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

COMPLIANCE INSPECTION REPORT FOR FINANCIAL YEAR 2024/2025

MOROTO DISTRICT LOCAL GOVERNMENT

JUNE 2026

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ACRONYMS

AO	Accounting Officer
BEB	Best Evaluated Bidder
CC	Contracts Committee
CAO	Chief Administrative Officer
CIPS	Chartered Institute of Purchasing and Supply
EC	Evaluation Committee
ESHS	Environment, Social, Health, Safety
FY	Financial Year
GCC	General Conditions of Contract
IFMS	Integrated Financial Management System
LPO	Local Purchase Order
LTD	Limited
MBA	Masters in Business Administration
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
RFQ	Request for Quotations
SBD	Standard Bidding Document
SCC	Special Conditions of Contract
SOR	Statement of requirements
UGX	Uganda Shillings

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority carried out a compliance inspection of Moroto District Local Government that covered a sample of 10 procurement transactions worth UGX 1,565,396,555 under the Financial Year 2024/25.

The overall objective of the compliance inspection was to assess and establish the degree of compliance of Moroto District Local Government's procurement and disposal system and process with the provisions of the PPDA Act Cap. 205 and the attendant PPDA Regulations and assess the level of procurement and disposal performance over the audit period.

From the findings of the compliance inspection exercise, the performance of Moroto District Local Government for the Financial Year 2024/2025 was **Unsatisfactory** with a weighted average risk rating of **100%** as detailed in Chapter 3 of the report.

The unsatisfactory performance was due to the following issues:

1. **Inadequately constituted Contracts Committee**. Section 29 (1) of the PPDA Act, Cap. 205 states that "*a Contracts Committee shall be composed of the members specified in Schedule 4 to this Act.*" Schedule 4 of the PPDA Act, Cap. 205 requires the Contracts Committee of a Procuring and Disposing Entity to be composed of five members, that is: a chairperson, a secretary, and three other members. The Authority found that the Contracts Committee was not fully constituted, operating with only four members whose tenure had expired at the time of review, thereby limiting its capacity to perform its functions. An incompletely constituted Contracts Committee with expired tenures undermines the Entity's ability to properly review, adjudicate, and approve procurement and disposal recommendations. This may result in delays in contract awards, non-compliance with statutory requirements, and increased risk of irregular or unauthorized procurement decisions.

2. **Failure to fully implement 100% of the previous audit recommendations.** Section 10 (1) (a) of the PPDA Act, Cap. 205 requires an Entity to take corrective action on recommendations by the Authority, as may be necessary in the circumstances to rectify the breach. The Authority found that the Entity had been issued its previous audit report for the Financial Year 2022/2023 on 25th January 2024. Out of fourteen recommendations made, none was fully implemented, three (21%) were partially implemented and the remaining eleven (79%) were not implemented. Failure to fully implement audit recommendations affects performance of the procurement function and is an indicator of a weak implementation mechanism by the Entity

3. **Failure to implement 43% of the Procurement plan.** Section 10 (1) (a) of the PPDA Act, Cap. 205 requires an Entity to take corrective action as may be necessary in the circumstances to rectify the breach. Assessment of the procurement plan and utilization of funds revealed that the procurement plan implementation rate of the Entity for FY 2024/25 was 57%. Whereas, the Entity planned to spend UGX 2,897,268,989 on procurement, the Authority noted that the Entity carried out procurements worth UGX 1,655,347,555 (57%) creating an implementation variance of UGX 1,241,921,434 (43%). Low procurement plan implementation rate denies delivery of services to the intended beneficiaries and also exposes the Entity to risks of budgetary cuts for subsequent periods due to non-performance thus failure to meet planned objectives.

4. **Deficiencies in the procurement plan;** The Authority noted that there were deficiencies in the procurement plan that included unrealistic time frames and failure to reserve procurements for special interest groups.

    i. **Unrealistic time frames in the procurement plan** Regulation 6 (d) of the PPDA (Planning) Regulations, 2023 requires a procurement plan to state the recommended method of procurement for each contract package and the time estimated for each stage of procurement. Despite the Entity stating the estimated time for each procurement, the Authority found that the estimated timelines were unrealistic. The bid invitation date for all procurements was 5th August 2024 and a contract signing date of 4th October 2024. This leads to unnecessary delays in procurement processes, as User Departments lack guidance on when to initiate and monitor procurements at various stages.

    ii. **Failure to reserve procurements for Women, Youth and PWDs.** Guideline 11 of 2024, Paragraph 2.1 (i), requires every Procuring and Disposing Entity to allocate a minimum of 15% of its annual procurement plan budget to registered associations representing Women, Youth, and Persons with Disabilities. The audit found that the procurement plan was developed without incorporating provisions to reserve portions of procurement for these designated groups. Failure to earmark procurements for special interest groups of Women, Youth and Persons with Disabilities limits their participation in public procurement and frustrates efforts by the Government of Uganda aimed at increasing their participation in public procurement.

5. **Procuring outside the procurement plan.** Section 60 (10) of the PPDA Act, Cap. 205 states that a procurement shall not be carried out outside the procurement plan except in emergency situations. The Authority found that two procurements worth UGX 290,746,328 were procured outside the procurement plan. Conducting procurements outside the plan hinders the implementation of planned procurements and increases the risk of domestic arrears thus affecting service delivery;

6. **Deficiencies in monthly procurement reporting.** Regulation 15 of the PPDA (Procuring and Disposing Entities) Regulations, 2023 requires Entities to submit monthly procurement reports to the Authority by the fifteenth day of the following month. The Authority noted that the Entity did not submit its monthly reports on the fifteenth day of the following month. All monthly reports for Financial Year 2024/2025 were submitted on 30th September 2025. Additionally, no reporting was done about micro procurements conducted during Financial Year 2024-2025. Delayed submission of monthly procurement reports, coupled with failure to report micro procurement transactions, inhibits proper monitoring of procurement spend, poses compliance risk by the Entity, negatively affects the audit trail and may be an indicator of inefficiencies in the procurement processes.

7. **Irregularities at procurement initiation** The Authority found irregularities at procurement initiation which included; initiation of multiple procurement requirements using the same PP Form 5 and failure to attach specifications at initiation.

    i. **Initiating several procurement requirements using one PP form 5.** Regulation 3 (1) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 2023 requires a procurement requirement to be initiated using Part I of Form 5 in Schedule 1. In six different procurements worth UGX

642,192,098, initiation was done using the same PP form 5. Using single initiation form for multiple different procurements creates confusion and may result in delays due to the need for repeated clarifications.

ii. **Failure to attach specifications at initiation.** Regulation 3 (2) (a) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 2023 requires that initiation for a procurement requirement shall include a description of the supplies, works or non-consultancy services required. In the procurement of Supply of Medical equipment to Kalemungole HCIII worth UGX 111,960,000, specifications were not attached during initiation. Failure to attach specifications at initiation can lead to repeated clarifications on user requirements, causing delays and increasing the risk of procuring incorrect items.

8. **Failure to invite at least six bidders.** Regulation 20 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023 which requires that procurement using the quotation method shall be by selection of bidders using a shortlist which shall have at least six providers. The Authority found that in the procurement of construction of market stalls at Elukangor Market valued at UGX 43,173,840, the Entity shortlisted only three firms. Inviting a limited number of bidders undermines competition and inhibits the Entity from achieving optimal value for money.

9. **Inadequately drafted bidding documents.** Contrary to Regulations 42, 43, 44 and 45 of the of the PPDA (Rules and Methods for the Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023, the Authority found weaknesses and inadequacies in the bidding documents for six procurements worth UGX 1,107,865,840. These included; failure to attach Bills of Quantities and specifications, failure to include the contractual start duration and failure to request for a performance security. Some inadequacies were due to poor document editing while others were due to poor document review by both the Head, Procurement and Disposal Unit and the Contracts Committee. Insufficient and inaccurate details in bidding documents can cause bidders to misinterpret the Entity's requirements, resulting in poorly prepared bids. Similarly, it may also lead to confusion among bidders and give rise to potential disputes between bidders and the Entity.

10. **Failure to seek the Solicitor General clearance.** Statutory Instrument Supplement No. 97 dated 17th November 2014 requires Entities to seek Solicitor General's clearance for contracts above UGX 200,000,000. Regulation 6 (1) (f) of the PPDA (Contracts) Regulations, 2023 requires an Entity to seek clearance and make the necessary approval of the contract from all the relevant agencies, including, where applicable, the Attorney General. The Authority found that in the procurement of design, supply, and installation of a microscale irrigation system worth 726,426,000. The contract was signed without the Solicitor General clearance. Failure to seek the Solicitor General's clearance exposes the Entity to the risk of signing poorly drafted contracts, putting the Government at risk of litigation or financial loss due to non-performance of contracts.

11. **Signing a contract above the estimated value of procurement.** Section 28 (4) of the PPDA Act, Cap. 205 stipulates that *"An accounting officer shall not sign a contract for a procurement where the price quoted by the best evaluated bidder is higher than the price in the guidelines issued by the Authority."* The Authority found that in the procurement of supply of furniture to Army and Nawanatau Primary Schools worth UGX 67,024,000. The signed contract exceeded the estimated procurement value by UGX 24,000. Whereas the planned estimated value was UGX 67,000,000, the signed contract was UGX 67,024,000.

Procuring above the procurement budget leads to committing the Entity without funds thereby causing domestic areas.

12. **Irregularities at bid evaluation.** Regulation 5 (1) of the PPDA (Evaluation) Regulations, 2023 requires evaluation of bids to be conducted in accordance with the evaluation criteria specified in the bidding documents. The Authority found irregularities during the evaluation process of four procurements worth UGX 1,060,044,098. This is an indicator that members of the Evaluation Committees may have had unethical tendencies or may have lacked adequate capacity to review bids which could have compromised fairness and transparency in the evaluation process, Irregularities at evaluation may lead to award of contracts to non-compliant bidders which may result into substandard work and failure to attain value for money. Non participation of evaluation committee members may significantly undermine the thoroughness and analytical depth required for a comprehensive bid evaluation due to loss of essential technical insights since members are selected for their specialized expertise.

13. **Inadequate bidding period.** Regulation 56 (1) (c) of the PPDA (Rules and methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023 provides a minimum bidding period of ten working days for restricted domestic bidding method. The Authority found that in the procurement of design, supply, and installation of a microscale irrigation system valued at UGX 784,426,000. A bidding period of six working days was provided, i.e from 16th December to 23rd December 2024. Insufficient bidding period denies bidders time to adequately prepare competitive bids and limits competition which leads to low bidder participation.

14. **Low bidder participation.** Section 49 of the PPDA Act, Cap 205 states that all procurement and disposal shall be conducted in a manner to maximise competition and achieve value for money. The Authority found low bidder participation in two procurements worth UGX 231,784,000 with only 1 bid received on average. Low bidder participation denies the Entity attainment of competitive prices. It may also be a pointer that bidders have no confidence in the Entity, or that an Entity is undesirable to bidders.

15. **Poorly drafted contracts.** Regulation 9 (1) of the PPDA (Contracts) Regulations 2023 stipulates what a contract should entail. The Authority found that seven contracts worth UGX 1,398,399,098 were poorly drafted. There were deficiencies which included failure to include the payment structure, inclusion of redundant clauses, contradicting contract completion durations among others. Lack of clear information in the contract may result into unnecessary conflicts between the service provider and the Entity, which may ultimately lead to litigation.

16. **Missing documents.** Section 44 (1) of the PPDA Act, Cap 205 requires the Procurement and Disposal Unit to maintain and archive records of the procurement and disposal process. During the audit, it was noted that a number of documents/ records such as solicitation documents, progress reports, delivery notes and payment records in seven procurements under audit worth UGX1,165,897,168 were not provided. Lack of records on the procurement action files affects the audit trail. Missing records are a sign of non-

transparency, poor accountability and weakness in the internal controls of the Entity. Failure to provide information is in breach of Section 129 1 (a) of the PPDA Act, Cap. 205.

