

OFFICE OF THE AUDITOR GENERAL



THE REPUBLIC OF UGANDA

REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF
GULU DISTRICT LOCAL GOVERNMENT
FOR THE YEAR ENDED 30TH JUNE 2018

OFFICE OF THE AUDITOR GENERAL
UGANDA

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Acronym	Meaning
BOU	Bank of Uganda
DLG	District Local Government
DMO	District Medical Officer
DRC	District Road Committee
EMHS	Essential Medicines and Health Supplies
HC IV	Health Center Four
ICT	Information Communication Technology
IESBA	International Ethics Standards Board for Accountants
INTOSAI	International Organization of Supreme Audit Institutions
ISSAI	International Standards of Supreme Audit Institution
LGFAM	Local Governments Financial and Accounting Manual 2007
LGFAR	Local Governments Financial and Accounting Regulations 2007
MMHS	Management of Medicines Health Supply
MoESTS	Ministry of Education Science and Technology and Sports
MoFPED	Ministry of Finance Planning and Economic Development
NMS	National Medical Stores
PFMA	Public Finance Management Act 2015
PPDA	Public Procurement and Disposal of Assets
RTI	Rural Transport Infrastructure
UGX	Uganda Shillings
UPE	Universal Primary Education
URA	Uganda Revenue Authority
URF	Uganda Road Fund
VAT	Value Added Tax
WHT	Withholding Tax
YIGs	Youth Intrest Groups
YLP	Youth Livelihood Programme

REPORT OF THE AUDITOR GENERAL ON THE AUDIT OF FINANCIAL STATEMENTS
OF GULU DISTRICT LOCAL GOVERNMENT
FOR THE YEAR ENDED 30TH JUNE, 2018

THE RT. HON. SPEAKER OF PARLIAMENT

Opinion

I have audited the accompanying financial statements of Gulu District Local Government which comprise the statement of Financial Position as at 30th June 2018, and the Statement of Financial Performance, Statement of Changes in Equity and Statement of Cash Flows together with other accompanying statements for the year then ended, and notes to the financial statements ,including a summary of significant accounting policies .

In my opinion, the financial statements of Gulu district local government for the year ended 30th June 2018 are prepared, in all material respects, in accordance with section 51 of the Public Finance Management, 2015 and the Local Government Financial and Accounting Manual, 2007.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the District in accordance with the Constitution of the Republic of Uganda (1995) as amended, the National Audit Act, 2008, the International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics, the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code), and other independence requirements applicable to performing audits of Financial Statements in Uganda. I have fulfilled my other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing audits in Uganda. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined the matters described below as the key audit matters to be communicated in my report.

1.0 Performance of Youth Livelihood programme

The Youth Livelihood Programme (YLP) is a Government Programme being implemented under the Ministry of Gender, Labour and Social Development (MoGLSD). The programme, which started in the financial year 2014-2015, was to respond to the existing challenge of unemployment among the Youths.

The programme, which is implemented through the District provides support to the vulnerable youth in form of revolving funds for skills development projects and income generating activities initiated by youth groups.

The audit focused on an amount of UGX.372, 635,500 disbursed in the Financial Year; 2014/2015 whose recovery period of three years had expired by 30th June 2018. The audit procedures performed focused on ascertaining the following;

- Whether all funds budgeted for YLP during the period under review were actually released and used only for the program.
- Whether all funds advanced to the youth groups were repaid in accordance with the agreed repayment schedule and to establish reasons for failure or delays to repay the funds.
- Whether all funds recovered during the period under review were transferred to the revolving fund account in Bank of Uganda to be disbursed to other Youth Livelihood Groups (YLGs) in accordance with the revolving funding model and
- Whether on a sample basis the funded projects do exist and are operating.

I made the following observations;

1.1 Funding of the Programme.

A review of the approved budget for the YLP program revealed that whereas the District had budgeted for a total amount of UGX.389,197,196 for the financial year 2014/2015, only UGX.372,635,500 (96%) was released resulting in a shortfall of UGX.16,561,696 (4%). Consequently, out of the planned 53 projects/youth interest groups, only 51 were actually funded.

This undermined the intended objective of responding to the challenge of unemployment amongst the Youths. In his response the Accounting Officer through the district YLP focal point person explained that they wrote to the Ministry of Gender, Labour and Social Development expressing concern for the budget cuts.

I advised the Accounting Officer to engage all the relevant authorities to ensure that adequate resources are allocated to the program so as to attain the programme objectives.

1.2 Non-compliance with the Repayment Schedule

The Documentation review revealed the repayment was not in line with the agreed repayment schedules. It was observed that whereas the groups funded in 2014/2015 were expected to have repaid a total amount of UGX.372,635,500 by close of the financial year 2017/2018, only UGX.90,844,850 (24%) was collected leaving a balance of UGX.281,790,650 (76%) outstanding as shown in **appendix I**

Failure to repay in a timely manner implies that other eligible groups were unable to access the funds since this is a revolving fund.

The Accounting Officer explained that the slow rate of recovery was due to some groups that had disintegrated weak enforcement structure at the sub county, the poor selection of enterprises, natural calamities that affected some groups and conflicting messages from different organs of governments which creates laxity. He however, stressed that the district had involved other organs of government like police to enforce recovery.

I advised the Accounting Officer to liaise with the Ministry of Gender Labor and Social Development to address the identified causes to ensure that all outstanding amounts are repaid to enable other eligible YIG access the funds.

1.3 Failure to transfer recovered funds to the recovery account in BOU.

A review of the bank statements of the YLP Recovery account No. 07547680004 in Bank of Africa, revealed that all the collected amount of UGX.90,844,850, had been transferred to the National Revolving Fund Collection Account by the end of the financial year 2017/18.

This undermines the effective implementation of the program and the ultimate goal of creating employment for the youth. The Accounting Officer stated that he was in the process of transferring the funds to the National Revolving Fund Collection Account.

I advised the Accounting Officer to ensure that recovered funds are always promptly transferred to the recovery Account in Bank of Uganda.

1.4 Inspection of Performance of Youth projects

Physical inspection was carried out on two selected projects namely Oroko Wapwoyo Luluta Produce buying and selling Group and Adak Alliance Piggery Project to ascertain whether they were in existence and executed in accordance with the operational guidelines. It was observed that the groups had disintegrated. Lack of monitoring/supervision led to disintegration of groups and poor recovery.

The Accounting Officer explained that efforts had been put in place to involve grass root leaders (LCI, LCII, Parish Chiefs, PISO, GISO, Sub County Chiefs) , to improve in monitoring and supervision and mobilize the youth groups for timely recovery.

I advised the Accounting Officer to enhance mobilization and monitoring for effective programme implementation.

2.0 Implementation of the Uganda road Funds

Section 45 (3) of the Public Finance Management Act, 2015 states that " An Accounting Officer shall enter into an annual budget performance contract with the Secretary to the Treasury which shall bind the Accounting Officer to deliver on the activities in the work plan of the vote for a Financial year, submitted under section 13 (15)" of the said Act.

