

MAKERERE UNIVERSITY



PROCUREMENT & DISPOSAL MANUAL

FOR SUPPLIES, WORKS AND SERVICES

November 2014

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FOREWORD

Makerere University is the oldest and biggest public University in Uganda. It was established in 1922 as a technical College, and was affiliated to the University College of London in 1949. In 1963, it became a Constituent College of the University of East Africa and became an independent University in 1970. In 2011 it was transformed from a Faculty based University to a College based University, currently comprising of 9 (Nine) Colleges, School of law and 37 Administrative Units.

Makerere University is established by the Universities and Other Tertiary Institutions' Act, 2001 (as amended). The University Council is the supreme governing body of the University. The Procurement and Disposal Unit (PDU) is one of the Units under the University Secretary who is the Accounting Officer of the University. Makerere University being a public institution is a procuring and disposal entity. It derives its mandate from the Public Procurement and Disposal of Public Assets Act PPDA 2003 (as amended) IN 2014. This PPDA Act is enforced by the Public Procurement and Disposal Authority which oversees and regulates procurement and disposal functions in Public entities.

The Procurement and Disposal Unit was formally functioning as a purchasing section under the Finance Department of the Makerere University until 2003 when the PPDA Act was enacted. The PDU was established in August 2003 and later relocated from room 210 in the Main Administration Building to Lincoln House, Flat A5 to have bigger office space.

Following the establishment of Colleges in the University, the Procurement & Disposal function was decentralized in 2011 to be handled at College level by Sub PDUs and sub-contracts committees under delegated authority within the following thresholds (limits):

- a) Supplies and Services – not more than US\$30m
- b) Works – not more than US\$50m

These thresholds have been revised by the Accounting Officer on the recommendation by the Contracts Committee and the PDU in accordance with PPDA Guidelines 2014 for the request for quotations/proposals thresholds as follows:

- a) Supplies and Services not exceeding US\$100million (One hundred million)
- b) Works not exceeding US\$200million (Two hundred million)

This manual lays down procurement & disposal procedures & rules that govern procurement & disposal activities at Mak. This manual is a reference document tailored and simplified to guide procurement & disposal activities at Mak. It is important to note that this manual is not intended to replace the PPDA Act, Regulations and Guidelines.

This manual will be used hand in hand with PPDA Act, Regulations & Guidelines which contain all the details.

On behalf of Makerere University I wish to thank the Change Management Committee for spearheading

the need for reviewing the procurement & disposal manual, IDRC for financial support and the PDU staff plus stakeholders for their commitment and participation in reviewing the manual.

We hope you will find this manual user friendly as we collectively strive to ensure value for money in the procurement and disposal function.

David Kahundha Muhwezi
University Secretary/Accounting Officer
March 2014

ACKNOWLEDGEMENT

This procurement & disposal manual is a synergetic product of various stakeholders who have provided ideas, comments and support during the process of reviewing the old manual.

On behalf of the Procurement & Disposal Unit, I therefore wish to thank the following:

- (i) Finance Department and Internal Audit Directorate for working with us to accomplish the assignment. We benefited from their input to accomplish because of the interlinking and interfacing nature of the functions of our unit and the two units.
- (ii) The university staff members who spared time to attend and participate in the stakeholders workshop for reviewing the draft manual.
- (iii) The University Secretary/Accounting Officer for his continued guidance and support from the beginning up to the end of the assignment.
- (iv) The Change Management Committee, University Management and IDRC for their support and good will to transform the procurement & disposal function to greater heights.
- (v) The Royal Government of Sweden through the Makerere - Sida Bilateral Research Program for Financial support for printing of the manual.

We reiterate our commitment and determination to work closely with all the stakeholders to utilize this manual and the PPDA Act, Regulations and Guidelines to ensure value for money as we BUILD FOR THE FUTURE.