17. **Failure to prepare a disposal plan and dispose of obsolete items.** Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations 2023 requires an Accounting Officer in each financial year, to 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. Despite the Entity having a Board of Survey report, there was no disposal plan drafted financial year 2024/2025 and as such disposal of assets was not done. Failure to prepare a disposal plan leads to unnecessary storage of assets due for disposal which take valuable space, assets continue to lose value through depreciation and face a risk of loss or vandalism and also hinders the realization of value for money, as financial resources remain held up in unused items which continue to depreciate over time.

18. **Failure to appoint contract managers.** Regulation 50 (1) of the PPDA Contracts Regulations 2023 requires an Accounting Officer to appoint a person from the user department to be the contract manager. The Authority found that contract managers were not appointed in five procurements worth UGX 458,886,840. Failure to appoint Contract Managers can lead to poor performance during contract implementation.

19. **Weaknesses in contract management.** Regulation 52 of the PPDA (Contracts) Regulations, 2023 outlines the roles and responsibilities of a Contract Manager. The Authority noted that there was laxity in contract management in six procurements worth UGX 1,244,275,168 noted by lack of procurement implementation plans, lack of contract management reports and failure to submit work programs. For some, the weaknesses were caused by failure to appoint contract managers. These weaknesses undermine effective oversight and may compromise the achievement of value for money. Weakness in contract management lead to poor/ under performance of contracts by service providers.

20. **Delayed Delivery.** Section 51 of the PPDA Act, Cap. 205 states that "*All procurement and disposal shall be conducted in a manner which promotes economy, efficiency, and value for money.*" The Authority noted delayed delivery in the procurement of Supply of ICT Equipment worth UGX 164,760,000. Whereas the contract was signed on 26th February 2025, with a delivery period of three months, effective 26th February 2025, delivery was done on 24th June 2025 as per the Goods Received Note, No. 027, two months beyond the contractual delivery date. Delays in delivery hinder the timely provision of services/supplies to the intended beneficiaries.

21. **Weak internal controls evidenced by mischarge of funds.** The Authority found mischarge of funds in two procurements worth UGX 918,926,840. While raising local purchase orders, the Entity charged funds from wrong budget lines. Mischarging funds depletes funds allocated for other services or projects planned within the financial year, which undermines effective budget execution and service delivery.

22. **Failure to have clear provisions regarding Environment, Social, Health and Safety issues including Gender issues in the statement of requirements.** Regulation 34 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 states that *'a statement of requirements, shall where*

applicable, be environmentally and socially responsive.' four procurement transactions worth UGX 918,926,840, ESHS issues were not clearly captured in the bidding document. Unclear ESHS aspects may potentially lead to environmental harm, worker and public health risks, delays in contract implementation and may result into outcomes which do not meet the end user requirements.

Key Recommendations:

1. The Accounting Officer should:
   i. Have the Contracts Committee fully constituted and staffed at an appropriate level in accordance with Section 28 (1) (b) of the PPDA Act, Cap. 205. The appointment shall be after the approval of the members by the Secretary to the Treasury in accordance with Regulation 4 (2) of the PPDA (Procuring and Disposing Entities) Regulations, 2023;
   ii. Appoint a taskforce that shall ensure a strong mechanism is in place to enable all audit recommendations regularly monitored and implemented in accordance with Section 10 (1) (a) of the PPDA Act, Cap 205;
   iii. Along with management, regularly carry out a review of the implementation of the procurement plan. In the event that amendments are made to departmental workplans, the procurement plan should be updated in accordance with Section 60 (7) of the PPDA Act, Cap 205 and Regulation 4 of the PPDA (Procurement Planning) Regulations 2023;
   iv. Earmark 15% of the annual procurement plan for award to registered associations of Women, Youth, and Persons with Disabilities in accordance with Guideline 11 of 2024, Section 2.1 (i) which mandates reserving at least 15% of the annual procurement budget for these groups;
   v. Desist from approving procurements outside the procurement plan. All procurements should be conducted within the procurement plan except in emergency situations in accordance with Section 60 (10) of the PPDA Act, Cap. 205;
   vi. Task the Head, Procurement and Disposal to show cause why disciplinary action should not be taken against him for delayed monthly procurement submissions and failure to disclose micro procurements conducted in Financial Year 2024/2025;
   vii. Task the Head, Procurement and Disposal to submit monthly procurement reports in time, by the fifteenth day of the following month in accordance with Regulation 15 of the PPDA (Procuring and Disposing Entities) Regulations, 2023;
   viii. Seek clearance from the Solicitor General for all contracts above UGX 200,000,000 in accordance with Regulation 6 (1) (f) of the PPDA (Contracts) Regulations, 2023;
   ix. Desist signing contracts where the award price is higher than the initiated/budgeted sum unless there is confirmation of the full amount in accordance with Section 28 (4) of the PPDA Act, Cap. 205 and Regulation 6 (1) (b) of the PPDA (Contracts) Regulations, 2023;
   x. Task the chairperson, Evaluation Committee and the Head, Procurement and Disposal Unit to explain why the bid price for M/s Icon Projects Limited was changed during bid evaluation in the procurement of design, supply and installation of a microscale irrigation system worth UGX 784,426,000;
   xi. Task the Head, Procurement and Disposal Unit to submit all the missing documents identified during the audit exercise. Failure to do so may result in the invocation of Section 129 (1) (a) of the PPDA Act, Cap 205;
   xii. In each financial year, cause the public assets of the Entity to be reviewed, to identify the public assets to be disposed of in the following financial year in accordance with Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations 2023;

xiii. Appoint a Contract Manager for every contract in accordance with Regulation 50 (1) of the PPDA Contracts Regulations 2023;
xiv. Task Contract Managers to perform their roles and responsibilities as provided for in Regulation 52 of the PPDA (Contracts) Regulations;
xv. Give a clear justification for the mischarge of funds worth UGX 918,926,840 including the circumstances that led to the mischarge from approved budget allocations.

2. The Contracts Committee should:
    i. Only approve procurements that are provided for in the procurement plan in accordance with Section 30 (d) of the PPDA Act, Cap. 205;
    ii. Scrutinize all bidding documents for quality before approval in line with Regulation 10 of the PPDA (Procuring and Disposing Entities) Regulations, 2023. This includes reviewing and checking whether the proposed bidding period is reasonable, having regard to the complexity of the procurement process in accordance with Regulation 10 (e) of the PPDA (Procuring and Disposing Entities) Regulations, 2023;
    iii. Carefully review evaluation reports and ensure that principles of fairness and transparency are observed during the evaluation process in accordance with Section 48 of the PPDA Act, Cap 205 before approving the evaluation reports.

3. The Head, Procurement and Disposal Unit should:
    i. Prepare the procurement plan with realistic timelines in accordance with Regulation 6 (d) of the PPDA (Planning) Regulations, 2023;
    ii. Where necessary, at any time during the financial year update the procurement plan in accordance with Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023;
    iii. Utilize the online report submission platform to streamline and enhance the efficiency of its monthly reporting submissions via https://ereports.ppda.go.ug/download-templates
    iv. Guide user departments to initiate procurement requirements independently using Part I of Form 5 in Schedule 1 in accordance with Regulation 3 (1) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 2023;
    v. Shortlist a minimum of six bidders for procurements conducted under the quotation method, in accordance with Regulation 20 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023;
    vi. Prepare and issue bidding documents that have all the relevant required information including adequate specifications in accordance with Regulations 42, 43, 44 and 45 of the PPDA (Rules and Methods for the Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 and Section 67 (2) (a) (b) of the PPDA Act, Cap. 205;
    vii. Adhere to the minimum period for each method of procurement in accordance with Regulation 56 of the PPDA (Rules and methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023;
    viii. Improve on engagements with bidders with the view of encouraging them to participate in the Entity's procurement and disposal processes. This could be supported through engagements such as suppliers' forums and other means and also endeavor to encourage competitive bidding in accordance to Section 49 of the PPDA Act, Cap 205;
    ix. Draft contracts with clear contract details in accordance to Regulation 9 (1) of the PPDA (Contracts) Regulations 2023;
    x. Maintain and archive all documents pertaining to a particular procurement on each respective file in accordance with Section 44 of the PPDA Act, Cap 205;

xi. Plan for disposal activities in line with Section 33 (f) of the PPDA Act, Cap, 205;
xii. Closely monitor all procurements to achieve timely procurement plan implementation.
xiii. While raising Local Purchase orders via the Integrated Financial Management System, have them aligned with the appropriate budget lines as outlined in the Chat of Accounts

4. Evaluation Committees should;
   i. Strictly adhere to the criteria set out in the bidding document in accordance with Regulation 5 (1) of the PPDA (Evaluation) Regulations, 2023;
   ii. Conduct evaluation in the presence of all members in accordance with Regulation 4 (3) of the PPDA (Evaluation) Regulations, 2023. In the event that a member of the Evaluation Committee who is absent consents to the meeting being held in their absence, or where it is impractical or impossible for all members to be present, the meeting may proceed accordingly in accordance with Regulation 4 (4) of the PPDA (Evaluation) Regulations, 2023.

5. User Departments should;
   i. Always attach a description of the supplies, works or non-consultancy services required during procurement initiation in accordance with Regulation 3 (2) (a) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 202;
   ii. Identify the public assets to be disposed of in accordance with Regulation 2 (2) of the PPDA (Disposal of Public Assets) Regulations 2023 and draft a disposal plan;
   iii. Prepare adequate statements of requirements that are clear precise and inclusive of ESHS issues with input from subject matters expertise to enable PDU prepare better quality bidding documents that will attract many more responsive bidders in accordance with Regulation 34 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

6. Contract Managers should;
   i. Always task providers to meet all performance or delivery obligations as per the terms and conditions of a contract, in accordance with Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023; and
   ii. Prepare timely contract management plans and forward to the Procurement and Disposal Unit for monitoring in accordance with Regulation 50 (3) of the PPDA (Contracts) Regulations, 2023.

Moroto District Local Government should implement the recommended action plan on pages 32, 33, 34 and 35 of the audit report.

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal compliance inspection of Moroto District Local Government that covered a representative sample of 10 procurement transactions worth UGX 1,565,396,555 under the Financial Year 2024/2025. The compliance inspection involved a review of the procurement structures, procurement and asset disposal processes, as well as contract performance following the provisions of the Public Procurement and Disposal of Assets Act Cap 205 and the attendant PPDA Regulations.

1.2 Overall Objective

The overall objective of the audit was to assess and establish the degree of compliance of Moroto District Local Government's procurement system, process and disposal process with the provisions of the Public Procurement and Disposal of Public Assets Act, Cap. 205, and the PPDA Regulations and assess the level of procurement performance over the audit period.

The specific objectives were to:

1. Establish the level of compliance by the Entity with the general provisions of the PPDA Act Cap. 205, and PPDA Regulations with regard to the performance of the procurement structures and the conduct of the procurement process;
2. Assess the degree of compliance of the Entity's disposal process with the provisions of the PPDA Act Cap. 205 and the PPDA (Disposal of Public Assets) Regulations 2023; 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 Audit Scope

The audit involved a review of the procurement process, disposal process, general compliance issues and contract implementation on sample basis. The audit covered a sample of 10 procurement transactions under the Financial Year 2024/2025. The list of sampled transactions is contained in **Annex 2.** Table 1 below details the distribution of the transaction population and sample.

Table 1: Distribution of the Transaction Population and Sample

	POPULATION			SAMPLE		PERCENTAGE	
S/No.	**Procurement method**	**Value**	**No.**	**Value**	**No.**	**No.**	**Value**
1.	Open Domestic Bidding	183,971,000	3	153,628,617	2	66.6	83.5
2.	Request for Quotation	1,429,707,938	9	1,411,767,938	8	89	98.7
	Total	**1,613,678,938**	**12**	**1,565,396,555**	**10**	**83.33**	**97.01**

1.4 Methodology

The Authority examined records and documents for each sampled procurement transaction and/or disposal and obtained the relevant evidence to derive audit conclusions. This involved a review of the Entity's procurement and disposal planning, initiation, bidding, evaluation, contract placement and processes. At the end of the document review, a physical verification was undertaken to ascertain the level of contractual delivery and fit for purpose.

During the audit, the Authority held interviews with the staff from the Procurement and Disposal Unit and User Departments that were necessary in obtaining crucial qualitative information about the internal control systems and processes in place.