Regulation 18(3) of the Local Government Financial and Accounting regulations 2007 requires budget estimates to be based on objectives to be achieved for the financial

year and during implementation, effort to be made to achieve the agreed objectives or targets as per the programme of Council.

It has been observed over years that planned and budgeted for activities of a number of Local Governments are not implemented thereby affecting service delivery.

During the overall office wide planning, I identified risks such as inadequate release of funds and failure to undertake budget monitoring and supervision that are likely to be the causes of failure to implement the planned activities under Uganda road fund. The focus was put on the planned major outputs under Uganda Road Fund which greatly impact on service delivery in the Local Governments.

Consequently, I developed specific audit procedures which included to ascertain whether;

- The budgeted URF releases for Local Governments for the year under review were actually received ;
- The planned URF outputs were achieved;

Based on the procedures performed, the following observations were made;

2.1 Budget Performance

A total of UGX.471,595,450 was budgeted to cater for routine manual maintenance, routine mechanised maintenance, periodic maintenance and mechanical imprest activities on several District Roads using Road gangs and the force Account mechanism. However, the district received UGX.470, 118,922(99.7%) resulting into a deficit of UGX.1, 476,528 the deficit constituted 0.3% of the budgeted amount.

It was also noted that out of UGX.470, 118,922 received, UGX.14, 069,395 remained un-utilised by year end as shown in **Appendix II**.

The Accounting Officer explained that the amount was meant for buying grader blades and stationery (Grader blade UGX.12, 304,852 and Stationery 1,764,543) However, both payments bounced due to system failure and the amounts were swept away.

2.2 Status of Implementation

A review of planned outputs against actual performance is as shown in **appendix II**

2.2.1 Routine Manual Maintenance

A total of 322.6 kms at an estimated cost of UGX.98, 175,796 was planned to be undertaken. However, audit revealed that 303kms were actually undertaken at a cost of UGX.63,756,444 leading to a shortfall of 19.6km in length and an unspent balance of UGX.17,955,276 (18%).

On inspection, it was observed that all the planned roads were worked on other than Awac – Paibona Road (19.6Km). The Acting District Engineer explained that the road was in a very poor state that could not be handled by Road Gangs and the District roads committee (DRC) decided to rollover the road to be maintained in F/Y 2018/19 under periodic mechanised maintenance.

I advised the Accounting Officer to always ensure proper planning to ensure effective service delivery.

2.2.2 Routine mechanized maintenance

A total of 58.5 kms at an estimated cost of UGX. 229,076,844 was planned to be undertaken. However, audit revealed 59.4 kms were actually undertaken at a cost of UGX. 229,077,320 leading to extra coverage of 0.9kms in road length.

On inspection, it was observed that works were well implemented as shown in pictures below:



Section of Negri-Paiminano-Lalem road



Section of Pageya-Omel road

2.2.3 Periodic Maintenance

There was no budget provision for periodic maintenance

Emphasis of matter

Without qualifying my opinion, I draw attention to the following matters;

3.0 Contingent Liability

Included in the statement of contingent liabilities and guarantees on page 41 is UGX.6, 000,000,000 relating to damages awarded by court for unlawful dismissal of Parish Chiefs by the district. Consequently, a number of district assets have been auctioned as a result of accumulated domestic arrears arising out of court cases.

The Accounting Officer explained that the negotiations were underway with the relevant stakeholders to have the liability reduced.

I advised the Accounting Officer to engage the Ministry of Finance Planning And Economic development and the Ministry of Local Government to make a budget provision for clearing the outstanding domestic arrears.

4.0 Unpaid Pension and Gratuity Arrears

Included in the statement of Financial Position on page 15 and note 23 of the financial statements is UGX.697,871,140 in respect of Pension and gratuity Arrears.

The accumulation of pension and gratuity arrears exposes challenges to the retired civil servants while delayed settlement of salary arrears demotivates staff. The Accounting Officer explained that UGX.33, 417,443 of the outstanding Arrears had been cleared but in the system, the amount had not yet been offset. He further indicated that the outstanding arrears would be cleared when budget provision is made by MoFPED.

5.0 Payables

Included in the figure for payables in the statement of Financial Position on page 15 and note 22 on page 34 of the Financial Statements is UGX.1,191,005,956 relating to trade creditors, sundry creditors and withholding tax. Included in the sundry creditors is UGX.266, 421,925 relating to completed NUDEIL projects that remained unpaid pending approval by USAID dating as far back as 2010.

Outstanding obligations expose the district to the risk of litigation and its associated costs.

Other Matter

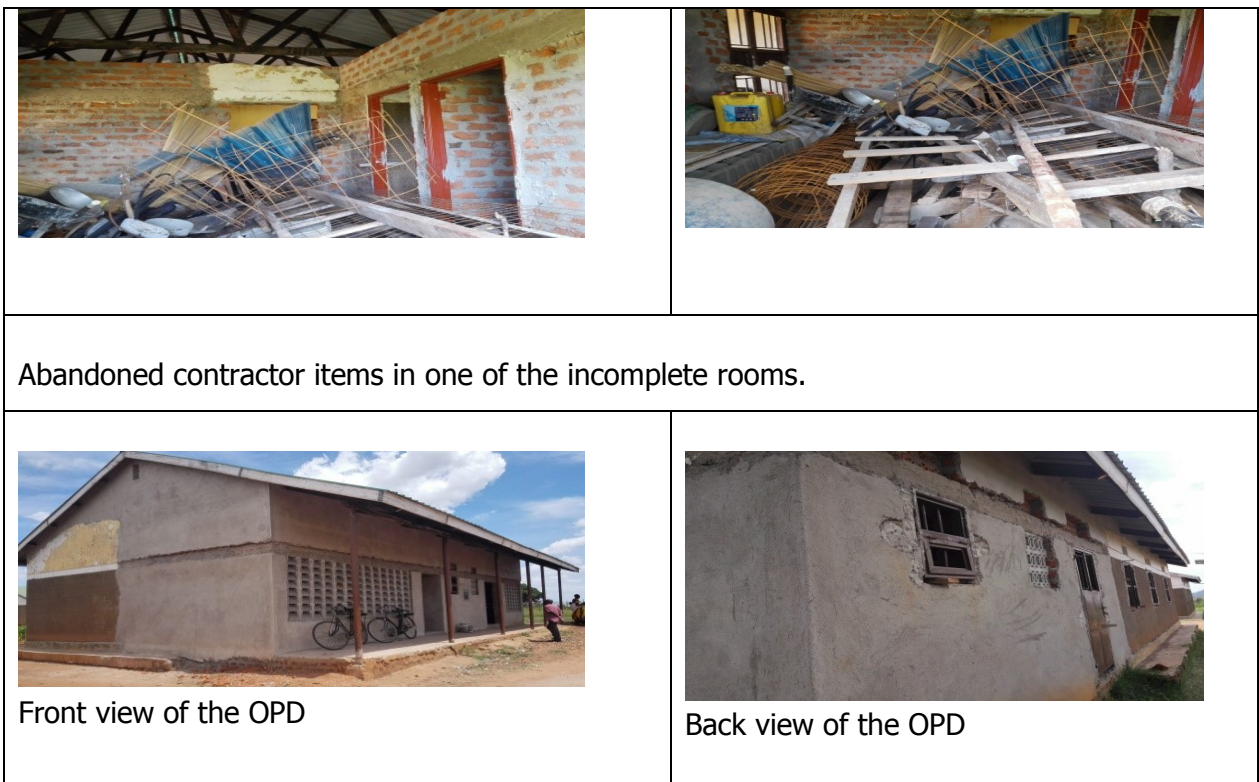
In addition to the matters raised above, I consider it necessary to communicate the following matters other than those presented or disclosed in the financial statements.

