, restricted international, quotation and direct bidding methods

2.3.2 Failure to Appoint Contract Managers

PPDA Guideline No. 2 of 2025 on procurement and disposal for school's clause 12.12.1 states that the Accounting Officer shall appoint a contract manager/contract management team as nominated by the User Department. The Authority observed that Contract managers were not appointed in all the ten sampled procurements worth UGX 582,983,696.

Implication
Failure to appoint contract managers with the appropriate skills and technical competencies resulted in the absence of preparation of contact implementation plans and contract management reports detailing supplier or service provider performance. This gap hindered the audit trail, making it difficult to access and verify records of actual contract performance.

Management Response
Management acknowledged the finding and attributed it to the fact that the school was newly enrolled into effective Government procurement implementation and staff had knowledge gap in implementing acceptable procurement procedures. Management further stated that User departments have been

directed to nominate qualified contract managers for formal appointment and all contracts will have designated managers responsible for implementation and reporting.

Recommendation

The Heads of User Departments should nominate contract managers with the appropriate skills and experience for formal appointment by the Accounting Officer, in accordance with PPDA Guideline No. 2 of 2025 on procurement and disposal for school's clause 12.12.1. The appointed contract manager should prepare a contract management plan and a copy to the Procurement and Disposal Unit for monitoring purposes.

2.3.3 Irregularities at Contract Management

PPDA Regulation 17(6) (Contracts) Regulations, 2023 provides that a framework contract shall include fixed prices or price adjustment. The Authority found irregularities where framework contracts did not specify fixed unit prices or provide for a price adjustment mechanism of the procurement of uniforms, curtains, protective wear, carpets, netting and bedding fittings worth UGX 206,614,230. Consequently, the Entity issued Local Purchase Orders that differed from one purchase order to another that could not be matched to contract unit prices since such prices had not been established in the signed framework contracts.

Implication

Failure to establish fixed prices or a price adjustment mechanism in framework contracts exposes the Entity to the risk of procuring goods at inflated prices during contract implementation. This weakens cost control, undermines transparency and accountability in procurement and compromises value for money.

Management Response

Management acknowledged inconsistencies in pricing during frame work contract implementation, and noted that the inconsistencies were due to the instabilities in the prevailing market prices. Management further states that going forward, PDU will consider anticipation of future market price fluctuations at planning stage such that strict adherence to contract prices will be enforced, and monitor all call-off orders to ensure compliance.

Recommendations

1. The Accounting Officer should ensure that all framework contracts are structured in accordance with Regulation 17(6) of the PPDA (Contracts) Regulations, 2023 by incorporating fixed prices or clearly defined price adjustment mechanisms before contract award.
2. The Head of the Procurement and Disposal Unit should strengthen contract preparation and review processes to ensure that pricing provisions are adequately defined in framework contracts and that all call-off orders are issued in accordance with the approved contract pricing arrangements and maintain adequate documentation to support any price adjustments made during contract implementation and ensure

CHAPTER 3: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

3.1 Overall Inspection Conclusion

The performance of Masaka School of Comprehensive Nursing for the Financial Year 2024/2025 was **Unsatisfactory** with an overall weighted average risk rating of **77%.**

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 11 below:

Table 10: Summary of performance of Masaka School of Comprehensive Nursing

Risk category	No.	%No	Value (UGX)	%Value	Weights	Total Weighted score	
						by Value	by No.
High	03	30	330,667,196	57	0.6	34.2	18
Medium	07	70	252,316,500	43	0.3	12.9	21
Low	0	0	0	0	0.1	0	0
Satisfactory	0	0	0	0	1	0	0
Total	10	**0**	**582,983,696**	**100**	**1**	**47.1**	**39**

Weighted Average (By NO.) = $\frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{39}{60} \times 100 = 65\%$

Weighted Average (By Value) = $\frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{47.1}{60} \times 100 = 79\%$

Combined Weighted Average = $\frac{65 + 79}{2} = 72\%$

Since **77%** falls within the **71-100** risk range, the performance of the Entity is rated **Unsatisfactory** as detailed in Table 16 below:

Table 11: Risk rating Table

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

Figure 2: Graphical Representation of the Entity's Risk Assessment by Value

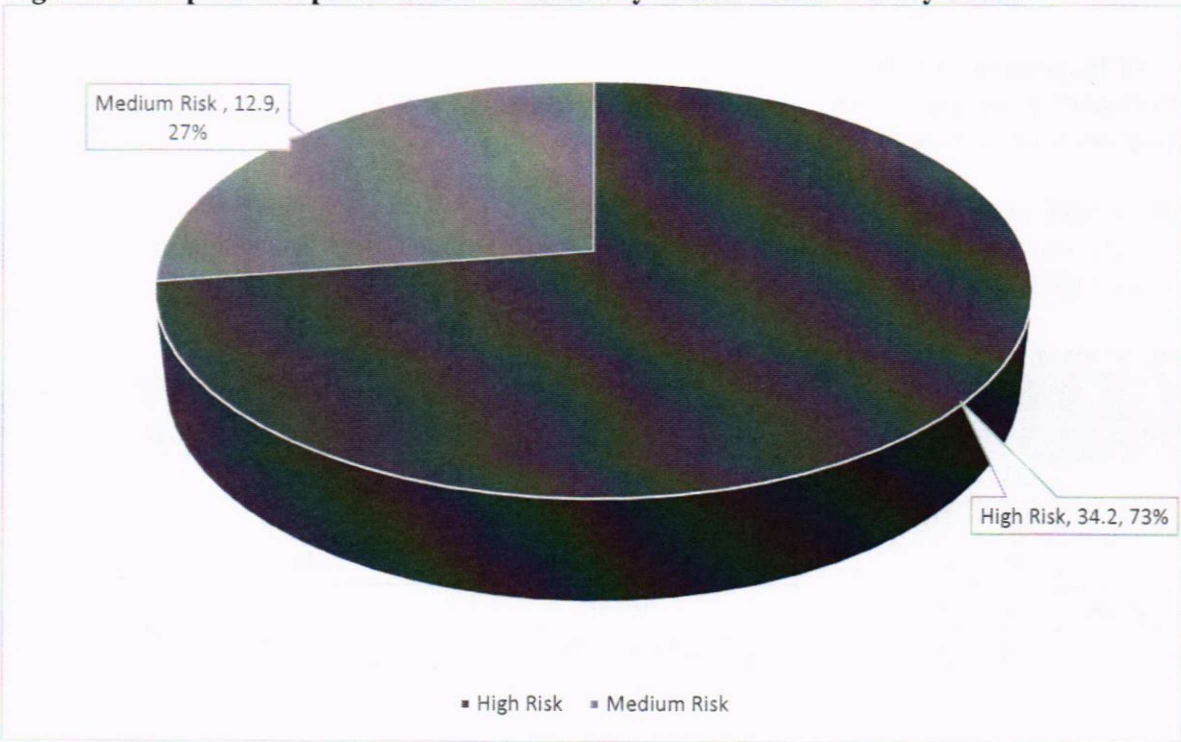
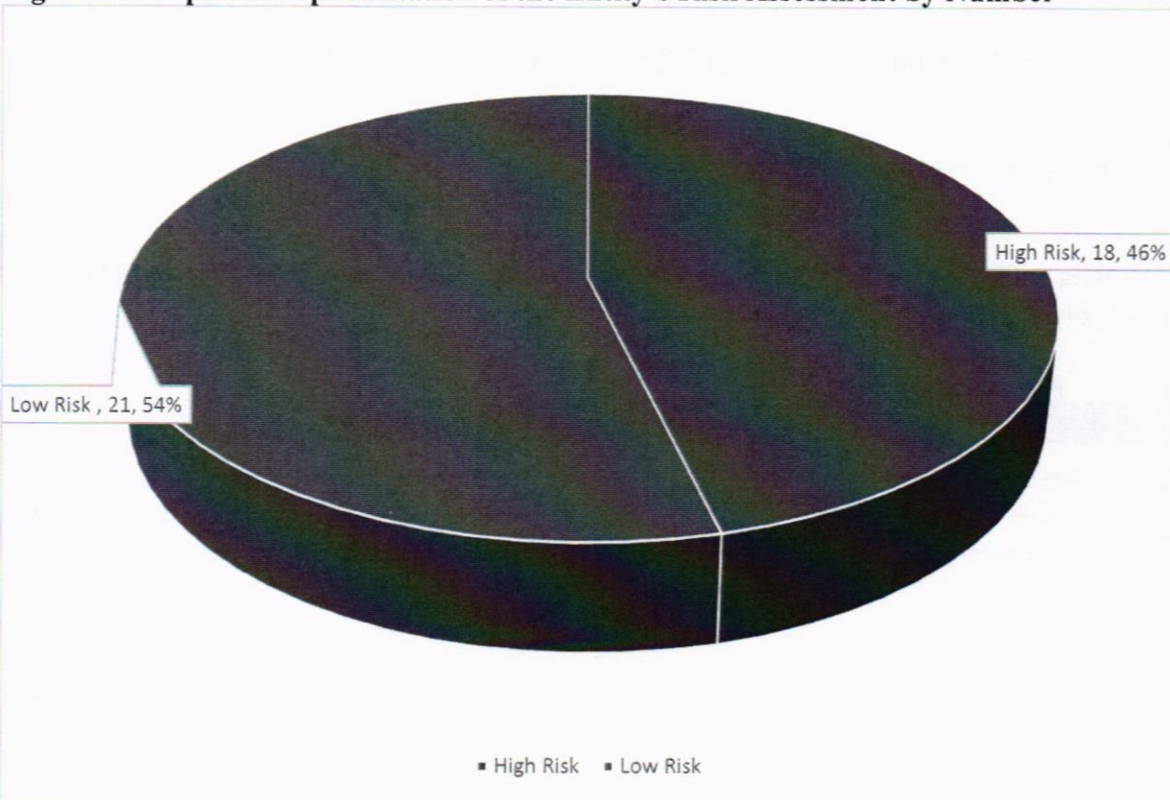