A debrief meeting to clear all pending issues that arose during the audit was held with the Entity management and staff on **15th September 2025** before the auditors could embark on preparation of the management letter. The Authority prepared the management letter, which was sent to the Entity on **4th February 2026** with a request to submit a management response by **11th February 2026** which was submitted on **23rd March 2026**.

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

CHAPTER TWO: KEY FINDINGS AND RECOMMENDATIONS

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

2.1.1 Procurement structures

The key players in the procurement structure at Moroto District Local Government include the Chief Administrative Officer as Accounting Officer, the Contracts Committee, the Procurement and Disposal Unit and the User Departments.

i. Accounting Officer

Section 28 (1) of the PPDA Act, Cap. 205 gives the Accounting Officer the overall responsibility for the successful execution of procurement, disposal and contract management in the Procuring and Disposing Entity. The Chief Administrative Officer, Mr. Kutosi Kassim Nasibu was designated as the Accounting Officer of the Entity during the Financial Year 2024-2025.

ii. Staffing of the Procurement and Disposal Unit

Section 28 (1) (c) of the PPDA Act, Cap. 205 provides for the Accounting Officer to cause the establishment of a Procurement and Disposal Unit staffed at an appropriate level. During the year under audit, the Entity's procurement and disposal unit was fully staffed with two members of staff in the Unit at the level of Procurement Officer and Assistant Procurement Officer. The details of the Procurement and Disposal Unit staff are shown in Table 2 below:

Table 2: Staffing the Procurement and Disposal Unit

S/No	Name	Job Title	Date of appointment	Academic Qualification
1.	Mr. Joseph Maruk	Senior Procurement Officer	15th July 2015	Bachelors and Post Graduate Diploma
2.	Mr. Abel Lochoro	Procurement Officer	1st July 2021	Bachelors and Post Graduate Diploma

iii. Inadequately constituted Contracts Committee

Section 29 (1) of the PPDA Act, Cap. 205 states that "*a Contracts Committee shall be composed of the members specified in Schedule 4 to this Act.*" Schedule 4 of the PPDA Act, Cap. 205 requires the Contracts Committee of a Procuring and Disposing Entity to be composed of five members, that is: a chairperson, a secretary, and three other members. The Authority found that the Contracts Committee was not fully constituted, operating with only four members whose tenure had expired at the time of review, thereby limiting its capacity to perform its functions. Details are provided in Table 3 below:

Table 3: List of Contracts Committee members during the audit period

S/No.	Name	Position	Date of Appointment	End of term of office	Job Title
1.	Akol Markson Ojao	Chairperson	30th Aug 2022	30th Aug 2025	District Education Officer
2.	Lochoro Zachary	Member	30th Aug 2022	30th Aug 2025	Senior Forest Officer
3.	Anyakun Addah	Member	30th Aug 2022	30th Aug 2025	Community Development Officer
4.	Komol Magdalene	Member	30th Aug 2022	30th Aug 2025	Assistant District Health Officer

Implication

An incompletely constituted Contracts Committee with expired tenures undermines the Entity's ability to properly review, adjudicate, and approve procurement and disposal recommendations. This may result in delays in contract awards, non-compliance with statutory requirements, and increased risk of irregular or unauthorized procurement decisions.

Management Response

We acknowledge the observation the audit team made, however, the list of five contract committee members was submitted to Ministry of Finance planning and economic Development of which only three Members have been cleared while we are waiting for the two to be cleared.

Authority's comment

The Authority noted the Entity's response; however, operating with an incompletely constituted Contracts Committee, even while awaiting Ministry clearance, constitutes non-compliance with Section 29 (1) and Schedule 4 of the PPDA Act, Cap. 205. The partial clearance limits the Committee's statutory capacity to review and approve procurement and disposal recommendations, potentially delaying contract awards and undermining accountability. In addition, the documentation for the three approved members was not availed for verification.

Recommendation

The Accounting Officer should fully constitute the Contracts Committee at an appropriate level in accordance with Section 28 (1) (b) of the PPDA Act, Cap. 205. The appointment shall be after the approval of the members by the Secretary to the Treasury in accordance with Regulation 4 (2) of the PPDA (Procuring and Disposing Entities) Regulations, 2023.

2.1.2 Failure to fully implement 100% of the previous audit recommendations

Section 10 (1) (a) of the PPDA Act, Cap. 205 requires an Entity to take corrective action on recommendations by the Authority, as may be necessary in the circumstances to rectify the breach. The Authority found that the Entity had been issued its previous audit report for the Financial Year 2022/2023 on 25th January 2024. Out of 14 recommendations made, none was fully implemented, three (21%) were partially implemented and the remaining eleven (79%) were not implemented. This may have been due to lack of a strong internal mechanism to implement the audit recommendations. Detailed are shown in Table 4 below:

Table 4: Implementation of previous audit recommendations

No.	Recommendation	Status
	The Accounting Officer should:	
1.	Come up with a strong mechanism that will ensure that all audit recommendations are regularly monitored and implemented so as to improve the Entity's performance. This could include constituting a task force to spearhead the implementation of recommendations, sharing them with Internal Audit, training, including them among the key performance indicators, and discussing them in top management meetings, among others.	Not implemented
2.	Caution Heads of User Departments for failing to report all micro procurements handled on a monthly basis, and should further ensure that this requirement is adhered to in accordance with Regulation 41(8) of the Local Governments (PPDA) Regulations. 2006;	Not implemented
3.	Ensure the Contracts Committee is fully constituted with five members so as to fully carry out its mandate and should engage the Authority to train and induct the Contracts Committee members in their roles and responsibilities to as to improve efficiency and effectiveness of the Committee:	Not implemented
4.	Prevail upon the User Departments to always attach a statement of (SORs) and Bill of Quantities (BOQs) onto the requisition Form I during the procurement initiation stage in accordance with Regulation 65 (l) (a) of the Local Governments (PPDA) Regulations. 2006 and Regulation 26 (1) (c) of the Local Governments (PPDA) Regulations, 2006, or else such requisitions should not be sanctioned to proceed for procurement;	Partially implemented
5.	Take responsibility for failure to account for money worth UGX. 132,742,175 that was meant for road works under the Uganda Road Fund and subsequently should refund the money;	Not Implemented
6.	Ensure that all procurement and disposal activities in the Entity are conducted in a manner that promotes economy and efficiency in public procurement in accordance with Section 48 of the PPDA Act, 2003;	Partially Implemented
7.	Prevail upon the Contracts Committee and the Head, Procurement and Disposal Unit to make consideration for provisions for reservation schemes in the bidding document in line with Guideline 1/2018 on Reservation Schemes to promote local content in public procurement;	Not implemented
8.	Investigate and ascertain the cause of low bidder participation and create initiatives that increase the number of bidder participation to more than a minimum of three in order to attain maximum competition in accordance with Section 46 of the PPDA Act, 2003 that requires the Entity to conduct procurements in a manner that maximizes competition and achieves value for money;	Not implemented
9.	Ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 122-133 of the LG (PPDA) Regulations. 2006: and	Not implemented
10.	Strengthen contracts management in the Entity and ensure that in future the Contractors fulfil their contractual obligations including adhering to the implementation of Gender Equality and Social	Partially implemented

No.	Recommendation	Status
	Inclusion (GESI), and Environmental, Social, Health and Safety (ESHS) requirements including provision of personal protective gear to workers, employment contracts, HIV and Aids awareness, among others;	
The Head Procurement and Disposal Unit should ensure that:		
11.	The Entity's Procurement and Disposal Plan for FY2023/2024 is subjected to reservation schemes as in accordance with Clause 7 of the (PPDA) Guideline No.1/2018 on reservation schemes to promote local content; and	Not implemented
12.	The procurement and disposal plan is prepared and consolidated with realistic timelines and after a thorough consultative and thought process that will determine the procurement strategy for each procurement in terms of the method of procurement to be used, lotting requirements and use of framework contracts among others:	Not implemented
13	The Head, Procurement and Disposal Unit and Heads of User Departments should regularly carry out a review of the implementation of the procurement plan and update the procurement plan in accordance with Section 58 (4) of the PPDA Act, 2003 as amended to ensure improved performance; and	Not implemented
14	User Departments should charge all Contract Supervisors to submit progress reports/contract management reports and all contract implementation documentation in accordance with Regulation 119 (1) of the Local Governments (PPDA) Regulations 2006.	Not implemented

Implication
Failure to implement audit recommendations contributes to the recurrence of findings, increases operational and compliance risks while undermining the Entity's continuous improvement efforts.

Management Response
We acknowledge the observation of the audit team. However, we are going to appoint a task force that shall ensure a strong task mechanism is in place to enable all audit recommendations are regularly monitored and implemented.

Recommendation
The Accounting Officer should establish a structured implementation and monitoring framework, including the appointment of a dedicated taskforce, to systematically track, review, and facilitate the timely implementation of all audit recommendations in accordance with Section 10 (1) (a) of the PPDA Act, Cap 205.

2.1.3 Failure to implement 43% of the Procurement plan

Section 60 (2) of the PPDA Act, Cap. 205 states that "a *Procuring and Disposing Entity shall plan its procurement and disposal in a rational manner.*" An assessment of the procurement plan and utilization of funds revealed that the procurement plan implementation rate of the Entity for FY 2024/25 was 57%. Whereas, the Entity planned to spend UGX 2,897,268,989 on procurement, the Authority noted that the Entity carried out procurements worth UGX 1,655,347,555 (57%) creating an implementation variance of UGX 1,241,921,434 (43%). The low implementation rate was attributed to a lack of coherent alignment in procurement planning, revenue projections, budget releases, and periodic plan reviews. Also, the Entity did not furnish evidence that the procurement plan was formally revised to reflect the budgetary realities prevailing during the financial year under review. Table 5 below summarizes information about the procurement plan, budget and utilization of funds.

Table 5: Procurement Plan Implementation

Analysis of Procurement spend	
Total procurement plan value inclusive of VAT (UGX)	2,897,268,989
Procurement spend value inclusive of VAT (UGX)	1,655,347,555
Procurement plan Implementation Rate (%)	**57**
Budget variance (UGX)	1,241,921,434
Budget variance (%)	**43**

Implication

Low procurement plan implementation rate denies delivery of services to the intended beneficiaries and also exposes the Entity to risks of budgetary cuts for subsequent periods due to non-performance thus failure to meet planned objectives.

Management Response

We appreciate the observation by the Audit team. However, the above arises as a result of budget cuts.

Authority's response

The Authority noted the Entity's response attributing the low procurement plan implementation rate to budget cuts. However, budgetary constraints do not absolve the Entity from the responsibility to align procurement planning and execution with the approved budget ceilings and to undertake periodic procurement plan reviews and adjustments in accordance with Section 60 (7) of the PPDA Act, Cap 205 and Regulation 4 of the PPDA (Procurement Planning) Regulations 2023.

Recommendation

The Accounting Officer should along with management, regularly carry out a review of the implementation of the procurement plan. In the event that amendments are made to departmental workplans, the procurement plan should be updated in accordance with Section 60 (7) of the PPDA Act, Cap 205 and Regulation 4 of the PPDA (Procurement Planning) Regulations 2023.

2.1.4 Deficiencies in the procurement plan

The Authority noted that there were deficiencies in the procurement plan that included unrealistic time frames and failure to reserve procurements for special interest groups as noted below:

i. Unrealistic time frames in the procurement plan

Regulation 6 (d) of the PPDA (Planning) Regulations, 2023 requires a procurement plan to state the recommended method of procurement for each contract package and the time estimated for each stage of procurement. Despite the Entity stating the estimated time for each procurement, the Authority found that the estimated timelines were unrealistic. The bid invitation date for all procurements was 5th August 2024 and a contract signing date of 4th October 2024.

Implication
This leads to unnecessary delays in procurement processes, as User Departments lack guidance on when to initiate and monitor procurements at various stages.

Management response
The Entity did not provide a response.