Levi W. Tushabe
Manager, PDU

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ACRONYMS

AO	Accounting Officer
BOS	Board of Survey
CC	Contracts Committee
FBS	Fixed Budget selection
GCC	General Conditions of Contract
GRN	Goods Received Note
IDRC	International Development and Research Centre
IFB	Invitation for Bids
ITB	Instructions to Bidders
LCS	Least Cost selection
LPO	Local Purchase Order
Mak	Makerere University
MOWT	Ministry of Works & Transport
PDE	Procurement and Disposing Entity
PDU	Procurement and Disposing Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
PPMS	Procurement Performance measurement system
PS	Permanent Secretary
PV	Payment Voucher
QBS	Quality Based selection
RFP	Request for Proposals
RFQ	Request for Quotation
SCC	Special conditions of Contract
SOW	Scope of works
SUBCC	Sub-Contract Committee
SUBPDU	Sub-Procurement & Disposal Unit
TEC	Technical Evaluation Committee
TOR	Terms of Reference
UD	User Department
UOTIA	Universities and Other Tertiary Institutions' Act

GLOSSARY

In this Manual, unless the context otherwise requires:

“Accounting Officer” means the Accounting Officer (University Secretary) at Mak;

“Act” means the Public Procurement and Disposal of Public Assets Act, 2003 (as amended).

“Consultancy Service” means a service of an intellectual or consultancy nature, provided by a practitioner who is skilled and qualified in a particular field or profession and includes, but is not limited to, engineering design or supervision, accountancy, auditing, financial services, procurement services, training and capacity building services, management advice, policy studies and advice and assistance with institutional reforms;

“Authority” means the Public Procurement and Disposal of Assets Authority established under section 5 of the Act;

“Award” means a decision by a Contracts Committee or any other subsidiary body of a Procuring Entity to which a Contracts Committee may delegate powers of adjudication and award within specified financial ceilings, to determine the successful bidder;

“Bid” means an offer to provide or to acquire works (quotation), services (proposal) or supplies (quotation) or any combination thereof and shall include pre-qualification where applicable;

“Bidder” means a tenderer or a physical person intending to participate or participating in a public procurement process;

“Chairperson” means the Chairperson of a Contracts Committee, Sub-Contracts Committee;

“Contracts Committee” means the committee provided for under sections 27 and 28 of the PPDA Act;

“Contract Management” means the management of a contract including, but not limited to, performance and compliance with the terms and conditions of the awarded contract by the provider and the procuring and disposing entity;

“Disposal ” means the divestiture of public assets including intellectual and proprietary rights and goodwill, and any other rights of Mak by any means including sale, rental, lease franchise, auction, donation, destruction, or any combination;

“Disposal process” means the successive stages in the disposal cycle, including planning, choice of methods and procedure, measures to solicit offers from bidders, examination and evaluation of such offers and award of contract;

“Emergency” means circumstances, which are urgent and unforeseeable and not caused by dilatory conduct.

“Framework Contract” means a contractual arrangement which allows the procuring and disposing entity to procure works, services or supplies that are needed continuously or repeatedly at an agreed price over a period of time, through the placement of a number of orders.

“Government” means Government of Uganda;

“Guidelines” means directives issued from time to time by the Authority under section 97 of the PPDA Act;

“Non-Consultancy Service” means a service of a skilled or non-skilled nature, which is not a consultancy service, and includes, but is not limited to, cleaning, security and maintenance and repair services.