Figure 3: Graphical Representation of the Entity's Risk Assessment by Number



3.3 Audit Opinion/Conclusion

The Procurement and Disposal activities of Masaka School of Comprehensive Nursing for the Financial Year 2024/2025 were generally conducted in compliance with the provisions of the PPDA Act, Cap. 205, the PPDA Regulations, 2023, and PPDA Guideline No. 2 of 2025 on procurement and disposal for school. The Entity maintained the required procurement and disposal structures, and disposal activities had not commenced with the board of survey yet to be conducted.

However, the inspection identified several control and performance weaknesses that require management attention. These include failure to constitute the Procurement and Disposal Unit; failure to prepare procurement plan for FY 2024/2025; non-submission of quarterly procurement and disposal reports to the Authority; inadequate bidding document; and signing of inadequate contracts.

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 Masaka School of Comprehensive Nursing for the FY 2024/2025 is assessed as **Unsatisfactory**, with an overall weighted average risk of **72%**, requiring targeted management interventions to strengthen procurement efficiency, contract management and compliance with statutory and regulatory requirements.

3.4 Recommended Action Plan

Masaka School of Comprehensive Nursing should implement the following recommendations in Table 12 below within the timeframe given in order to improve its performance in Procurement and Disposal.

Table 12: Action Plan

Finding	Action/Recommendation	Responsible Officer	Timelines
In adequate and qualified staffed in Procurement and Disposal Unit	Recruiting adequate and qualified staff for PDU to enable the Unit deliver its mandate	Management	2026/2027
Failure to Submit the Entity's quarterly procurement and disposal reports to the Authority	Submitting quarter report PPDA in accordance with PPDA Guide lines No.2 of 2025 Clause 5.2.1	Accounting Officer	Quarterly
Signing of Inadequate contracts	Signing contracts that are complete, aligned with the approved bidding documents that contain all essential provisions.	Accounting Officer	First Quarter 2026/2027
Failure to deliver the Best Evaluated Bidder Notices	Institute strict measures of delivering notices of best evaluated bidders to all bidders who participates in the procurement and disposal process	Accounting Officer and HPDU	Continuous
Preparing inadequate SBDs	Prepare and customize the applicable Standard Bidding Document for each procurement, ensuring they are complete, accurate, and fully compliant with PPDA Guideline No.2 of 2025 on procurement and disposal for schools' clause 16	HPDU	Continuous