Recommendation
The Head of the Procurement and Disposal Unit should prepare the procurement plan with realistic timelines in accordance with Regulation 6 (d) of the PPDA (Planning) Regulations, 2023.

ii. Failure to reserve procurements for Women, Youth and PWDs
Guideline 11 of 2024, Paragraph 2.1 (i) requires every Procuring and Disposing Entity to allocate a minimum of 15% of its annual procurement plan budget to registered associations representing Women, Youth, and Persons with Disabilities. The audit found that the procurement plan was developed without incorporating provisions to reserve portions of procurement for these designated groups

Implication
Failure to include provisions for engagement of the Women, Youth and Persons with Disabilities in the procurement plan frustrates efforts by the Government of Uganda aimed at increasing their participation in public procurement.

Management response
The observation by the team is true, however going forward we are going to reserve procurements for Women, Youth and PWDs in Accordance to Guideline II of 2024, clause 2.1.

Recommendation
The Accounting Officer should earmark 15% of the annual procurement budget for the award of contracts to registered associations of Women, Youth, and Persons with Disabilities, in accordance with Guideline 11 of 2024, Clause 2.1(i), which mandates this minimum reservation for these groups. To operationalise this requirement, the Entity should identify eligible procurements during the planning stage, maintain a register of certified special interest group providers, and monitor quarterly achievement of the mandatory 15% reservation target.

2.1.5 Procuring outside the procurement plan
Section 60 (10) of the PPDA Act, Cap. 205 states that," *a procurement shall not be carried out outside the procurement plan except in emergency situations*." The Authority found that two procurements worth UGX 290,746,328 were procured outside the procurement plan as detailed in Table 6 below:

Table 6: Procurements outside the procurement plan

S/No	Subject of procurement	Contract Amount (UGX)
1.	Mini piped water system at Natarumurum	125,986,328
2.	Supply of ICT Equipment	164,760,000
	Total	**290,746,328**

Implication
Conducting procurements outside the plan hinders the implementation of planned procurements and increases the risk of domestic arrears thus affecting service delivery.

Authority's comment
The Entity did not provide a response.

Recommendations
- The Accounting Officer should desist from approving procurements outside the procurement plan. All procurements should be conducted within the procurement plan except in emergency situations in accordance with Section 60 (10) of the PPDA Act, Cap. 205.
- The Head, Procurement and Disposal Unit should where necessary, at any time during the financial year update the procurement plan in accordance with Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023.
- The Contracts Committee should only approve procurements that are provided for in the procurement plan in accordance with Section 30 (d) of the PPDA Act, Cap. 205.

2.1.6 Deficiencies in monthly procurement reporting
Regulation 15 of the PPDA (Procuring and Disposing Entities) Regulations, 2023 requires Entities to submit monthly procurement reports to the Authority by the fifteenth day of the following month. The Authority noted that the Entity did not submit its monthly reports on the fifteenth day of the following month. All monthly reports for Financial Year 2024/2025 were submitted on 30th September 2025. Additionally, no reporting was done about micro procurements conducted during Financial Year 2024-2025.

Implication
Delayed submission of monthly procurement reports, coupled with failure to report micro procurement transactions, inhibits proper monitoring of procurement spend, poses compliance risk by the Entity, negatively affects the audit trail and may be an indicator of inefficiencies in the procurement processes.

Authority's comment
The Entity did not provide a response.

Recommendations
- The Accounting Officer should task the Head, Procurement and Disposal to show cause why disciplinary action should not be taken against him for delayed monthly procurement submissions and failure to disclose micro procurements conducted in Financial Year 2024/2025.
- The Accounting Officer should task the Head, Procurement and Disposal to submit monthly procurement reports in time, by the fifteenth day of the following month in accordance with Regulation 15 of the PPDA (Procuring and Disposing Entities) Regulations, 2023.
- The Head, Procurement and Disposal Unit should utilize the online report submission platform to streamline and enhance the efficiency of its monthly reporting submissions via https://ereports.ppda.go.ug/download-templates

2.1.7 Irregularities at procurement initiation

The Authority found irregularities at procurement initiation which included; initiation of multiple procurement requirements using the same PP Form 5 and failure to attach specifications at initiation.

i. Initiating several procurement requirements using one PP form 5

Regulation 3 (1) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 2023 requires a procurement requirement to be initiated using Part I of Form 5 in Schedule 1. In six different procurements worth UGX 642,192,098, initiation was done using the same PP form 5. The procurements are shown in Table 7 below:

Table 7: Procurements that were combined using the same PP Form 5

S/No.	Subject of procurement	Contract Amount (UGX)	Issue
1.	Supply of ICT Equipment	164,760,000	Initiated using one PP form 5
2.	Construction of a dormitory at Kodonyo primary school	71,969,000	
3.	Supply of Furniture to Army and Nawanatau Primary schools	67,024,000	
4.	Construction of a staff house at Musas	82,179,000	
5.	Construction of a dormitory at kodonyo primary school	71,969,000	
6.	Drilling and Installation of 5 hand pump boreholes	130,273,770	
7.	Mini piped water system at Natarumurum	125,986,328	
	Total	**642,192,098**	

Note: The procurement of construction of a dormitory at Kodonyo primary school worth UGX 71,969,000 was included in two irregular procurement initiations.

Implication

Using a single initiation form for multiple different procurements creates confusion and may result in delays due to the need for repeated clarifications.

Authority's comment

No response was given by the Entity.

Recommendation

The Head, Procurement and Disposal Unit should guide user departments to raise procurement requirements independently using Part I of Form 5 in Schedule 1 in accordance with Regulation 3 (1) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 2023.

ii. Failure to attach specifications at initiation

Regulation 3 (2) (a) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 2023 requires that initiation for a procurement requirement shall include a description of the supplies, works or non-consultancy services required. In the procurement of Supply of Medical equipment to Kalemungole HCIII worth UGX 111,960,000, specifications were not attached during initiation.

Implication

Failure to attach specifications at initiation can lead to repeated clarifications on user requirements, causing delays and increasing the risk of procuring incorrect items.

Authority's comment

No response was given by the Entity.

Recommendations

User departments should always attach a description of the supplies, works or non-consultancy services required during procurement initiation in accordance with Regulation 3 (2) (a) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 2023.

2.1.8 Failure to invite at least six bidders

Regulation 20 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023 provides that Procurement using the quotation method shall be by selection of bidders using a shortlist which shall have at least six providers. The Authority found that in the procurement of construction of market stalls at Elukangor Market valued at UGX 43,173,840, the Entity shortlisted only three firms.

Implication

Inviting a limited number of bidders undermines competition and inhibits the Entity from achieving optimal value for money.

Authority's comment

No response was given by the Entity.

Recommendation

The Head, Procurement and Disposal Unit, should shortlist a minimum of six bidders for procurements conducted under the quotation method in accordance with Regulation 20 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023.

2.1.9 Inadequately drafted bidding documents

Contrary to Regulations 42, 43, 44 and 45 of the of the PPDA (Rules and Methods for the Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023, the Authority found weaknesses and inadequacies in the bidding documents for six procurements worth UGX 1,107,865,840. These included; failure to attach Bills of Quantities and specifications, failure to include the contractual start duration and failure to request for a performance security. Some inadequacies were due to poor document editing while others were due to poor document review by both the Head, Procurement and Disposal Unit and the Contracts Committee. The procurements are indicated in Table 8 below:

Table 8: Procurements with inadequacies in the bidding documents

S/No	Details of procurements	Contract Amount (UGX)	Inadequacies in the bidding document
1.	Construction of market stalls at Elukangor market	43,173,840	• The page with the procurement schedule stated that 'Soroti District Local Government has allocated funds to be used forthe acquisition of 'Construction of Market Stalls at Elukangor Market' It should be noted that the procuring Entity should have been Moroto DLG • Lacked Bills of Quantities under the statement of requirements
2.	Construction of a Girls Dormitory at Kodonyo primary school	71,969,000	GCC 1.1(ee) Start date; did not state the start period of the contract
3.	Phase Two (2) Construction of a Staff House at Rupa HC II	19,358,000	Lacked Bills of Quantities under the statement of requirements
4.	Construction of a Staff House & VIP Latrine at Musas primary school.	82,179,000	
5.	Procurement of Supply of ICT Equipment	164,760,000	Lacked specifications
6.	Procurement of design, supply, and installation of a microscale irrigation system	726,426,000	Failure to request for a performance security
Total		**1,107,865,840**	

Implication

Insufficient and inaccurate details in bidding documents can cause bidders to misinterpret the Entity's requirements, resulting in poorly prepared bids. Similarly, it may also lead to confusion among bidders and give rise to potential disputes between bidders and the Entity.

Management Response

We appreciate the observation by the Audit team, however some of the above documents are with PDU and this could have come because there was some movement of documents from the District to the Regional Referral Hospital whenever they are requested by the team.

Authority's comment

The Authority has taken note of the Entity's response. Some of the findings stated are not about the presence of a document but rather the quality of the document. Secondly there was no documentary evidence presented by the Entity to support its management response. Despite the Authority requesting for the documents several times during the audit exercise, it was not availed.

Recommendations

- The Head, Procurement and Disposal Unit should prepare and issue bidding documents that have all the relevant required information including adequate specifications in accordance with Regulations 42, 43, 44 and 45 of the PPDA (Rules and Methods for the Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 and Section 67 (2) (a) (b) of the PPDA Act, Cap. 205.
- The Contracts Committee should scrutinize all bidding documents for quality before approval in line with Regulation 10 of the PPDA (Procuring and Disposing Entities) Regulations, 2023.

2.1.10 Failure to seek the Solicitor General clearance

Statutory Instrument Supplement No. 97 dated 17th November 2014 requires Entities to seek Solicitor General's clearance for contracts above UGX 200,000,000. Regulation 6 (1) (f) of the PPDA (Contracts) Regulations, 2023 requires an Entity to seek clearance and make the necessary approval of the contract from all the relevant agencies, including, where applicable, the Attorney General. The Authority found that in the procurement of design, supply, and installation of a microscale irrigation system worth 726,426,000. The contract was signed without the Solicitor General clearance.

Implication

Failure to seek the Solicitor General's clearance exposes the Entity to the risk of signing poorly drafted contracts, putting the Government at risk of litigation or financial loss due to non-performance of contracts.

Management Response

We appreciate the observation by the team, however, this could have been an oversight on our part in providing the team with letters of Solicitor General clearing the above projects. We have that letter and can be availed when it's needed.

Authority's comment

The Authority has noted the Entities response. The letter from the Solicitor General was not availed to the team neither was there any documentary evidence provided to the team to substantiate the Entity's response.

Recommendation

The Accounting Officer should seek clearance from the Solicitor General for all contracts above UGX 200,000,000 in accordance with Regulation 6 (1) (f) of the PPDA (Contracts) Regulations, 2023.

2.1.11 Signing a contract above the estimated value of procurement

Section 28 (4) of the PPDA Act, Cap. 205 stipulates that *"An accounting officer shall not sign a contract for a procurement where the price quoted by the best evaluated bidder is higher than the price in the guidelines issued by the Authority."* The Authority found that in the procurement of supply of furniture to Army and Nawanatau Primary Schools worth UGX 67,024,000. The signed contract exceeded the estimated procurement value by UGX 24,000. Whereas the planned estimated value was UGX 67,000,000, the signed contract was UGX 67,024,000.

Implication
Procuring above the procurement budget leads to committing the Entity without funds thereby causing domestic areas.

Management Response
We appreciate the observation by the team, however going forward we shall take note of the above for future implementation.

Recommendation
The Accounting Officer should desist signing contracts where the award price is higher than the initiated/budgeted sum unless there is confirmation of the full amount in accordance with Section 28 (4) of the PPDA Act, Cap. 205 and Regulation 6 (1) (b) of the PPDA (Contracts) Regulations, 2023.