“Pre-qualification” means a screening process designed to ensure that invitations to bid are confined to capable providers;

“Procurement” means acquisition by purchase, rental, lease, hire purchase, licence, tenancy, franchise, or any other contractual means, of any type of works, services or supplies or any combination;

“Procurement and Disposal Unit” means a unit in Mak responsible for the execution of the procurement and disposal function; this includes sub PDUs at the Colleges

“Procurement process” means the successive stages in the procurement cycle including planning, choice of procedure, measures to solicit offers from bidders, receipt and opening of bids, evaluation, award of contract and contract management;

“Public Asset” means any property owned by the Government of Uganda, tangible and intangible, including but not limited to physical property, land, shares or proprietary rights;

“Public funds” means monetary resources appropriated to Procuring Entities through budgetary processes, inclusive of the Consolidated and Development fund; grants and credits put at the disposal of the Procuring Entities by foreign donors, and revenues generated by the Procuring Entities;

“Public Officer” means any officer employed in the public service, including statutory bodies, departments of the central government, local governments and any other body established by government to carry out public functions;

“Record” means any document relating to any stage of a procurement or disposal process and shall be the original document, unless otherwise stated in writing by the Authority;

“Registered Provider” means a provider registered by the Authority in accordance with the Act;

“Services” means any object of procurement, other than works and supplies and shall include both professional and non professional and commercial types of services as well as services which are

incidental to such services but not exceeding the value of such services;

“Specification” means the description of an object of procurement or disposal in accordance with national and international standards adopted and approved by the Authority after consultation with the National Bureau of Standards or other appropriate trade associations and professions , which shall be mandatory in all bidding documents;

“Statement of Requirements” means a document that contains a full and complete description of the requirement that is the subject of the procurement or disposal;

“Supplies” includes supplies, raw materials, products, equipment or objects of any kind and description in solid, liquid or gaseous form, or in the form of electricity, or intellectual and proprietary rights as well as services incidental to the provision of such supplies where the value of such services does not exceed the value of the supplies;

“Third Party Procurement Provider” means a provider pre-qualified by the Authority and contracted independently by a procuring and disposing entity on a competitive basis to offer specific services which shall in each instance be defined by the procuring and disposing entity;

“User Department” means any department, division, branch or section of Mak, which initiates procurement and disposal requirements and is the user of the requirements;

“Works” includes any work associated with the construction, reconstruction, demolition, repair, or renovation of a building or structure, on the surface or underground, on and underwater, and includes the preparation, excavation, erection, assembly, installation; testing and commissioning of any plant, equipment or materials, decoration and finishing, and shall include turnkey projects, build own and operate projects, build operate and transfer projects or any arrangement following in this nature, or any other form of private-public partnerships or joint development activities, all or any of which may also include management, maintenance, testing, commissioning and training; as well as services incidental to the foregoing works where the value of such incidental works does not exceed the value of such works;

Source of the interpretations: PPDA Act & Regulations 2003 (Amended)

Disclaimer: These interpretations are solely meant for this Procurement & Disposal manual.

1.0 VISION, MISSION AND CORE VALUES OF MAKERERE UNIVERSITY

Vision

To be the leading Institution for academic excellence and innovations in Africa.

Mission

To provide innovative teaching learning research and services responsive to National and Global needs.