6.0 Incomplete and abandoned works

6.1 Incomplete renovation and expansion of OPD in Lugore HCII Palaro Sub County

The district signed a contract with M/S Deg Bedo Co Limited for renovation and expansion of OPD in Lugore HCII Palaro Sub County under contract reference no Gulu508/Wrks/17-18/00005 at a contract sum of UGX.47,558,600 with a start and end date of 3rd May 2018 and 30th June 2018 respectively.

However, audit inspection carried out on 24th October 2018 revealed that the project was incomplete and the contractor had abandoned the site as shown in the pictures below;



Source: Field Inspection on 24/10/2018

The Health Centre In-Charge explained that the contractor just abandoned the site without any notification. Efforts to meet the contracts supervisor (Mr Ocaya Kenneth) were futile as the Officer was never at the district during the audit exercise. As a result, project records like contract implementation plan, site log book and site instruction book could not be accessed.

The Accounting Officer explained that the contract was awarded without including the VAT component of 18%, and after the calculation of VAT the amount left couldn't complete the works. The contractor was therefore advised to reduce the

scope work to fit within the available funds and the outstanding works were rolled over to financial year 2018/2019.

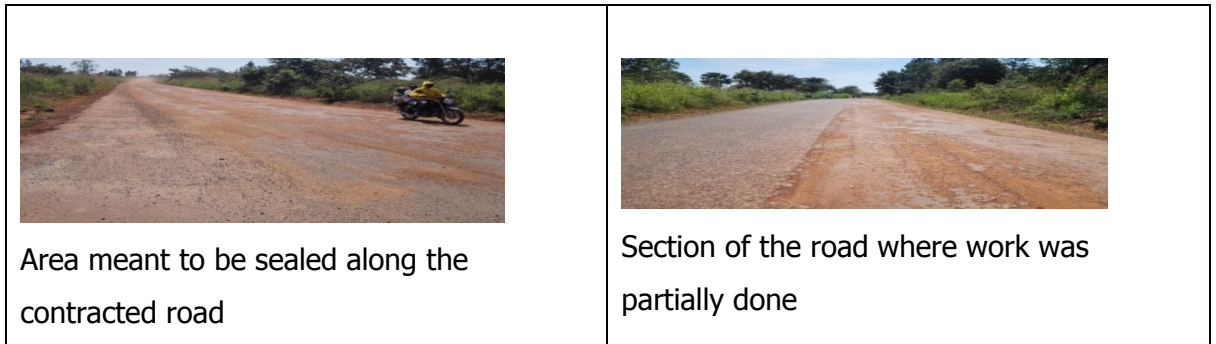
I advised the Accounting Officer to adequately plan and budget for works to ensure timely service delivery.

6.2 Incomplete/Abandoned Low Cost Sealing of Laroo - Pageya Road 2 Km

The district awarded a contract to Pehan Construction Ltd for Low Cost Sealing of Laroo- Pageya Road 1 Km section at a contract sum of UGX.498,646,112 funded by RTI under procurement reference No Gulu508/wrks/2017-18/00008 with a start and end date of 31st May 2018 and 30th June 2018 respectively.

However, audit inspection conducted on 25th October 2018 revealed the following lapses;

- The project was not complete yet its contract end date had long expired with no evidence of contract extension.
- No billboards were raised in respect of the project and no response was obtained to the effect. In this case the roads inspector explained that they were yet to be raise by the contractor.
- Environmental concerns had not been addressed since trees had not been planted along the road as provided for in the Bills of Quantities.
- The main activities that were thoroughly done were bush clearing, road reshaping and road base construction.
- It was noted that the contractor had put primer on some section of the road (0.5Km from Laroo to Pageya) but did not spread/cover it with stone chippings and as a result, the primer had been washed away.
- The actual distance where bush clearing, road reshaping and base construction done was only 0.9Km not 1km as planned.
- The procurement action file and contract management file were not availed and as a result, the contract supervisor could not be identified and interviewed. The amount for design and supervision worth UGX.42, 776,407 had been fully paid yet the contractor had only performed one part of the contract; that is design but supervision had not been fully performed.
- The absence of the contractor on site and evidence of on-going works was a clear indication that the project had been abandoned as seen in the pictures below;



Source: Field Inspection on 25/10/2018

The delayed completion of works not only leads to waste of government resources but also hampers service delivery to the communities. The Accounting Officer explained that the contract had been extended for five (05) months to allow the contractor complete the works but no evidence was availed to confirm the extension.

I advised the Accounting Officer to expedite the process of the project completion for timely service delivery.

7.0 Non-Disbursement of YLP funds for financial year 2017/18

Section 2 of the project funds access criteria document states that the YLP Support will be accessed by Youth Groups that will have expressed interest, passed the beneficiary selection criteria, and generated viable projects that are approved by the District Technical Planning Committee.

It was observed that the 39th disbursement of UGX.69,515,000 for FY 2017-18 that was released by the Ministry of Gender, Labour and Social Development to the district YLP Account (No.07547680004-Bank of Africa) on 8th May, 2018 had not been disbursed to the respective approved youth interest groups by the year end and by the time of audit (October 2018) as shown in **Appendix III:**

The YLP Focal Point Officer explained that the delay was as a result of delays in uploading groups' accounts onto the IFMS system.

Failure to make timely disbursement of the funds to the beneficiary groups does not only deny the affected group a chance to implement the projects in a timely manner, but also affects the attainment of the overall strategic objective of economically empowering the youth.

The Accounting Officer explained that the delayed disbursement was caused by processes of training, signing financial agreements and bank account opening.

I advised the Accounting Officer to streamline the disbursement process and ensure timely disbursement of funds to the approved groups.

8.0 Non-Assessment of Taxable Revenue

Paragraph 4.3 of Local Government Financial and Accounting Manual 2007 provides that the Chief Executive should carry out proper assessment of the council's revenue regularly. In order for proper assessment to be carried out, the process should start with the enumeration exercise conducted by a team of enumerators who should record all the sources of income for each individual tax payer in the district.

It was however observed that there was no evidence that revenue enumeration and assessments were carried out for all revenue sources. This therefore implies that the budgeted local revenue of UGX.606, 755,700 was not informed.