2.1.12 Irregularities at bid evaluation
Regulation 5 (1) of the PPDA (Evaluation) Regulations, 2023 requires evaluation of bids to be conducted in accordance with the evaluation criteria specified in the bidding documents. The Authority found irregularities during the evaluation process of four procurements worth UGX 1,060,044,098. These irregularities might have been due to unethical practices or due to inadequate capacity by evaluation committee members to thoroughly evaluate bids. The procurements are shown in Table 9 below:

Table 9: Irregularities during evaluation

S/No	Subject of Procurement	Contract Amount (UGX)	Findings
1.	Mini piped water system at Natarumurum.	125,986,328	Three bids were evaluated, i.e M/s Real Irrigation Ltd, M/s Icon Projects Limited, and M/s KSK Modern Water Supply System Co. Limited. At preliminary evaluation, both Real Irrigation Ltd and Icon Projects Limited were disqualified for failing to submit the mandatory pre-tender site visit certificate. However, despite this disqualification, the evaluation committee proceeded to include Icon Projects Limited in both the technical and financial evaluation stages. This irregularity compromised the fairness at evaluation and disadvantaged Real Irrigation Limited yet Icon Projects Limited had equally not met the mandatory requirement of a pre-tender site visit certificate. **Authority's comment** No response was given by the Entity.
2.	Procurement of two construction of a staff house at Rupa HCII.	19,358,000	• Only one firm, M/s Galaxy General Suppliers & Contractors Ltd was subjected to preliminary evaluation. However, two other firms, M/s Riwoko Limited and M/s Komic Limited, which

S/No	Subject of Procurement	Contract Amount (UGX)	Findings
			had not undergone preliminary evaluation were introduced at the technical and financial evaluation stages. • Failure by Mr. Moses Lokwii and Mr. Geofrey Olaka to participate in bid evaluation. Bid evaluation was conducted by only two members; i.e Orup Ceaser and Maruk Joseph according to the signed minutes. ***Management Response*** *We appreciate the observation of the audit team, however sometimes the evaluation committee members get taken up in their respective sub-counties and by the time of audit, they had not signed but they later signed.* **Authority's comment** • The Authority has taken note of the Entity's reply, however, bid evaluation should be conducted in a timely manner and all members approve of the evaluation report. No documentary evidence was provided to support the Entity's response. • The Entity did not respond to the issue of introduction of two firms i.e M/s Riwoko Limited and M/s Komic Limited which were not subjected to preliminary evaluation but introduced at technical and financial evaluation.
3.	Design, supply, and installation of a microscale irrigation system.	784,426,000	There was unjustified change of the bid price of M/s Relief Line (U) Ltd from UGX 784,426,000 to UGX 627,826,000. It should be noted that Icon Projects Limited quoted UGX 657,826,000. The report also stated that the best evaluated bidder was Relief Line with a total evaluated bid price of UGX 727,426,000. Notably, there is a lack of transparency regarding the bid price adjustments made to Relief Line Ltd's bid price, which shifted from UGX 784,426,000 to UGX 627,826,000, before being revised again to UGX 727,426,000.

S/No	Subject of Procurement	Contract Amount (UGX)	Findings
			These unjustified changes led to the elimination of M/s Icon Projects Limited. ***Management Response*** *We appreciate the observation of the team; however, Icon Projects had not added VAT in their bid but when the committee added, it went higher than that of Relief Line. There were also negotiations carried out with Relief Line hence the changing prices.* **Authority's comment** The Authority has taken note of the Entity's response; however, no documentary evidence was provided to support the response
4.	Drilling, Sitting and Installation of Five (5) Boreholes at Selected Sites.	130,273,770	Addhira Solutions Limited, with a recorded bid of UGX 124,941,999, was unfairly disqualified at the preliminary evaluation stage for failing to provide a PPDA certificate. However, a review of the submitted documents confirmed that the certificate had indeed been included. **Authority's comment** No response was given by the Entity.
Total		**1,060,044,098**	

Implications

- This is an indicator that members of the Evaluation Committees may have had unethical tendencies or may have lacked adequate capacity to review bids which could have compromised fairness and transparency in the evaluation process.
- Irregularities at evaluation may lead to award of contracts to non-compliant bidders which may result into substandard work and failure to attain value for money.
- The absence of an Evaluation Committee members can lead to the loss of essential technical insights during evaluation. Since members are selected for their specialized expertise, their nonattendance may significantly undermine the thoroughness and analytical depth required for a comprehensive bid evaluation.

Recommendations

- The Accounting Officer should task the chairperson, Evaluation Committee and the Head, Procurement and Disposal Unit to explain why the bid price for M/s Icon Projects Limited was changed during bid evaluation in the procurement of Design, supply, and installation of a microscale irrigation system worth UGX 784,426,000.

- The Evaluation Committees should;
  i. Strictly adhere to the evaluation criteria outlined in the solicitation documents. Firms that do not comply should be eliminated in accordance with Regulations 5 (1) and (2) of the PPDA (Evaluation) Regulations, 2023.
  ii. Conduct evaluation in the presence of all members in accordance with Regulation 4 (3) of the PPDA (Evaluation) Regulations, 2023. In the event that a member of the Evaluation Committee who is absent consents to the meeting being held in their absence, or where it is impractical or impossible for all members to be present, the meeting may proceed accordingly in accordance with Regulation 4 (4) of the PPDA (Evaluation) Regulations, 2023.
- Contracts Committee should carefully review evaluation reports and ensure that principles of fairness and transparency are observed during the evaluation process in accordance with Section 48 of the PPDA Act, Cap 205 before approving the evaluation reports.

2.1.13 Inadequate bidding period

Regulation 56 (1) (c) of the PPDA (Rules and methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023 provides a minimum bidding period of ten working days for restricted domestic bidding method. The Authority found that in the procurement of design, supply, and installation of a microscale irrigation system valued at UGX 784,426,000. A bidding period of six working days was provided, i.e from 16th December to 23rd December 2024.

Implication

Insufficient bidding period denies bidders time to adequately prepare competitive bids and limits competition which leads to low bidder participation.

Authority's comment

No response was given by the Entity.

Recommendations

- The Head, Procurement and Disposal Unit should adhere to the minimum period for each method of procurement in accordance with Regulation 56 of the PPDA (Rules and methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023.
- Contracts Committee should always review bidding documents and check whether the proposed bidding period is reasonable, having regard to the complexity of the procurement process in accordance with Regulation 10 (e) of the PPDA (Procuring and Disposing Entities) Regulations, 2023.

2.1.14 Low bidder participation

Section 49 of the PPDA Act, Cap 205 states that," *all procurement and disposal shall be conducted in a manner to maximise competition and achieve value for money.* " The Authority found low bidder participation in two procurements worth UGX 231,784,000 with only one bid received on average, as tabulated in Table 10 below:

Table 10: Procurements with low bidder participation

S/No	Details of procurements	Contract Amount (UGX)	Method used	Number of bidders who responded
1.	ICT Equipment	164,760,000	Request for Quotation	1
2.	Supply of Furniture to Army and Nawanatau Primary Schools.	67,024,000	Request for Quotation	1
Total/Average		**231,784,000**		1

Implication

Low bidder participation denies the Entity attainment of competitive prices. It may also be a pointer that bidders have no confidence in the Entity, or that an Entity is undesirable to bidders.

Management response

The Management through PDU issues adverts and calls all bidders selected under selective bidding and evaluates submitted bids.

The Entity had invited more than three bidders; documents are hereby attached for verification.

Authority's comment

The Authority noted the Entity's response, a point to note is than selective bidding is no longer a method of procurement, secondly, the Entity did not attach any documents for verification to support the response.

Recommendations

- The Accounting Officer and Head, Procurement and Disposal Unit should conduct annual supplier engagement forums, update supplier databases, expand advertisement channels and periodically analyse causes of low participation to improve competition and value for money.
- The Head, Procurement and Disposal Unit should encourage competitive bidding in accordance to Section 49 of the PPDA Act, Cap 205.

2.1.15 Poorly drafted contracts

Regulation 9 (1) of the PPDA (Contracts) Regulations 2023 stipulates what a contract should entail. The Authority found that seven contracts worth UGX 1,398,399,098 were poorly drafted. There were deficiencies which included failure to include the payment structure, inclusion of redundant clauses, contradicting contract completion durations among others as indicated in Table 11 below:

Table 11: Procurements with poorly drafted contracts

S/No	Procurement	Contract Amount (UGX)	Issues noted
1.	Mini piped water system at Natarumurum.	125,986,328	• GCC 27.3 did not state the amount to be withheld for late submission of an updated program. • Lacked a payment structure.

S/No	Procurement	Contract Amount (UGX)	Issues noted
2.	Construction of a dormitory at Kodonyo Primary School	71,969,000	The intended contract completion date as per GCC 17.1 was stated as 3 months which was contrary to GCC 1.1 (ee) which stated that the start date shall be 25th February 2025 and completion by 30th June 2025, a completion period of 4 months.
3.	Design, supply, and installation of a microscale irrigation system.	7,26426,000	GCC 17.1 stated that the intended completion period shall be 3 months, this was contrary to GCC 1.1 (ee) which stated that the contract start date shall be 12th May 2025 and completion on 30th June 2025, which implied that it was to run for a period of one and a half months.
4.	Supply of ICT Equipment.	164,760,000	• Contradiction in the special conditions of contract, GCC 17.1 stated that the completion date of the supplies shall be within a period of 3 months, this was contrary to GCC 1.1 ee which stated that contract start date shall be 26th February 2025 and completion by 30th June 2025, which implied completion to be within 4 months. • Inclusion of redundant clauses such as GCC 21.1 which stated that site possession shall be 26th February 2025 yet this was a supply, GCC 27.1 requested the contractor to submit a program for works within one day yet it was not applicable in this procurement, GCC 48.1 stated retention payment of 5% which was not applicable to this procurement.
5.	Furniture for Wanatau and Army Primary schools	67,024,000	• The contract was signed on 11th June 2025, despite this, GCC 1.1 (ee) stated that contract start date shall be 13th February 2025. • Inclusion of redundant clauses such as GCC 26.1, which stated that the appointing Authority for the Adjudicator is Ministry of Works, GCC 27.1-which required the contractor to submit a program of works within 1 day of delivery of acceptance letter.

S/No	Procurement	Contract Amount (UGX)	Issues noted
6.	Supply of Medical equipment to Kalemungole HCIII.	111,960,000	Contract lacked a list of medical equipment to be supplied.
7.	Drilling, Sitting and Installation of Five (5) Boreholes at Selected Sites	130,273,770	Contract lacked a payment structure under the special conditions of contract.
Total		**1,398,399,098**	

Implication
Lack of clear information in the contract may result into unnecessary conflicts between the service provider and the Entity, which may ultimately lead to litigation.

Management response
We acknowledge the observations of the audit team. The audit team audited the entity after the procurement process of the year under review was done, and most of the above recommendations were implemented in the FY 2024/2025.
The Entity is going to write to PPDA requesting them to train the evaluation team together with the Contracts Committee members on the gaps identified above.

Authority's comment
The Authority has noted the Entity's responses, however, the first response does not co relate with the findings on poorly drafted contracts. It should be noted that prior to this report, an audit report for financial year 2022/2023 was issued to the Entity on 25th January 2024.

Recommendation
The Head, Procurement and Disposal Unit should draft contracts which contain clear contract details in accordance to Regulation 9 (1) of the PPDA (Contracts) Regulations 2023.

2.1.16 Missing documents
Section 44 (1) of the PPDA Act, Cap 205 requires the Procurement and Disposal Unit to maintain and archive records of the procurement and disposal process. During the audit, it was noted that a number of documents/ records such as solicitation documents, progress reports, delivery notes and payment records in seven procurements under audit worth UGX 1,165,897,168 were not provided. These are listed below in Table 12:

Table 12: Procurements with missing documents

S/No	Procurement	Contract Amount (UGX)	Missing documents
1.	Mini piped water system at Natarumurum	125,986,328	a) Contract Committee minutes approving the contract addendum b) Best evaluation bidder notice c) Payment voucher d) Progress reports
2.	Procurement of two construction of a staff house at Rupa HCII worth	19,358,000	a) Initiation form b) PP form 8 c) Progress reports

S/No	Procurement	Contract Amount (UGX)	Missing documents
			d) Payment voucher
3.	Construction of market stalls at Elukangor market	43,173,840	a) Progress reports b) Payment voucher
4.	Construction of a dormitory at Kodonyo primary school	71,969,000	
5.	Design, supply, and installation of a microscale irrigation system	726,426,000	Progress reports
6.	Supply of Furniture to Army and Nawanatau Primary Schools	67,024,000	a) Delivery note b) Goods received note
7.	Supply of Medical equipment to Kalemungole HCIII	111,960,000	Bidding document
Total		**1,165,897,168**	

Implications

- Lack of records on the procurement action files affects the audit trail. Missing records are a sign of non-transparency, poor accountability and weakness in the internal controls of the Entity.
- Failure to provide information is in breach of Section 129 1 (a) of the PPDA Act, Cap 205.