Core Values

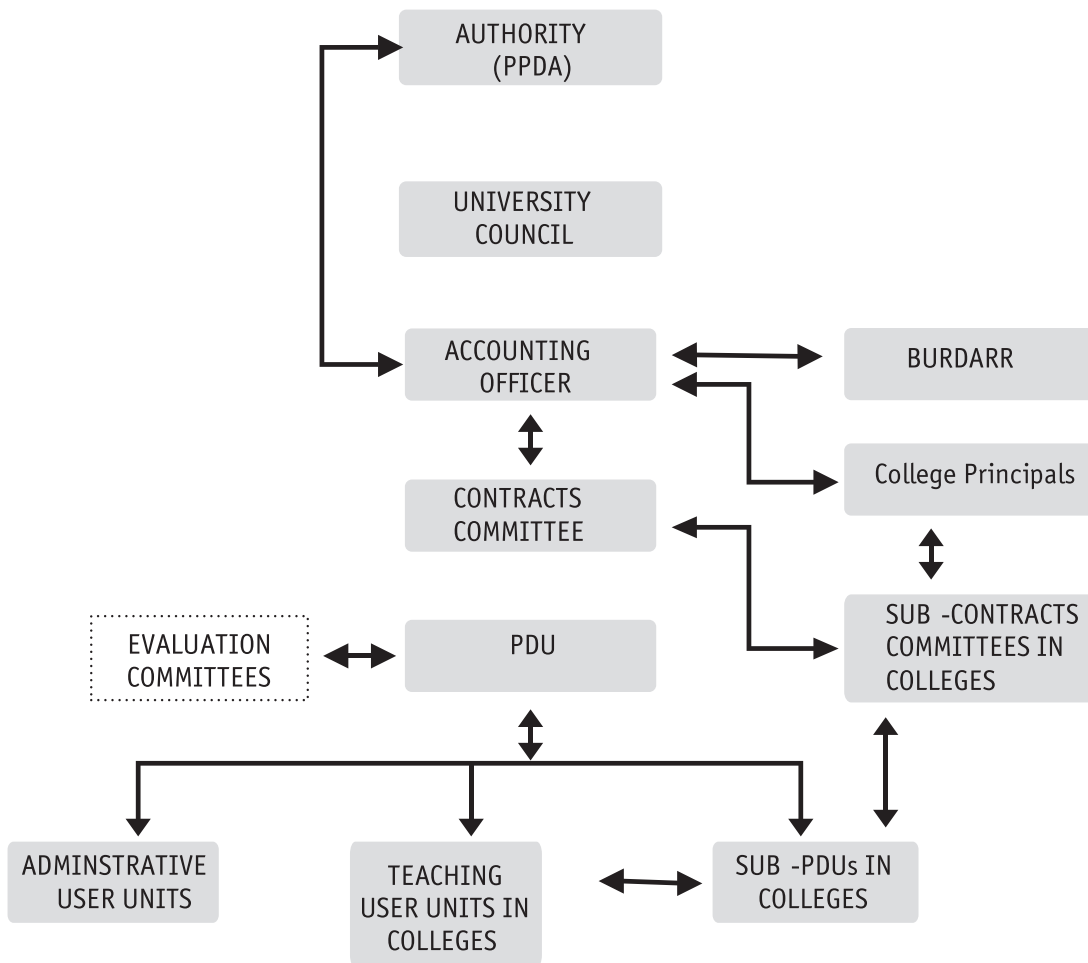
- Allegiance to the Institution
- Integrity
- Customer Responsiveness
- Professionalism
- Openness to Diversity

2.0 OBJECTIVES OF THE PROCUREMENT & DISPOSAL MANUAL.

The specific objectives of the manual are:

- a) To serve as a simplified reference manual for all persons charged with the responsibility of handling procurement & disposal activities.
- b) To describe procedures to be followed and documentation to be used in sourcing selection and retention of providers for supplies/services/works to Makerere University (Mak).
- c) To guide the staff in the management of the procurement & disposal function in order, to create uniformity and consistency using best practices so as to achieve value for money.
- d) To highlight the reporting relationships between stakeholders in the procurement function at Mak.
- e) To ensure ethical conduct in procurement & disposal management at Mak and to promote the corporate image of the University.
- f) To act as an induction manual for people who are not familiar with the procurement & disposal function.
- g) To enhance the quality of service delivery.

3.0 MAKERERE UNIVERSITY PROCUREMENT STRUCTURE



4.0 FUNCTIONS OF KEY PLAYERS IN THE PROCUREMENT AND DISPOSAL PROCESS

4.1 Independence of functions and powers

(1) The Public Procurement & Disposal of Public Assets Authority (PPDA), the Makerere University Council, Accounting Officer (AO), the Contracts Committee (CC) Sub contracts Committee (SUB-CCs), the Procurement and Disposal Unit (PDU), Sub Procurement and disposal Units (SUB-PDUs) and the User Department (UD) in Makerere University (Mak) shall each act independently in relation to their respective functions and powers.

(2) None of the parties referred to in the paragraph above shall seek to influence the decisions or activities of the others. Every party shall ensure that its duty is properly and professionally performed in accordance with the legal requirements.