Consequently, the council was unable to establish and disclose the amount for local revenue billed during the year in the statement of Arrears of revenues accompanying the financial statements.

The Accounting Officer attributed this to staffing gaps mainly for enumerators (the Parish Chiefs) and low capacity of the enumerators since they were not trained on their roles.

I advised the Accounting Officer to ensure that proper assessment of revenue sources is regularly carried out to enable fair estimates to be made.

9.0 Summary of exceptions raised in the PPDA audit report of the district for the financial year ended 30th June, 2018.

PPDA carried out a procurement audit and the exceptions are included in **appendix IV**.

Other Information

The Accounting Officer is responsible for the other information. The other information comprises the statement of responsibilities of the Accounting Officer and the commentaries by the Head of Accounts and the Accounting Officer, and other supplementary information. The other information does not include the financial statements and my auditors' report thereon. My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Management Responsibilities for the Financial Statements

Under Article 164 of the Constitution of the Republic of Uganda, 1995 (as amended) and Section 45 of the Public Finance Management Act, 2015, the Accounting Officer is accountable to Parliament for the funds and resources of Gulu District Local Government.

The Accounting Officer is also responsible for the preparation of financial statements in accordance with the requirements of the Local Governments Financial and Accounting Manual, 2007 and the Public Finance Management Act 2015 and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Accounting Officer has a realistic alternative to the contrary.

The Accounting Officer is responsible for overseeing the District's financial reporting process.

Auditor General's Responsibilities for the audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users, taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:-

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Accounting Officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the Accounting Officer, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because

the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Responsibilities

In accordance with Section 19 (1) of the National Audit Act, 2008, I report to you, based on my work described on the audit of Financial Statements, that; except for the matters raised in compliance with legislation section below, and whose effect has been considered in forming my opinion on financial statements, the activities, financial transactions and information reflected in the financial statements that have come to my notice during the audit, are in all material respects, in compliance with the authorities which govern them.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

The material findings in respect of the compliance criteria for the applicable subject matters are as follows;

10.0 Management of Natural Resources

10.1 Unlicensed Activities on Natural resources

According to Sec. 38(3) of the National Environment Management Act, the authority may, in consultation with the lead agency and the district environment committee, declare any wetland to be a protected Wetland, thereby excluding or limiting human activities in that wetland while Sec.36 provides for restrictions on the use of wetlands and requires a person to obtain written approval from the authority given in consultation with the lead agency.

It was observed that the district does not have a register of the licenses issued for activities carried out on gazetted wetlands. Audit inspection revealed that there were a number of activities illegal carried out on various wetlands and forests in form of cultivations, constructions and waste dumping.

The continued undertaking of these practices on the natural resources will continue to have adverse effects on the environment like climate change and unbalanced eco system.

In her response the Accounting Officer explained that fines had been imposed on those found harvesting forest products illegally, improvement notices on wetland degradation had been given to wet land encroachers. He further stressed that two arrests had been made and matter was still before court.

I advised the Accounting Officer to initiate measures to ensure that utilisation of natural resources is in accordance with the law.

11.0 Establishment of the Physical Planning Committee.

Section 9 of the Physical Planning Act 2010 requires each district council to establish a district physical planning committee, which shall consist of among other members a physical planner in private practice appointed by the council on the advice of the secretary to the Board.

However, it was observed that although the physical planning committee had been established and members appointed, the committee lacked a physical planner in private practice who would be responsible for developing physical plans as required by law. Lack of a qualified physical planner can result into preparation of poor physical plans.

The Accounting Officer explained that these people are few in the job market and attracting them is difficult. He added that poor remuneration in the civil service makes it hard to attract them but he promised that the district would look for the best way to handle the situation.

I advised the Accounting Officer to ensure that a physical planner in private practice is appointed as required by law.

11.1 Performance of the Physical Planning Committee

Section 9 of the Physical Planning Act,2010 outlines the functions of the Physical planning Committee which include among others: preparation of physical development plans; recommending to the district council subdivision of land which may have a significant impact on contiguous land or be in breach of any condition registered against a title deed in respect of such land; approving development applications relating to housing estates, industrial location, schools, petrol stations, dumping sites or sewerage treatment, which may have injurious impact on the environment; hearing appeals lodged by persons aggrieved by decisions made by the district physical planner and lower local physical planning committees; and exercising supervisory powers over all lower planning committees.

It was however noted that in spite of the committee being put in place from the beginning of the year under review, only one meeting had been held in July, 2017 to

discuss about the operationalization of the committee. No other activities were performed by the committee other than training of the lower physical planning committees that had just been done.

Poor performance of the committee denies the community timely accessibility of services rendered by the committee.

The Accounting Officer in his response stated that all activities of the sector were funded under local revenue which was not forthcoming.

I advised the Accounting Officer to equally prioritize the committee when allocating the available resources.

11.2 Non Budgeting for the Physical Planning Committee Activities

PART VII, Section 44 of the Physical Planning Act, 2010 provides that all activities of the physical planning committees shall be financed by the local government finances.

However, review of the budget and financial statements of the Council revealed that there was no budget and therefore no expenditure on activities of the committee. Failure to fund activities of the Committees adversely affects their operations.

The Accounting Officer explained that more resources had been allocated to facilitate the activities of the district physical planning committee in the 2019/2020 FY budget.

I advised the Accounting Officer to budget for and fund planned activities of the committee.

12.0 Management of Road Equipment

12.1 Failure to maintain road equipment records

Paragraph 2.2 (b), (d) & (e) of the guidelines for care and management of road equipment in government ministries, departments and agencies, by ministry of works and transport 2017, prescribe specific documents to be kept by LGs in the management of road equipment and vehicles. The records include plant and equipment register, maintenance and repair history records, Safe Work Procedures (SWP) for each type of road equipment among others.

Contrary to the above requirement, it was observed that the management of the district did not maintain the road equipment records. This may result in poor care for the equipment and shortened life spans.

I advised the Accounting Officer to ensure that road equipment records are put in place in accordance with the regulations.

12.2 Non-functional/ Grounded Equipment

Section 4h of the guidelines for care and management of road equipment in government ministries, departments and agencies, by ministry of works and transport 2017 provides a step-by-step Repairs Management Process to be followed by users of road equipment.

It was however observed that two equipment were grounded and required major repairs as shown in the pictures below;



It was further noted that the equipment is not properly maintained as there were no defects reports, no reports to indicate that regular checks are carried out, logbooks to guide in utilization were lacking and no system of quality assurance checks carried out either before or after repairs.

An interview with the Assistant Engineering Officer revealed that the funds received were inadequate to handle the required major repairs of the equipment.

Grounded road equipment leads to delays in road works which directly affects service delivery.

The Accounting Officer explained that major repair of equipment is handled by the Regional Mechanical Workshop of MOWT. He further stated that the Regional Mechanical Workshop Gulu had assessed the grounded wheel loader and had scheduled it for repair in 3rd quarter. The other equipment had minor repair which had been done by Victoria Equipment.