Management response

We appreciate the observation of the audit team, we have documents in different departments, like payment vouchers are in Finance, delivery notes with stores officer, contract reports with District Engineer. We are going to make sure that PDU photocopies all the relevant documents and put them in the procurement action file.

Authority's comment

The Authority has noted the Entity's response, despite the response, no single document was submitted to the Authority for verification.

Recommendations

- The Accounting Officer should task the Head, Procuring and Disposing Unit to submit all the missing documents listed above; failure to do so may result in the invocation of Section 129 (1) (a) of the PPDA Act, Cap 205.
- The Head, Procurement and Disposal Unit should maintain and archive all documents pertaining to a particular procurement on each respective file in accordance with Section 44 of the PPDA Act, Cap 205.

2.2 COMPLIANCE OF THE ENTITY'S DISPOSAL PROCESS WITH THE PROVISIONS OF THE PPDA ACT, CAP 205 AND THE PPDA (DISPOSAL OF PUBLIC ASSETS) REGULATIONS 2023

2.2.1 Failure to prepare a disposal plan

Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations 2023 requires an Accounting Officer in each financial year, to 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. Despite the Entity having a Board of Survey report, there was no disposal plan drafted by the Entity for the Financial year 2024-2025.

Implication
Failure to prepare a disposal plan leads to unnecessary storage of assets due for disposal which take valuable space, reducing operational efficiency as well further depreciation in value.

Management Response
The observation of the Audit team is true, we didn't prepare a disposal plan because the values were not provided and we have written to the Government Chief Valuer to come and value our district assets since most of them are due for disposal.

Authority's comment
The Authority noted the Entity's response; however, the absence of cost or valuation information does not absolve the Entity from the statutory obligation to prepare a disposal plan. Valuation of assets identified for disposal should have been undertaken prior to the commencement of the financial year to facilitate timely preparation and submission of the disposal plan in accordance with Section 60 (1) of the PPDA Act, Cap.205. Failure to prepare the disposal plan therefore reflects non-compliance with the regulatory requirement and limits the Entity's ability to manage public assets in a timely and efficient manner.

Recommendations
- The Accounting Officer should, in each financial year, cause the public assets of the Entity to be reviewed, to identify the public assets to be disposed of in the following financial year in accordance with Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations 2023.
- The Accounting Officer should use the board of survey report or a User Department to identify the public assets to be disposed of in accordance with Regulation 2 (2) of the PPDA (Disposal of Public Assets) Regulations 2023 and draft a disposal plan.
- The Head, Procurement and Disposal Unit should plan for disposal activities in line with Section 33 (f) of the PPDA Act, Cap. 205.

2.2.2 Failure to dispose obsolete items
The board of survey report for FY 23/24 recommended several items for disposal including motor vehicles, trucks, solar batteries among items however, at the time of audit, no disposal process had commenced. Some items due for disposal are indicated in Table 13 below:

Table 13: List of obsolete items recommended for disposal

No	Item	Engraved Code/ Reg. No.
1.	Motor vehicle-Mitsubishi Pajero (Station wagon)	LG-0028-32
2.	Motor vehicle-Mitsubishi Pickup	LG-0045-32
3.	Motor vehicle-Mitsubishi Pickup	LG-0048-32
4.	Motor vehicle-Toyota Hilux Pickup	LG-0015-32
5.	Motor vehicle-Toyota Hilux Pickup	LG-0055-32
6.	Motor vehicle-Toyota Hilux Pickup	LG-0001-N
7.	Motor vehicle-Mitsubishi Pickup	LG-0026-32

No	Item	Engraved Code/ Reg. No.
8.	Motor vehicle-Land Rover (station wagon)	UG 0046A
9.	Motor vehicle-Toyota Hilux Pickup	LG-0122-32
10.	Motor vehicle-Nissan Pickup	UG 2197 M
11.	Mitsubishi Dump Truck	UG 0351 W
12.	Motor vehicle-Toyota Land Cruiser	LG 0016-32
13.	Motor vehicle-Isuzu Dmax	LG 008-080
14.	Agricultural tractor-Mersey Fergusson	UG 1151 E
15.	Agricultural tractor-Mersey Fergusson	UG 0355 W
16.	Motor cycle Honda XL 125	UG 167S
17.	Motor cycle Honda XL 125	UBC 394C
18.	Motor cycle Honda XL 125	UAC 846U
19.	Generator-Olympia	None
20.	Pedestrian Roller	LP 750
21.	Motor cycle Yamaha	LG 0062-32
22.	Motor cycle Yamaha AG 100	LG 0074-32
23.	Motor cycle	LG 0079-32
24.	Motor cycle Jialing	UG 2761R
25.	Office drawers with tables (wooden)	None
26.	Infants weighing scale (metallic)	None
27.	Adult weighing scale (metallic)	None
28.	Solar batteries	None

Pictorial of some obsolete items due for disposal taken on 24th November 2025.

Mitsubishi Dump truck, Agricultural tractor, Fuso dump truck, Pickup, Lorry, Grader

Implications

- Assets continue to lose value through depreciation and face a risk of loss or vandalism.
- Failure to dispose of obsolete assets hinders the realization of value for money, as financial resources remain held up in unused items which continue to depreciate over time.

Management Response

The observation of the audit team is true, we have written to the Chief Government Valuer to come and value our district assets since most of them are due for disposal, we have gotten clearance and we are in the process of disposal.

Recommendation

The Accounting Officer should have fast track the process and have the items for disposal promptly disposed of, in accordance with the appropriate disposal methods outlined in Part II of the PPDA (Disposal of Public Assets) Regulations, 2023.

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

2.3.1 Failure to appoint a contract manager

Regulation 50 (1) of the PPDA Contracts Regulations 2023 requires an Accounting Officer to appoint a person from the user department to be the contract manager. The Authority found that contract managers were not appointed in five procurements worth UGX 458,886,840 as indicated in Table 14 below:

Table 14: Procurements where contract managers were not appointed

	Subject of Procurement	Contract Amount (UGX)	Observation
1.	Construction of market stalls at Elukangor market	43,173,840	Failure to appoint contract manager
2.	Construction of a dormitory at Kodonyo Primary School	71,969,000	
3.	Supply of ICT Equipment	164,760,000	
4.	Supply of Furniture to Army and Nawanatau Primary school	67,024,000	

5.	Supply of Medical equipment to Kalemungole HCIII	111,960,000	
	Total	**458,886,840**	

Implication
Failure to appoint Contract Managers can lead to poor performance during contract implementation.

Management Response
We appreciate the observation of the Audit team, however, this could have been an oversight on our part we had appointed all the contract managers and we have their letters of appointment.

Authority's comment
The Authority has noted the Entity's response; however, no documentary evidence was availed to support the response.

Recommendation
The Accounting Officer should appoint a Contract Manager for every contract in accordance with Regulation 50 (1) of the PPDA Contracts Regulations 2023.

2.3.2 Weak Contract Management
Regulation 52 of the PPDA (Contracts) Regulations, 2023 outlines the roles and responsibilities of a Contract Manager. The Authority noted that there was laxity in contract management in six procurements worth UGX 1,244,275,168 as denoted by lack of contract plans, lack of progress reports and failure to submit work programs. For some, the weaknesses were caused by failure to appoint contract managers. These weaknesses undermine effective oversight and may compromise the achievement of value for money. These procurements are indicated in Table 15 below:

Table 15: Issues at contract management

S/No	Subject of Procurement	Contract Amount (UGX)	Issues at contract management
1.	Supply, Design and Installation of Micro Scale Irrigation System	726,426,000	• No program of works was submitted as required under GCC 36.1. • Irregular payment of advance payment. The contractor, Relief Line Limited requested for an advance payment worth UGX 217,927,800 which was paid by the Entity on 26th June 2025. However, this transaction was irregular, as the signed contract did not contain any provision authorizing advance payment. • Payment before delivery. A total of UGX 474,807,812 accounting for over 65% was made on 26th

<table>
<tr><td></td><td></td><td></td><td>June 2025 to the service provider before completion of the service.
<table>
<tr><th>Date</th><th>Value</th></tr>
<tr><td>26th June 2025</td><td>217,927,800</td></tr>
<tr><td>26th June 2025</td><td>15,298,278</td></tr>
<tr><td>26th June 2025</td><td>241,581,734</td></tr>
<tr><td>Total</td><td>474,807,812</td></tr>
</table>
Lacked contract implementation plan.
Failure to request for a performance security</td></tr>
<tr><td>2.</td><td>Mini piped water system at Natarumurum worth UGX.</td><td>125,986,328</td><td>No contract implementation plan
No program of works submitted contrary to the requirement in GCC 27.1 which required the contractor to submit a program of works within 7 days of delivery of the letter of acceptance, the performance securing declaration was not submitted contrary to GCC 58.2 (it was to be submitted by 5th March 2025)</td></tr>
<tr><td>3.</td><td>Construction of market stalls at Elukangor market worth UGX.</td><td>43,173,840</td><td>No contract implementation plan
Failure to submit program update. GCC 27.1 required the contractor to submit a program of works within 1 day of delivery of the acceptance letter (on 26th February 2025.</td></tr>
<tr><td>4.</td><td>Construction of a dormitory at Kodonyo Primary School</td><td>71,969,000</td><td>No contract implementation plan
Failure to make full payment. Only UGX 38,992,100 was paid to the contractor M/s Komic (U) Ltd</td></tr>
<tr><td>5.</td><td>Supply of Medical equipment to Kalemungole HCIII</td><td>111,960,000</td><td>Failure to obtain a performance security declaration from M/s N2M Company Limited. Despite the requirement of a performance
The bidder, did not provide a performance securing declaration contrary to GCC 19.1 which required the bidder to provide one.</td></tr>
<tr><td>6.</td><td>Supply of ICT Equipment</td><td>164,760,000</td><td>Failure to make full payment to the service provider, only UGX 157,341,650 was paid.</td></tr>
<tr><td></td><td>Total</td><td>1,244,275,168</td><td></td></tr>
</table>

Implication

Weakness in contract management lead to poor/ under performance of contracts by service providers.

Management Response

We appreciate the observation of the Audit team, however, going forward we are going to make sure that contract managers perform their roles and responsibilities and ensure that full payment is made to service providers upon delivery.

Recommendation

The Accounting Officer should task Contract Managers to perform their roles and responsibilities as provided for in Regulation 52 of the PPDA (Contracts) Regulations 2023

2.3.3 Delayed Delivery

Section 51 of the PPDA Act, Cap. 205 states that "*All procurement and disposal shall be conducted in a manner which promotes economy, efficiency, and value for money.*" The Authority noted that there was delayed delivery in the procurement of Supply of ICT Equipment worth UGX 164,760,000. Whereas the contract was signed on 26th February 2025, with a delivery period of three months, effective 26th February 2025, delivery was done on 24th June 2025 as per the Goods Received Note, No. 027, two months beyond the contractual delivery date. This was primarily attributed to the absence of a designated Contract Manager to monitor and enforce supplier delivery obligations within the contractual timelines.

Implications

- Delays in delivery hinder the timely provision of equipment to the intended beneficiaries.
- It may also increase the cost of contract management.

Management Response

We acknowledge the observation by the team, however, the above supplies for the procurement of supply of ICT Equipment delayed because they were sourced overseas.

Authority's comment

Authority has noted the Entity's response; however, the delayed delivery might have been caused by lack of follow up since this procurement lacked a contract manager. The Entity should appoint Contract Managers who should prepare contract implementation schedules, conduct monthly performance reviews and document all contract monitoring activities to facilitate timely intervention where delays are identified.

Recommendations

- Contract Managers should always task providers to meet all performance or delivery obligations as per the terms and conditions of a contract, in accordance with Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023.
- The Head, Procurement and Disposal Unit should closely monitor all procurements to achieve timely procurement plan implementation.