ANNEX 1: CASE BY CASE ANALYSIS

No.	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
1.	Food staff and poultry products under framework contract MSCN/SPLS/24-25/00003 UGX. 308,196,196	• Commencement of the procurement without Contracts Committee approval • Use of inadequate solicitation documents • Use of wrong solicitation document for Framework Contracts • Lack of evidence of issuance of Best evaluated bidder notice • Inadequate contract • Failure to request for a performance securing declaration from successful bidders • Failure to appoint a contract manager • Missing information
2.	Assorted office stationery MSCN/SUPUPLS/2024/2025/00006 UGX. 13,006,000	• Commencement of procurements without estimated value on initiation forms and filling the funds availability section • Commencement of the procurement without Contracts Committee Approval • Use of inadequate solicitation documents • Use of wrong solicitation document for framework Contracts • Delay in procurement process, • Evaluation report was signed on 02nd September 2024, but BEBN was displayed on 14th October /2024, cause a delay of 29 days of communicating the evacuation outcome • Failure to issue of Best Evaluated bidder notice • Use of inadequate contract • Failure to appoint Contract manager, no contract implementation plan and no contract management report • No proof of payments • Failure to request for a performance securing declaration from successful bidders
3.	Computer supplies, consumables and Accessories under framework contract MSCN/SPLS/2024-25/00001 UGX. 9,465,000	• Commencement of procurements without estimated value on initiation forms and filling the funds availability section • Commencement of the procurement without contracts committee approval • Use of inadequate solicitation document • Use of wrong solicitation document for framework contract • low participation of bidders • Failure to issue of best evaluated bidder notice • Use of inadequate contract that had no start and completion dates • No appointment of contract manager

		• No contract implementation plan • No payment records • Failure to request for a performance securing declaration from successful bidders • Failure to appoint contract managers
	MEDIUM RISK CONTRACTS	• REASONS FOR MEDIUM RISK
1.	Supply of photography, identity cards and related things under framework contract MSCN/SPLS/2024-25/00021 UGX. 2,550,000	• Commencement of procurements without estimated value on initiation forms and filling the funds availability section • Commencement of the procurement without Contracts Committee approval • Use of inadequate solicitation document • Use of wrong solicitation document for framework contracts • Low Participation of bidders • Delays bid opening for four days from 2nd September 2024 to 5th September 2024 • Failure to issue Best evaluated bidder notice • Inadequate contract • Failure to appointment of Contract manager and no Contract Implementation plan and completion report. • Failure to request for a performance securing declaration from successful bidders • Missing records
2.	General construction of building under framework contract MSCN/WRKS/2024-25/00047 UGX. 16, 353,620	• Commencement of procurements without estimated value on initiation forms and filling the funds availability section • Commencement of the procurement without Contracts Committee Approval • Use of inadequate solicitation documents • Use of wrong solicitation document for frame work contracts • Delays bid opening for four days from 2nd September 2024 to 5thSeptember 2024 • Failure to issue Best evaluated bidder notice • Use of inadequate contract; no unit rates, no start and completion dates. • Failure to appointment of Contract manager, no Contract implementation plan and no contract report • No Payment records • No requisition was raised for the requirement worth UGX 16,353,620 • Failure to request for a performance securing declaration from successful bidders

3.	Repair and maintenance of Electricity, Power and other related gadgets MSCN/SPLS/2024-25/00045 UGX. 1,035,450	• Commencement of procurements without estimated value on initiation forms and filling the funds availability section • Commencement of the procurement without Contracts Committee approval • Use of inadequate solicitation documents • Use of wrong solicitation document for framework contracts • Low Bidder Participation • Delays bid opening for four days from 2nd September 2024 to 5th September 2024 • Failure to issue of Best evaluated bidder notice • Use of inadequate contract that had no terms of reference, no start date and completion dates • Failure to appointment of Contract manager and no Contract Implementation plan and no completion report • No Payment Records • No requisition forms for call-off orders • Failure to request for a performance Securing Declaration from successful bidders
4.	Toner and Cartridge MSCN/SUPLS/2024/2025/00015 UGX. 7,978,200	• Commencement of procurements without estimated value on initiation forms and filling the funds availability section • Commencement of the procurement without Contracts Committee Approval • Use of inadequate solicitation documents • Use of wrong solicitation document for framework contracts • Failure Best evaluated bidder notice • Use of inadequate contracts, did not state the contracting firm full name and had no contract conditions • No minutes of Contracts Committee that approved of method of procurement and evaluation reports • No record of bid issue, no record of bid received and no bid opening record • No appointment of the contract manager and no contract management report. • No evidence of payment • Failure to request for a performance securing declaration from successful
5.	Print, Art and Design(under framework contract) MSCN/SUPUPLS/2024/2025/00035 UGX. 7,810,000	• Commencement of procurements without estimated value on initiation forms and filling the funds availability section • Commencement of the procurement without Contracts Committee approval • Use of inadequate solicitation documents