I advised the Accounting Officer to expedite the process of repairing the grounded equipment's.

13.0 Status of Basic Medical Equipment

Section 5.17 of the Service standards & Service delivery standards for the Health Sector, 2016 requires that medical equipment is available and properly maintained to meet the needs of the patient population. However, a review of Awach Health Centre IV departments' reports and audit inspection revealed that a number of medical equipment was lacking and some was not in fair condition as shown in **Appendix V**.

Consequently, patients are referred to distant Facilities to receive the same services like caesarean section, circumcision and other operations that could be done by a health Centre IV.

The Accounting Officer promised to plan and forward the request to the National Medical Stores for consideration.

13.1 Failure to record medical equipment in the district assets register

The Local Government Financial and Accounting Regulations 2007 section 59 (e) requires local councils to maintain Fixed Assets registers, and this is expounded by the Local Governments Financial and Accounting Manual 2007 section 2.3.1.4. (2).

However, review of the fixed assets register revealed the medical equipment and other assets at the health facility level (Awach HC IV) were not recorded therein.

The Accounting Officer provided no response to the issue.

I advised the Accounting Officer and management of the Health facility to give all the detailed information regarding assets in their facility to the district stores officer to have the assets register updated accordingly.

14.0 Missing Procurement Records

Regulation 46 (1) (a-d) & (2) (a-m) of the Local Government Public Procurement and Disposal of Assets Authority requires all procurement process records to be kept by a procuring and disposing entity.

Contrary to the above, it was noted that procurements worth UGX 356,707,842 lacked appropriate supporting documentation as shown in **Appendix VI**.

There is a possibility that some procurement procedures were not followed during the procurement processes.

The accounting officer stated that at the time of audit these documents were still with PPDA.

I advised the Accounting Officer to always keep documents in their principle place.



John F.S. Muwanga
AUDITOR GENERAL
KAMPALA

17th December, 2018

Appendix I: Noncompliance with the repayment schedule

S/N	Project Name	Code	Disbursed Amounts (Ushs)	Amount Recovered	Percentage Recovery	Outstanding Amount	Percentage Outstanding
1	Unyama B Wilobo Wire Ox-Cultivation Project	N091060304001	4,700,000	1,650,000	35	3,050,000	65
2	Agung Atem Lwak Youth Ox-Cultivation Project	N091060407001	7,691,000	4,150,000	54	3,541,000	46
3	Kal Center Lonyo Tek Vegetable Growers	N091050107001	5,000,000	0	0	5,000,000	100
4	Oilong Jing Cwinyi Youth Fish Farming Group	N092020604001	4,550,000	0	0	4,550,000	100
5	Lugore Piggery Youth Group	N091040302001	7,527,000	0	0	7,527,000	100
6	Corner Ward Ribbe Aye Teko Piggery Youth Group	N091030204001	8,000,000	3,659,650	45.7	4,340,350	54.3
7	Agoro Opar Pi Bulu Piggery Youth Group	N091040101001	8,877,000	0	0	8,877,000	100
8	Lapeta Vision Ahead Youth Piggery Project	N091060104001	5,034,000	0	0	5,034,000	100
9	Te-Ogali Piggery Project	N092060504001	8,100,000	0	0	8,100,000	100
10	Pato Ngecani Piggery Project	N092010207001	8,280,000	2,000,000	24.2	6,280,000	75.8
11	Owak Cac Peyweka Piggery Project	N092060104001	8,200,000	1,250,000	15.3	6,950,000	84.7
12	Loyoboo A Utem Gum Youth Piggery Project	N091060203001	6,238,000	300,000	4.6	5,938,000	95.4
13	Owak Youth Piggery Project	N091020102001	6,500,000	0	0	6,500,000	100
14	Gweno Twom Tampi Anyim Brick Laying	N092060203001	4,500,000	800,000	17.7	3,700,000	82.3

	Youth Group						
15	Ibar Ribe Ber Produce Buying & Selling Youth Group	N092010301001	7,100,000	1,050,000	14.7	6,050,000	85.3
16	Atyang Wa Roco Kwo Produce Buying & Selling Group	N092030101001	8,200,000	3,500,000	42.7	4,700,000	57.3
17	Oroko Wapwoyo Lutela Produce Buying & Selling Group	N091040203001	8,120,000	6,800,000	83.7	1,320,000	16.3
18	Boke Ber Wa Ool Ki Lego Jami Youth Goat Rearing Group	N091030402001	8,145,000	2,513,200	30.8	5,631,800	69.2
19	Laminadera Youth Crop Farming	N092020406001	6,468,000	4,200,000	65	2,268,000	35
20	Labworomor Youth Farming Group	N092020202001	6,320,000	500,000	8	5,820,000	92
21	Cet Kana Youth Piggery Project	N091020204001	8,676,000	960,000	11	7,716,000	89
22	Lawiya Dul Youth Masonry & Brick Laying Project	N091020303001	6,445,000	1,600,000	25	4,845,000	75
23	Rom Yele Pi Kwo Youth Grinding Milling Group	N092020509001	6,505,000	0	0	6,505,000	100
24	Lukodi Youth Produce Buying & Selling Project	N091020601001	6,199,000	1,300,000	21	4,899,000	79
25	Latin Nyer Ryemocan Youth Produce Dealers Project	N092040206001	7,460,000	500,000	6.7	6,960,000	93.3
26	Opit Mayot Peke Youth Produce Buying & Selling Project	N092040505001	8,750,000	200,000	23	8,550,000	77
27	Opwach Dii Cwinyi Youth Produce Buying & Selling Project	N092040104001	9,460,000	202,500	2.1	9,257,500	97.9
28	Keto Wutem Wan Youth Produce Buying & Selling Project	N092030403001	7,998,000	6,000,000	75	1,998,000	25

29	Hima Pe Nongi Labedo Youth Produce Buying & Selling Project	N092030308001	7,975,000	2,350,000	29.4	5,625,000	70.6
30	Oguru Wor Tweroni Youth Produce Buying & Selling Project	N091010401001	8,621,500	2,043,000	23.7	6,578,500	76.3
31	Acut Omer Youth Produce Buying & Selling Project	N091010306002	8,642,800	6,500,000	75.2	2,142,800	24.8
32	Payuta Straight Talk Youth Group	N091010203001	8,050,000	5,919,000	73.5	2,131,000	26.5
33	Paminano Produce Buying & Selling	N091020702001	8,020,000	6,127,500	76.7	1,892,500	23.3
34	Obwolo Mic Pa Lacwec Youth Livestock Project	N092020604001	8,000,000	4,000,000	50	4,000,000	50
35	Abili Bedo I Camp Tek Youth Animal Buying & Selling	N092020306001	8,150,000	0	0	8,150,000	100
36	Awoonyim Wang Kalo Ox-Cultivation Project	N091050302001	8,870,000	200,000	2.2	8,670,000	97.8
37	Aremo A Can Yela Animal Traction Youth Group	N092010404001	7,100,000	650,000	9.2	6,450,000	80.8
38	Acwera United Horti Cultural Crop Production Group	N092010509002	6,800,000	1,000,000	14.7	5,800,000	85.3
39	Patalira Kica Ber Piggery Project	N092060306001	7,464,000	5,950,000	79.7	1,514,000	20.3
40	Adak Alliance Piggery Project	N091050305001	9,215,000	0	0	9,215,000	100
41	Paminmel Agro Forestry /Tree Nursery Project	N091020503001	8,250,000	0	0	8,250,000	100
42	Dino Aol Kilonge Produce Buying & Selling Group	N092050207001	7,600,000	2,450,000	32.2	5,150,000	67.8
43	Odek Centre Agro-Business Group	N092050404002	7,400,000	850,000	11.4	6,550,000	88.6
44	Pageya Waryemo Can Produce Buying & Selling Group	N091010103001	7,332,000	1,240,000	17	6,092,000	83