2.3.4 Weak internal controls evidenced by mischarge of funds

The Authority found mischarge of funds in two procurements worth UGX 918,926,840. While raising local purchase orders, the Entity charged funds from wrong budget lines. These procurements are indicated in Table 16 below:

Table 16: Procurements where mischarge was done

S/No.	Subject of Procurement	Contract Amount UGX)	Observations
1.	Procurement of design, supply, and installation of a microscale irrigation system	726,426,000	Funds worth UGX 726,426,000 were charged off 223001 which falls in the category of property management expenses under Utility and Property Expenses in the chart of accounts
2.	Procurement of Supply of Medical equipment to Kalemungole HCIII	111,960,000	Funds worth UGX 111,960,000 were charged off line item 312121 which is under Non-Residential Buildings – Acquisition, under buildings and other dwellings in the chart of accounts
	Total	**918,926,840**	

Implication

Mischarging of funds depletes financial resources allocated for other services or projects planned within the financial year, which undermines effective budget execution and service delivery.

Authority's comment

The Entity did not respond to the finding.

Recommendations

- The Accounting Officer should provide a clear justification for the mischarging of funds, including the circumstances that led to the deviation from approved budget allocations.
- The Head, Procurement and Disposal Unit while raising Local Purchase orders, should have them aligned with the appropriate budget lines as outlined in the Accounts Charter.

2.3.5 Failure to have clear provisions regarding Environment, Social, Health and Safety issues including Gender issues in the statement of requirements.

Regulation 34 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 states that *'a statement of requirements, shall where applicable, be environmentally and socially responsive.'* In four procurement transactions worth UGX 918,926,840, ESHS issues were not clearly captured in the bidding document while others lacked these aspects. Details are provided in Table 17 below:

Table 17: Procurements where ESHS issues were not clearly stipulated

No.	Subject of Procurement	Contract Amount UGX)	Observations
1.	Construction of a Girls Dormitory at Kodonyo primary school	71,969,000	Under the technical specifications, the Entity merely stated under item 8; 'brief description of your ESHS Management Strategies and Implementation Plans.'
2.	Phase Two Construction of a Staff House at Rupa HC II	19,358,000	

No.	Subject of Procurement	Contract Amount UGX)	Observations
3.	Construction of market stalls at Elukangor market.	43,173,840	Lacked ESHS aspects
4.	Design, supply, and installation of a microscale irrigation system	784,426,000	
	Total	**918,926,840**	

Implication

Unclear environment, social, health and safety requirements can potentially lead to environmental harm, worker and public health risks, delays in contract implementation and may result into outcomes which do not meet the end user requirements.

Management Response

We appreciate the observation of the team; however, the above issues have been addressed in the current financial year 2025/2026 and going forward we are going to make sure that all user departments always attach adequate statements of requirements that are clear precise and inclusive of ESHS issues with input from subject matter expertise to enable PDU prepare better quality bidding documents.

Recommendation

The Accounting Officer should task Heads of User Departments to prepare adequate Statements of Requirements that are clear precise and inclusive of ESHS issues with input from subject matters expertise to enable PDU prepare better quality bidding documents that will attract many more responsive bidders in accordance with Regulation 34 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This section will present graphically the scores per area assessed under different audit questions.

3.1 Overall Audit Conclusion

The performance of Moroto District Local Government for the Financial Year 2024/25 was moderately satisfactory with an overall weighted average risk rating of 100%.

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 18 below:

Table 18: Summary of performance of Moroto District Local Government

Risk Category	Number of Sampled Procurements	% No	Value (UGX)	% Value	Weights	Total weighted average	
						By No.	By Value
High	10	100	1,565,396,555	100	0.6	60	60
Medium	0	0	-	0	0.3	0	0
Low	0	0	-	0	0.1	0	0
Satisfactory	0	0	-	0	0	0	0
Total	**10**	**100**	**1,565,396,555**	**100**	**1**	**60**	**60**

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

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

The average weighted risk rating = $\frac{100+100}{2} = 100$

Table 19: The risk rating

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

3.3 Chart representation of risk rating

Figure 1: Chart Representation of Risk Rating by Value

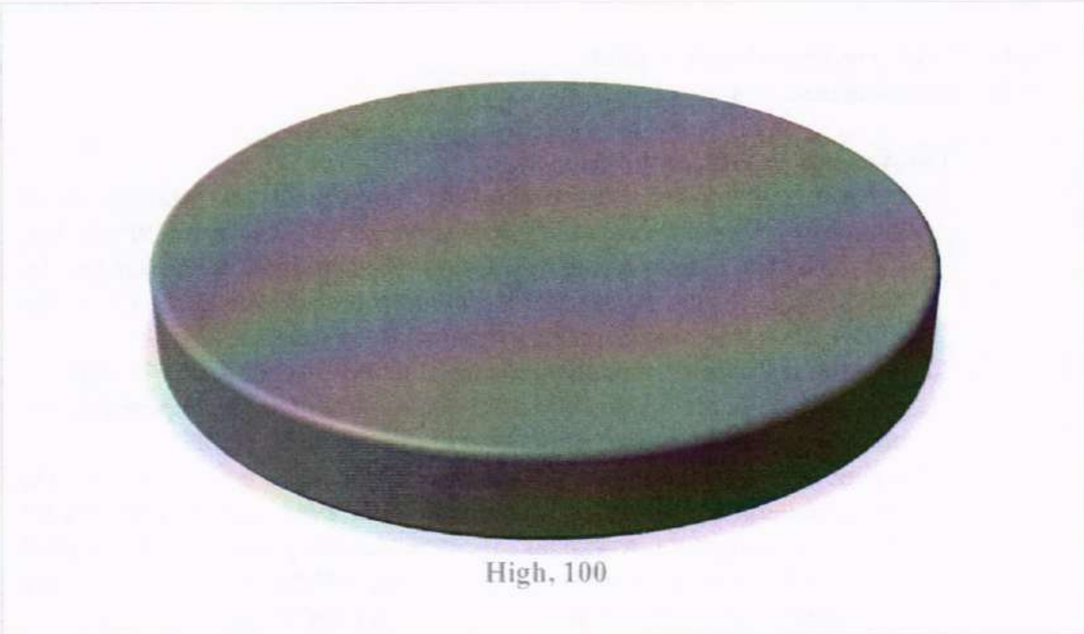
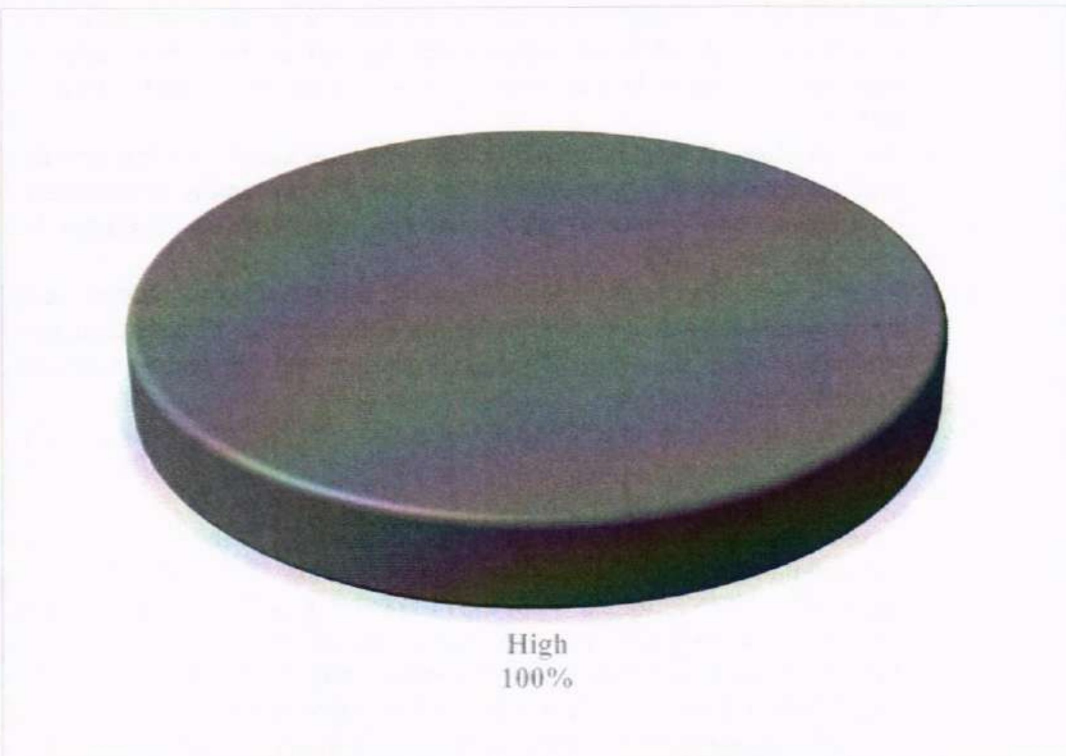


Figure 2: Chart Representation of Risk Rating by Number



3.4 Recommended Action Plan

Moroto District Local Government should implement the following recommendations in Table 20 within the timeframe given in order to improve its performance in Procurement and Disposal.

Table 20: Recommended Action plan

S/No.	Recommendation	Target Date
1.	The Accounting Officer should;	
	i. Have the Contracts Committee fully constituted and staffed at an appropriate level in accordance with Section 28 (1) (b) of the PPDA Act, Cap. 205. The appointment shall be after the approval of the members by the Secretary to the Treasury in accordance with Regulation 4 (2) of the PPDA (Procuring and Disposing Entities) Regulations, 2023;	July 2026
	ii. Appoint a taskforce that shall ensure a strong mechanism is in place to enable all audit recommendations regularly monitored and implemented in accordance with Section 10 (1) (a) of the PPDA Act, Cap 205;	Immediate
	iii. Along with management, regularly carry out a review of the implementation of the procurement plan. In the event that amendments are made to departmental workplans, the procurement plan should be updated in accordance with Section 60 (7) of the PPDA Act, Cap 205 and Regulation 4 of the PPDA (Procurement Planning) Regulations 2023;	Quarterly
	iv. Earmark 15% of the annual procurement plan for award to registered associations of Women, Youth, and Persons with Disabilities in accordance with Guideline 11 of 2024, Section 2.1 (i) which mandates reserving at least 15% of the annual procurement budget for these groups;	July 2026
	v. Desist from approving procurements outside the procurement plan. All procurements should be conducted within the procurement plan except in emergency situations in accordance with Section 60 (10) of the PPDA Act, Cap. 205;	Immediate
	vi. Task the Head, Procurement and Disposal to show cause why disciplinary action should not be taken against him for delayed monthly procurement submissions and failure to disclose micro procurements conducted in Financial Year 2024/2025;	Immediate
	vii. Task the Head, Procurement and Disposal to submit monthly procurement reports in time, by the fifteenth day of the following month in accordance with Regulation 15 of the PPDA (Procuring and Disposing Entities) Regulations, 2023;	Immediate
	viii. Seek clearance from the Solicitor General for all contracts above UGX 200,000,000 in accordance with Regulation 6 (1) (f) of the PPDA (Contracts) Regulations, 2023;	July 2026
	ix. Desist signing contracts where the award price is higher than the initiated/budgeted sum unless there is confirmation of the full amount in accordance with Section 28 (4) of the PPDA Act, Cap. 205 and Regulation 6 (1) (b) of the PPDA (Contracts) Regulations, 2023;	Immediate
	x. Task the chairperson, Evaluation Committee and the Head, Procurement and Disposal Unit to explain why the bid price for M/s Icon Projects Limited was changed during bid evaluation in the procurement of design, supply and installation of a microscale irrigation system worth UGX 784,426,000;	July 2026