		• Use of wrong solicitation document for framework contracts • Failure to issue Best evaluated bidder notice • Use of inadequate contract that had no unit prices and no completion dates • Failure to request for a performance securing declaration from successful bidder
6.	Sports and games equipment under frame work) MSCN/SUPUPLS/2024/2025/00010 UGX. 9,975,000	• Commencement of procurements without estimated value on initiation forms and filling the funds availability section • Commencement of the procurement without Contracts Committee approval • Use of inadequate solicitation documents • Use of wrong solicitation document for framework Contracts • Low Bidder Participation • Failure to issue the best evaluated bidder notice • Inadequate contract that had no general conditions of the contract. • No Minutes of Contracts Committee approvals • No record of bid issue, bid received and bid opening record • Failure to appoint contract manager and no contract management report • No payment proof was provided • Failure to request for a performance securing declaration from successful Bidders.
9	Uniforms, Curtains, Protective wear, carpets, netting and bedding fittings MSCN/SUPUPLS/2024/2025/00009 UGX. 206,614,230	• Commencement of procurements without estimated value on initiation forms and filling the funds availability section • Commencement of the procurement without Contracts Committee approval • Use of inadequate solicitation documents • Use of wrong solicitation document for framework contracts • Failure to issue best evaluated bidder notice • Use of inadequate contract that had no unit prices and no completion dates • Failure to request for a performance securing declaration from successful bidder

ANNEX 2: SAMPLE LIST FOR MASAKA SCHOOL OF COMPREHENSIVE NURSING FOR FINANCIAL YEAR 2024/2025

No.	Subject of Procurement	Reference Number	Method of Procurement	Date of Award	Provider	Amount (UGX)
1.	Food staff and Poultry Product under framework contract	MSCN/SPLS /24-25/00003	Open Domestic bidding	1st Nov. 2024	• Matsazan Company Limited • Kemico Trading Company • Morritex General Supplies • Jech Distributors Ltd	308,196,196
2.	Supply of Photography, Identity Cards andrelated things under framework contract	MSCN/SPLS/ 2024-25/00021	Open Domestic bidding	1stNov. 2024	Mugerwa Godfrey	2,550,000
3.	Computer Supplies, Consumables and Accessories under framework contract	MSCN/SPLS/ 2024-25/00001	Open Domestic bidding	1stNov. 2024	• Zaga Technologies Ltd • Colchester • Alexas	9,465,000
4.	Repair and Maintenance Electricity, Power Back and other related gadgets	MSCN/SPLS/ 2024-25/00045	Open Domestic bidding	1stNov. 2024	Matsazan Company Limited	1,035,450
5.	General Construction of Building Under framework contract	MSCN/WRK S/2024-25/00047	Open Domestic bidding	1stNov. 2024	Matsazan Company Ltd	16, 353,620
6.	Assorted Office Stationery	MSCN/SUP UPLS/2024/2 025/00006	Open Domestic bidding	1st Nov. 2024	• Raink Ventures Ltd • Tesam Investments Ltd • Allexus Business Solution	13,006,000
7.	Toner and cartridge	MSCN/SUPL S/2024/2025/ 00015	Open Domestic bidding	1stNov. 2024	• Tesam Investments • Allexus Business Solution • Purity Ways	7,978,200
8.	Print, Art and Design (under framework contract)	MSCN/SUP UPLS/2024/2 025/00035	Open Domestic bidding	1st Nov. 2024	• Dataline Graphics • Joveris Ltd • Allexus Business Solution	7,810,000
9.	Uniforms, Curtains, Protective wear, Carpets, netting and bidding fitting	MSCN/SUP UPLS/2024/2 025/00009	Open Domestic bidding	1st Nov. 2024	• Goreth Kisembo Tamale • Point Art Solution • Dataline Graphics • Cissy Garment	206,614,230
10.	Sports and games equipment's (Under frame work)	MSCN/SUPU PLS/2024/202 5/00010	Open Domestic bidding	1stNov. 2024	• Masaka Sport Dealers • A-One Quality Sports Ltd	9,975,000

ANNEX 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 management action using the existing management	**Planning:** Lack of initiation of procurements and confirmation of funds.	This implies committing the Entity without funds thereby causing domestic arrears.
		Bidding Process: Deviations from standard procedures namely bidding periods, standard formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified	This implies lack of efficiency, standardisation and avoiding competition.

RISK	DESCRIPTION	AREA	IMPLICATION
	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.	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 matches current market best practice. Deviations from laid down detailed procedures would normally be graded "low" provided that there is sufficient evidence of	**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
	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.