45	Pok Ogali Youth Ox-Cultivation Project	N091040303001	6,758,000	0	0	6,758,000	100
46	Lakwaya Ox-Cultivation Youth Project	N092040404001	6,450,000	1,300,000	20.1	5,150,000	79.9
47	Kiteny Tam Pi Diki Youth Piggery Project	N091040301001	8,425,000	0	0	8,425,000	100
48	Lajwatek Progressive Youth Piggery Project	N092020502001	7,550,000	1,000,000	13.2	6,550,000	86.8
49	Oguru Produce Buying & Selling	N091020304001	7,054,200	4,130,000	58.5	2,924,200	41.5
50	Kulukeno Produce Buying & Selling	N091020501001	5,000,000	2,000,000	40	3,000,000	60
51	Wanglobo Produce Buying & Selling	N092040305001	4,865,000	0	0	4,865,000	100
	Total		372,635,500	90,844,850	24.4	281,790,650	75.6

Appendix II: Evaluation of Planned Output Uganda Road Fund Budget (URF)

Method	Activity/Road Name	Planned Output/Quantity	Actual Output/Quantity	Variance in Output/quantity	Amount Budgeted (UGX))	Amount Released (UGX)	Amount spent (UGX)	Variance (UGX)	Mgt Explanation	Audit Remarks
Periodic Road Maintenance										
N/A										
Routine Mechanised										
1	Akonyibedo-Omoti	17	17	0.00	69,540,571	69,540,571	69,573,000	-32,429		
2	Cooper Cetcan-Pugwinyi	15.5	16	-0.50	65,000,000	65,000,000	64,973,800	26,200		
3	Pageya Omel	11	11.2	-0.20	41,509,226	41,509,226	41,503,500	5,726		
4	Negri-Paiminano-Lalem	6.5	6.3	0.20	42,155,000	42,155,000	42,155,000	-		
5	Paicho-Corner Mega	8.5	8.9	-0.40	10,872,047	10,872,047	10,872,020	27		
		58.5	59.4	-0.9	229,076,844	229,076,844	229,077,320	-476		
Routine manual										
1	Abera-Awach	19.20	19.20	0	5,843,072	5,843,072	5,843,072	0		
2	Akonyibedo-Omoti	22.50	22.50	0	6,847,352	6,847,352	6,847,352	0		
3	Awach-Arut	12.40	12.40	0			3,773,652	0		

					3,773,652	3,773,652	00			
4	Awach-Paibona	19.60	0	19.6	5,964,804	5,964,804	0	5,964,804	Due for routine.	The road was a very poor state that could not be improved used manual maintenance.
5	Bardege-Lalem-Pugwinyi	31.80	31.80	0	9,677,588	9,677,588	9,677,588	0		
6	Cwero-Omel-Lapuda	18.80	18.80	0	5,721,344	5,721,344	5,721,344	0		
7	Coope-Monroc	9.60	9.60	0	2,921,536	2,921,536	2,921,536	0		
8	Coope-Cwtkana-Pugwinyi	17.50	17.50	0	5,325,716	5,325,716	5,325,716	0		
9	Cwero-Omel-Minja	27.00	27.0	0	8,216,820	8,216,820	0	8,216,820	Done by ministry of works	
10	koco Angwen-Corner pa Oteri	4.90	4.90	0	1,491,200	1,491,200	1,491,200	0		
11	Laroo-Pageya	4.20	4.20	0	1,278,172	1,278,172	0	1,278,172	Under Low cost sealing	
12	Laroo-Unyama	4.00	4.00	0	1,217,308	1,217,308	0	1,217,308	Done using mechanised routine	

13	Lukome-Gwendidiya	13.00	13.00	0	3,956,248	3,956,248	3,956,248	0		
14	c	9.00	9.00	0	2,738,940	2,738,940	2,738,940	0		
15	Pageya Omel	37.00	37.00	0	11,260,088	11,260,088	11,260,088	0		
16	Paicho-Corner Mega	8.50	8.50	0	2,586,776	2,586,776	2,586,776	0		
17	Paicho-Patiko	22.40	22.40	0	6,816,920	6,816,920	6,816,920	0		
18	Palaro-Mede	25.50	25.50	0	7,760,332	7,760,332	7,760,332	0		
19	Patiko HQ-Gwendiya Market	11.50	11.50	0	3,499,756	3,499,756	3,499,756	0		
20	Unyama-Pageya	4.20	4.20	0	1,278,172	1,278,172	0	1,278,172	Done by China railways No. 6	
		322.6	263.6	19.6	98,175,796	98,175,796	63,756,444	17,955,276		The Amount in variance was used to implement culvert installation along Arut – Awach road.
Transfer to Sub Counties										

	Community Access Roads (CAR) Road Bottle Neck Improvement	64.7	N/A	N/A	46,331,384	46,331,384	46,331,384	0		These funds will be audited independently in sub counties. Thus, verification of actual output could not be done. However, transfer could not be confirmed since the transfer vouchers were not supported by acknowledgement receipts.
Mechanical Imprest										
	Mechanical Imprest	N/A	N/A	N/A	69,611,430	69,611,430	57,306,578	12,304,852	Systems failure to process payment.	Variance in mechanical imprest resulted into failure to maintain some vehicles and road equipments.
DE Office operation expenses										
	Office operation in DE Office	N/A	N/A	N/A	28,400,000	28,400,000	26,635,457	1,764,543		All activities in District Engineers office were implemented

Appendix III: Non- disbursement of Youth funds for FY 2017-18

Sub County	Names of the YIGs	Activity for implementation	Number of beneficiaries.	Amount to be disbursed
Unyama	Coopil MIC Pa Lacwer Youty Ox- Traction	Agriculture	10	8,400,000
Patiko	Pajaa kacel WatekYouth Ox-cultivation	Agriculture	10	8,410,000
Awach	Oguru Bod Ki Gen Animal Traction.	Agriculture	15	7,390,000
Bungatira	Twon Okun Ribbe Ber youth Farmers	Agriculture	10	7,795,000
Unyama	Oguru Tic Ryoma Can Youth Piggery Group.	Agriculture	12	7,900,000
Unyama	Unyama A Diro Pe Rora Youth Poultry group	Agriculture	11	8,580,000
Awach	Boli Pi Cing Maleng grinding Mill.	Industry/Agro	10	6,840,000
Patiko	Anyodwe Youth Producers	Trade	12	7,100,000
Patiko	Angany Can Kwoki Youth Produce Traders	Trade	10	7,100,000
Total			100	69,515,000