S/No.	Recommendation	Target Date
	xi. Task the Head, Procurement and Disposal Unit to submit all the missing documents identified during the audit exercise. Failure to do so may result in the invocation of Section 129 (1) (a) of the PPDA Act, Cap 205;	June 2026
	xii. In each financial year, cause the public assets of the Entity to be reviewed, to identify the public assets to be disposed of in the following financial year in accordance with Regulation 2 (1) of the PPDA (Disposal of Public Assets) Regulations 2023;	July 2026
	xiii. Appoint a Contract Manager for every contract in accordance with Regulation 50 (1) of the PPDA Contracts Regulations 2023;	Immediate
	xiv. Task Contract Managers to perform their roles and responsibilities as provided for in Regulation 52 of the PPDA (Contracts) Regulations;	Immediate
	xv. Give a clear justification for the mischarge of funds worth UGX 918,926,840 including the circumstances that led to the mischarge from approved budget allocations.	July 2026
2.	The Contracts Committee should:	
	i. Only approve procurements that are provided for in the procurement plan in accordance with Section 30 (d) of the PPDA Act, Cap. 205;	Immediate
	ii. Scrutinize all bidding documents for quality before approval in line with Regulation 10 of the PPDA (Procuring and Disposing Entities) Regulations, 2023. This includes reviewing and checking whether the proposed bidding period is reasonable, having regard to the complexity of the procurement process in accordance with Regulation 10 (e) of the PPDA (Procuring and Disposing Entities) Regulations, 2023;	Immediate
	iii. Carefully review evaluation reports and ensure that principles of fairness and transparency are observed during the evaluation process in accordance with Section 48 of the PPDA Act, Cap 205 before approving the evaluation reports.	Immediate
3.	The Head, Procurement and Disposal Unit should:	
	i. Prepare the procurement plan with realistic timelines in accordance with Regulation 6 (d) of the PPDA (Planning) Regulations, 2023;	June 2026
	ii. Where necessary, at any time during the financial year update the procurement plan in accordance with Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023;	Quarterly
	iii. Utilize the online report submission platform to streamline and enhance the efficiency of its monthly reporting submissions via https://ereports.ppda.go.ug/download-templates	Immediate
	iv. Guide user departments to initiate procurement requirements independently using Part I of Form 5 in Schedule 1 in accordance with Regulation 3 (1) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 2023;	Ongoing
	v. Shortlist a minimum of six bidders for procurements conducted under the quotation method, in accordance with Regulation 20 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023;	Immediate
	vi. Prepare and issue bidding documents that have all the relevant required information including adequate specifications in accordance with Regulations 42, 43, 44 and 45 of the PPDA (Rules and Methods for the Procurement of Supplies, Works and Non-Consultancy Services)	Immediate

S/No.	Recommendation	Target Date
	Regulations, 2023 and Section 67 (2) (a) (b) of the PPDA Act, Cap. 205;	
	vii. Adhere to the minimum period for each method of procurement in accordance with Regulation 56 of the PPDA (Rules and methods for Procurement of Supplies, Works, and Non-Consultancy Services) Regulations, 2023;	Immediate
	viii. Improve on engagements with bidders with the view of encouraging them to participate in the Entity's procurement and disposal processes. This could be supported through engagements such as suppliers' forums and other means and also endeavor to encourage competitive bidding in accordance to Section 49 of the PPDA Act, Cap 205;	Immediate
	ix. Draft contracts with clear contract details in accordance to Regulation 9 (1) of the PPDA (Contracts) Regulations 2023;	Immediate
	x. Maintain and archive all documents pertaining to a particular procurement on each respective file in accordance with Section 44 of the PPDA Act, Cap 205;	Immediate
	xi. Plan for disposal activities in line with Section 33 (f) of the PPDA Act, Cap, 205;	July 2026
	xii. Closely monitor all procurements to achieve timely procurement plan implementation.	Immediate
	xiii. While raising Local Purchase orders via the Integrated Financial Management System, have them aligned with the appropriate budget lines as outlined in the Chart of Accounts.	Immediate
4.	Evaluation Committees should;	
	i. Strictly adhere to the criteria set out in the bidding document in accordance with Regulation 5 (1) of the PPDA (Evaluation) Regulations, 2023;	Immediate
	ii. Conduct evaluation in the presence of all members in accordance with Regulation 4 (3) of the PPDA (Evaluation) Regulations, 2023. In the event that a member of the Evaluation Committee who is absent consents to the meeting being held in their absence, or where it is impractical or impossible for all members to be present, the meeting may proceed accordingly in accordance with Regulation 4 (4) of the PPDA (Evaluation) Regulations, 2023.	Immediate
5.	User departments should;	
	i. Always attach a description of the supplies, works or non-consultancy services required during procurement initiation in accordance with Regulation 3 (2) (a) of the PPDA (Rules and methods for Procurement of Supplies, Works and Non-Consultancy services) Regulations, 202;	Immediate
	ii. Identify the public assets to be disposed of in accordance with Regulation 2 (2) of the PPDA (Disposal of Public Assets) Regulations 2023 and draft a disposal plan;	June 2026
	iii. Prepare adequate statements of requirements that are clear precise and inclusive of ESHS issues with input from subject matters expertise to enable PDU prepare better quality bidding documents that will attract many more responsive bidders in accordance with Regulation 34 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.	Immediate

S/No.	Recommendation	Target Date
6.	Contract Managers should; i. Always task providers to meet all performance or delivery obligations as per the terms and conditions of a contract, in accordance with Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023; and ii. Prepare timely contract management plans and forward to the Procurement and Disposal Unit for monitoring in accordance with Regulation 50 (3) of the PPDA (Contracts) Regulations, 2023.	Immediate

ANNEXES

ANNEX 1: RISK RATING PER CASE

No	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
1.	**Subject:** Supply of Medical equipment's to Kalemungole HCIII **Reference:** Moro895/2425/WRKS/DDEG/000014 **Contract Value**: UGX 111,960,000 **Procurement method:** Open Bidding **Contractor:** N2M Company Ltd	• Failure to attach specification at initiation • Poorly drafted contract • Missing bidding document • Failure to appoint a contract • Weak contract management • Mischarge of funds
2.	**Subject:** Drilling and Installation of 5 hand pump boreholes **Reference:** Moro895/2425/WRKS/DWD/00009 **Contract Value**: UGX 130,273,770 **Procurement method:** Open Bidding **Contractor:** KLR (U) Ltd	• Irregularities at initiation • Irregularities at bid evaluation • Poorly drafted contracts
3.	**Subject:** Construction of mini pipe Water systems phase level (Electro mechanical works) **Reference:** Moro2425/WRKS/DDEG/00008 **Contract Value**: UGX 125,986,328 **Procurement method:** RFQ **Contractor:** KSK Water System Ltd	• Procurement outside the procurement plan • Irregularities at initiation • Irregularities at evaluation • Poorly drafted contract • Missing documents • Weak contract management
4.	**Subject:** Supply, Design and Installation of Micro Scale Irrigation System **Reference:** Moro895/2425/SUPLS/UGIFT/00001 **Contract Value**: UGX 726,426,000 **Procurement method:** RFQ **Contractor:** Relief Line (U) Ltd	• Inadequately drafted bidding document • Failure to seek Solicitor General Clearance • Irregularities at evaluation • Inadequate bidding period • Poorly drafted contract • Lacked ESHS aspects • Missing progress reports • Weaknesses at contract management • Mischarge of funds • Lack of ESHS aspects in the bidding document
5.	**Subject:** Construction of a Staff House at Musas primary school **Reference:** Moro895/2425/WRKS/DDEG/00005 **Contract Value**: UGX 82,179,000 **Procurement method:** RFQ **Contractor:** Trusted Masters Supply and Construction Ltd	• Irregularities at initiation • Inadequacies in the bidding document, lacked bills of quantities.
6.	**Subject:** Construction of a Girls Dormitory at Kodonyo primary school **Reference:** Moro895/2425/WRKS/DDEG/00006 **Contract Value**: UGX 82,179,000 **Procurement method:** RFQ **Contractor:** Komic (U) Ltd	• Irregularities at initiation • Inadequately drafted bidding document • Poorly drafted contract • Missing documents: progress reports, payment vouchers • Bidding document lacked ESHS aspects

No	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
		• Failure to appoint Contract Manager • Weak contract management • Failure to make full payment
7.	**Subject:** Supply of Furniture to Army and Nawanatau Primary schools **Reference:** Moro895/2425/WRKS/DDEG/00011 **Contract Value:** UGX 67,000,000 **Procurement method:** RFQ **Contractor:** 21st Century Architects Ltd	• Irregularities at initiation • Signing contract above the estimated procurement value • Low bidder participation • Poorly drafted contract • Failure to appoint Contract Manager • Missing documents: Delivery note, Goods Received note
8.	**Subject:** Construction Market Stalls at Elukangor Market **Reference:** Moro895/2425/WRKS/DDEG/00004 **Contract Value:** UGX 43,173,840 **Procurement method:** RFQ **Contractor:** Acerer Technical Services Ltd	• Low bidder invitation • Inadequately drafted bidding document • Missing documents: progress reports, payment vouchers • Failure to appoint contract manager • Weak contract management • Failure to include ESHS aspects
9.	**Subject:** Phase Two Construction of a Staff House at Rupa HC II **Reference:** Moro895/2425/WRKS/DDEG/00003 **Contract Value:** UGX 41,668,617 **Procurement method:** Open Bidding **Contractor:** Galaxy General Supplies & Contractors Ltd	• Inadequately drafted bidding document • Irregularities at bid evaluation • Missing documents: initiation form, PP Form 8, Progress reports, payment voucher • Bidding document lacked ESHS aspects
10.	**Subject:** Supply of ICT Equipment **Reference:** Moro895/2425/WRKS/DDEG/00008 **Contract Value:** UGX 164,760,000 **Procurement method:** RFQ **Contractor:** Carosa and Family Technologies Ltd	• Procured outside the procurement plan • Irregularities at initiation • Inadequately drafted bidding document • Low bidder participation • No Contract Manager appointed • Delayed delivery • Failure to make full payment

Annex 1: Transaction list and rating per case

No	Reference Number	Subject of Procurement	Method of Procurement	Provider	Contract Amount (UGX)	Risk Rating
1.	Moro895/2425/WRKS/DDEG/000014	Supply of Medical equipment's to Kalemungole HCIII	Open Domestic Bidding	N2M Company Ltd	111,960,000	H
2.	Moro895/2425/WRKS/DWD/00009	Drilling and Installation of 5 hand pump boreholes	RFQ	KLR (U) Ltd	130,273,770	H
3.	Moro2425/WRKS/DDEG/00008	Construction of mini pipe Water systems phase level (Electro mechanical works)	RFQ	KSK Water System	125,986,328	H
4.	Moro895/2425/SUPLS/UGIFT/00001	Supply, Design and Installation of Micro Scale Irrigation System	RFQ	Relief Line (U) Ltd	726,426,000	H
5.	Moro895/2425/WRKS/DDEG/00005	Construction of a Staff House at Musas primary school	RFQ	Trusted Masters Supply and Construction Ltd	82,179,000	H
6.	Moro895/2425/WRKS/DDEG/00006	Construction of a Girls Dormitory at Kodonyo primary school	RFQ	Komic (U) Ltd	71,969,000	H
7.	Moro895/2425/WRKS/DDEG/00011	Supply of Furniture to Army and Nawanatau Primary schools	RFQ	21st Century Architects Ltd	67,000,000	H
8.	Moro895/2425/WRKS/DDEG/00004	Construction Market Stalls at Elukangor Market	RFQ	Acerer Technical Services Ltd	43,173,840	H
9.	Moro895/2425/WRKS/DDEG/00003	Phase Two Construction of a Staff House at Rupa HC II	Open bidding	Galaxy General Supplies & Contractors Ltd	41,668,617	H
10.	Moro895/2425/WRKS/DDEG/00008	Supply of ICT Equipment	RFQ	Carosa and Family Technologies Ltd	164,760,000	H

Annex 2: Risk Rating Criteria

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

RISK	DESCRIPTION	AREA	IMPLICATION
	management framework to ensure a formal and effective system of management controls is put in place. Such	issue and receipts of bids, usage of non-pre-qualified firms and splitting procurement requirements.	
	procurements would normally be graded "medium" provided that there is sufficient evidence	**Procurement Structures:** Lack of procurement structures	This implies lack of independence of functions and powers and interference in the procurement process.
	of "hands on management control and oversight" at an appropriate level of seniority.	**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	**Planning:** Lack of procurement reference numbers.	This leads to failure to track the procurements which leads to poor record keeping.
	framework is considered desirable to improve efficiency or to ensure that the business matches	**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
	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.