Appendix IV: PPDA Procurement Audit Findings

No	Finding	Risk/Implication	Recommendation
1.	<p>Management of works under force account mechanism: On 24th November 2017, Gulu Municipal Council’s Contracts Committee approved works estimated at UGX 224,359,800 to be implemented under force account mechanism for the following roads:</p> <ul style="list-style-type: none"> i. Akonyi Bedo-Omoti road 17Km out of 22.5Km at the cost of UGX 64,857,800; ii. Pageya –Omel road 11KM out of 37Km at a total cost of UGX 41,505,500; iii. Coope –Cetkana –Pugwinyi road 15.5Km out of 17.5Km at a total cost of UGX 64,973,800; iv. Negri –Paminano Road 6.5Km out 6.5Km at a total cost of UGX 42,155,000; and v. Paicho –Corner –Mega 8.5Km out of 8.5Km at the total cost of UGX 10,867,000. <p>The Authority noted the following;</p> <ul style="list-style-type: none"> a) There was no evidence of any procurement process for inputs required for works except fuel contrary to Regulation 4 of the PPDA (Force Account Mechanism) Regulations, 2014.E.g. building materials, fuel, Traxcavator & Low Bed. b) The Authority also observed that throughout the financial year there was no report submitted to the office of the Accounting Officer on works undertaken using the force account mechanism contrary to Regulation 5 (5) of the PPDA (Force Account Mechanism) Regulations, 2014. 	<p>Mismanagement of resources allocated for works under the force account mechanism.</p>	<p>The Accounting Officer should ensure that procurement procedures are followed when procuring inputs under force account.</p>
2.	<p>Deficiency and non-performance of the Procurement Unit: During the audit, the Authority made the following observations</p> <ul style="list-style-type: none"> a) The Procurement and Disposal Unit failed to submit quarterly reports 	<p>Failure to report on procurements undertaken hinders accountability.</p>	<p>The Chief Administrative Officer should strengthen the internal controls on record</p>

	<p>on procurement and disposal for the entire financial year 2017/2018 as per the guideline issued by the Authority. The quarterly reports were later submitted on 7th September 2018 without the respective Contracts Committee minutes.</p> <p>b) There were three hundred ninety eight (398) procurement transaction payments worth UGX 758,059,547 in the IFMS purchase register which were entered by the Procurement Officer but did not follow the pre-requisite procurement procedures such as raising requisitions, conducting a bidding process, evaluation of bids and issuance of call off orders for those under framework arrangement as required under the PPDA Act, 2003 and Local Governments (PPDA) Regulations, 2006. These included among others; Newspaper adverts, accounting books, banana suckers, blankets and bed sheets for nodding, book shelves/filing cabinets, borehole pump parts, materials, fuel, furniture, goods for agricultural extension, grader blade, hire of road equipment, laptop, local materials, meals and refreshments, motorcycle repair, mowing, payment for gravel, camera, vehicle repair and service, food for nodding, tonner and vehicle tyres.</p> <p>c) During the audit, the Procurement Officer informed the auditors that there were five (5) Contracts Committee sittings during the financial year under review, only three sets of minutes were on the Contracts Committee minute file.</p> <p>d) All the sampled procurement action files reviewed during the audit were incomplete despite the Entity being notified early hence an indicator of poor record keeping.</p> <p>e) Furthermore there were numerous inconsistencies in the procurement action files which are discussed in detail in this management letter.</p>		<p>keeping within the Procurement and Disposal Unit.</p>
<p>3.</p>	<p>Suspected fraudulent payments for repair of motorcycles: The Authority found a series of payments entered by the Procurement Officer in the IFMS purchase register worth UGX 8,330,000 attributed to repair of motorcycles that appeared fictitious and lacked evidence to prove that the services were required and procured in accordance with the Local</p>	<p>Loss of money and citizens denied service delivery.</p>	<p>The Chief Administrative Officer should farther investigate and bring to book any persons found responsible for fraudulent activities</p>

Governments (PPDA) Regulations, 2006 and guidelines and fairly executed.

Suspected fraudulent payment for repair of motorcycles

No.	GoU LG SOB	Subject of Procurement	Department	Provider	Report (UGX)
i	2662	Motorcycle repair	Production	Gene Construction and Motor Garage	490,000
ii	2664	Motorcycle repair -Oyet Fred	Production	Gene Construction and Motor Garage	490,000
iii	2665	Motorcycle repair	Production	Gene Construction and Motor Garage	490,000
iv	2666	Motorcycle repair	Production	Gene Construction and Motor Garage	490,000
v	2657	Motorcycle repair	Production	Gene Construction and Motor Garage	490,000
vi	2658	Motorcycle repair	Production	Gene Construction and Motor Garage	490,000
vii	2659	Motorcycle repair	Production	Gene Construction	490,000

including recovery of any lost funds.

				and Motor Garage	
viii	2660	Motorcycle repair	Production	Gene Construction and Motor Garage	490,000
ix	2661	Motorcycle repair	Production	Gene Construction and Motor Garage	490,000
x	2667	Motorcycle repair	Production	Gene Construction and Motor Garage	490,000
xi	2668	Motorcycle repair	Production	Gene Construction and Motor Garage	490,000
xii	2589	Repair Motorcycle	Production	Nile Energy Limited	490,000
xiii	2590	Repair Motorcycle	Production	Nile Energy Limited	490,000
xiv	2591	Repair Motorcycle	Production	Nile Energy Limited	490,000
xv	2592	Repair Motorcycle	Production	Nile Energy Limited	490,000
xvi	2593	Repair Motorcycle	Production	Nile Energy Limited	490,000
xvii	2727	Repair of Motorcycle	Production	Nile Energy Limited	490,000
	Total				8,330,000

- 4. Suspected fraudulent evaluation of bids:** The Authority found that in the following procurement transactions there were fraudulent actions as described below:
- Some of the bids that had been received were not evaluated.
 - Some firms were not issued bidding documents but had bids being evaluated.
 - Bids from some firms were evaluated without a record of being received and opened by the Entity.

The Entity was exposed to a risk of unfair advantage being given to some firms at the cost of other potentially competent firms.

The Chief Administrative Officer should compel the Procurement Officer to show cause as to why disciplinary action should not be taken against him.

Fraudulent evaluation of bids

No.	Subject	Amount (UGX)	Finding
i	Renovation of one block of four classrooms at Akonyibedo PS in Unyama Sub-County	34,950,000	The record of bid opening had only one firm i.e. De-wats Company however, two more companies i.e. Beep Investment (U) Ltd & Denflo Construction Company Ltd were evaluated.
ii	Renovation of water born toilet behind DHO office at the district headquarters	14,551,400	Out of the three bids that were received, only two bids of Asienjo General Enterprises (U) Ltd & Agresia Holdings Ltd were evaluated. The Bid of Fink Enterprises was not evaluated.
iii	Construction of 4	28,484,076	Out of the three bids that were

	stances drainable latrine with urinal at Lugore HC II in Labworomore Parish in Palaro Sub-county		received, only the bid of Deg Bedo Company Ltd was evaluated. Bids submitted by Kica Ber General Traders Ltd and OCF Construction & General Merchandise Ltd were not evaluated. Deg Bedo Company Ltd was recommended for award despite not complying with the required bid validity i.e. they proposed 30 days and the requirements was 90 days		
iv	Renovation and expansion of Lugore HC II OPD in Labworomore Parish in Palaro Sub-county	47,558,600	Out of the three bids that were received, only the bid of Deg Bedo Company Ltd was evaluated. Bids submitted by Davico General Supplies & Construction (U) Ltd and Cumuni Holdings Ltd were not evaluated. Deg Bedo Company Ltd was recommended for award despite not complying with the required bid validity i.e. they proposed 30 days and the requirements was 90 days		
v	Design of low cost sealing at Laroo-Pageya	45,068,000	Two bids i.e. from Techno Design Engineering Ltd and MBJ Technology Ltd were evaluated however there was no proof of their receipt and		

			subsequent bid opening.		
vi	Supply of 1,950 passion fruits to production department ,771 mango tree seedlings to Patiko sub county,under PMG and DDEG Funding	Various rates	While the evaluation report listed 4 firms that responded, only 2 were evaluated i.e. Amlo Holdings Ltd & Ibinoga Construction & General Merchandise. Latong & Sons Co. Ltd and Alabama Crown Ltd were not evaluated.		
vi	Construction of fish pond in Agonga Parish, Bungatira sub-county	22,800,000	record of receipt had 3 firms however only one firm was evaluated i.e. Stanhope Construction And General Merchandise Ltd. AKA Construction and Ibinonga construction & general merchandise were not evaluated.		
vii	Deep borehole apron casting and hand pump installation of 7 boreholes in Awach, Paicho, Unyama, Patiko, Bungantira and Palaro sub-county	41,468,000	Whereas 2 bids were received only one i.e. that of Balcon Engineering Ltd was evaluated& the one of Agola Enterprises Ltd not evaluated.		
viii	Deep borehole drilling of 7 boreholes in	85,904,000	Whereas bids from PMP Holdings Ltd & BM Watsan Holdings Ltd were evaluated,		

	Awach, Paicho, Bungatira, Unyama , Patiko & Palaro Sub-Counties		bids were not received from these firms. A bid was received from Geobot Water Engineering Services but not evaluated.		
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Appendix V: Status of Medical Equipment in Awach HC IV

SN	NAME OF EQUIPMENT	QUANTITY	USE/PURPOSE	EXISTANCE	CONDITION	REMARKS
	C/s sets (caesarean sets)	5	For C-Section operations	0	N/A	Needed
	Oxygen cylinders (large size)	3	For administration of Oxygen	2	Good	More needed
	Hernia sets	4	For operation and management of Hernia	0	N/A	Needed
	D&C sets	3	Used for dilatation and curettage	3	Good	
	MVA	3	For manual volume aspiration	3	Good	
	Ambu bag					
	1. Neonatal	2	Used to provide positive pressure ventilation	2	Good	
	2. Adult	2	Used to provide positive pressure ventilation	2	Good	
	Penguin sucker	2	Helps in clearing the babies airway	0	N/A	Needed
	Nasal oxygen prongs	10	Used to deliver supplementary oxygen	10	Good	
	Laparotomy set	2	Surgical incision into the abdomen for evacuation or preparation for surgery	0	N/A	Needed
	Pulse oximeter	2	Non-invasive method for monitoring oxygen levels	1	Good	More needed
	Suction machine					
	1. Manual	1	Extraction of mucus and other fluids	1	Good	

	2. Electric	1	Extraction of mucus and other fluids	1	Good	
	Boyle's machine bp calf	5	For administering anaesthesia	0	N/A	Needed
	Anaesthetic trolley	1	For administering anaesthesia	1	Good	
	Oxygen concentrator	10	For administering oxygen	2	Good	More needed
	Portable operating light	2	Provide light during operations	2	Good	
	Laryngoscope	1	Used for examining the larynx	1	Good	
	Blood pressure machines[bp]	2	Measuring pressure	2	Good	
	Autoclave				Good	
	1. Electric	1	Used for sterilization	1	Good	
	2. Non electric	1	Used for sterilization	1	Good	
	Steam steriliser	1	Sterilising medical equipment to get rid of bacteria and other pathogens	1	Good	

Appendix VI: Missing records on Procurement Action files

Procurement Reference Number	Subject of Procurement	Name of Provider/ Contractor	Contract Value	Remarks
Gulu508/wrks/2017-2018/000004	Deep drilling of 7 boreholes in Awach, Paicho, Bungatira, Patiko, Unyama and Palaro sub counties under DDEG and DWSCG funding	Brottos (U) Ltd	85,904,000	Availability of funds not completed only 22.8m provided for one borehole under DDEG. Bid issue and receipt records not signed and attached were duplicates. Evaluation report not attached. Approval of procurement

				method and bid document not attached.
Gulu508/wrks/2017-2018/00029	Deep borehole apron casting of 7 boreholes in Awach ,Paicho, Unyama, Patiko and Palaro sub-counties under DDEG and DWSCG	Balcon Engineering Ltd	41,468,000	PPDA form 1 for procurement requisition and confirmation of funds not attached. Records of did issue and receipt not signed. No approval of the method of procurement by the contracts committee.
Gulu508/wrks /2017-2018/00001	Construction of one block of 2 classrooms with an office attached at Aswa Camp Primary School.	Awoto Foundation Ltd	73,978,700	Bid issue and receipt records not signed and attached were duplicates. Evaluation report not attached. Approval of procurement method and bid document not attached.
Gulu508/wrks /2017-2018/00002	Construction of one block of 2 classrooms at Palaro Primary School	Roovaco Company Ltd	60,650,922	Bid issue and receipt records not signed and attached were duplicates. Evaluation report not attached. Approval of procurement method and bid document not attached.
Gulu508/wrks/2017-2018/00003	Construction of one block of 2 classrooms at Tegot Primary School	Lacan Bil (u) Ltd	61,220,660	Bid issue and receipt records not signed and attached were duplicates. Evaluation report not attached. Approval of procurement method and bid document not attached.
Not indicated	Renovation of administration building under DDEG funding	Lacan Bill (U) Ltd	33,485,560	Procurement not reported on. PPDA form 1 for procurement requisition and confirmation of funds not attached. Records of did issue and receipt not signed. No approval of the method of procurement by the contracts committee.

Total			356,707,842	
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