4.2 Functions of the Public Procurement & Disposal of Public Assets Authority (PPDA)

- (1) Ensure the application of fair, competitive, transparent, non-discriminatory and value for money procurement and disposal standards and practices;
- (2) Harmonize the procurement and disposal policies, systems and practices of the Central Government, Local Governments and Statutory Bodies;
- (3) Set standards for the public procurement and disposal systems in Uganda;
- (4) Monitor compliance of procuring and disposing entities; and
- (5) Build procurement and disposal capacity in Uganda.

4.3 University Council

The University Council approves:

- (1) The budget from which the Procurement and disposal plan is derived.
- (2) The staffing of the Procurement and Disposal Unit.
- (3) Appointment of the Contracts Committee and Sub-Contracts Committee members before seeking the final approval by the Secretary to the Treasury.
- (4) A member of the University Council shall not be a member of a Contract Committee and shall not seek to influence a decision of a Contracts Committee.

4.4 Accounting Officer (University Secretary)

The university secretary is the overall accounting officer of the university.

4.4.1 Functions of the Accounting Officer

The Accounting Officer shall have the overall responsibility for the successful execution of the procurement, disposal and contract management processes in Mak and shall:

- (1) Certify the availability of funds prior to the commencement of any procurement activities;
- (2) Implement the recommendations of the Authority;
- (3) Submit all reports as required under the PPDA Act, and the Regulations by the Authority;
- (4) Approve recommendations for waivers and deviations from procedures in the PPDA Act and regulations.

4.4.2 Delegation of functions by the Accounting Officer (Statutory Instrument 2014 No.7 Pg.47)

An Accounting Officer may:

- (1) Delegate his/her functions, those of the Contracts Committee or Procurement and Disposal Unit to:
 - (i) A college, school or department;

- (ii) a member of staff of Makerere University;
- (2) Contract out certain procurement and disposal functions of the Contracts Committee, Procurement and Disposal Unit or user departments to a third party procurement or disposal provider.

4.4.3 Delegation of the Accounting Officer's own functions

An Accounting Officer may delegate in writing the following functions to a member of staff:

- (1) Certifying the availability of funds prior to the commencement of any procurement or disposal activity;
- (2) Committing funds prior to contract placement;
- (3) Communicating award decisions;
- (4) Ensuring that the implementation of an awarded contract is in accordance with the terms and conditions of the award;
- (5) Implementing the recommendations of the Authority.
- (6) Establishing a Contracts Committee;
- (7) Appointing the members of the Contracts Committee;
- (8) Establishing a Procurement and Disposal Unit;
- (9) Investigating a complaint by a bidder;

The amended PPDA Regulations 2014 stipulate that there are no restrictions on the functions which can be delegated by the Accounting Officer.

However, the Accounting Officer shall remain accountable for all decisions taken under the delegated authority.

4.5 Contracts Committee

4.5.1 Appointment of Contracts Committee members

- (1) The Accounting Officer shall appoint the members of a Contracts Committee in writing, by letter of appointment. The procedure of appointing and disappointing the Contracts Committee and Sub Contracts Committee members should be seen to be fair and transparent.
- (2) The Accounting Officer shall ensure that any appointment to the Contracts Committee is made from among serving staff employed on a full time basis with Mak. The appointment shall be subject to the prior approval of the University Council and secretary to treasury.
- (3) In assessing a candidate for suitability for appointment to a Contracts Committee, the Accounting Officer shall consider the following:
 - a) proven track record of sound judgement;
 - b) appropriate level of seniority and experience in decision making;
 - c) does not have more than two members from one department

- (4) When reappointing a Contracts Committee, the Accounting Officer shall consider the need for both continuity and rotation of personnel in the membership of the Contracts Committee.
- (5) The Accounting Officer may appoint a temporary member of the Contracts Committee, with the prior approval of the governing body to replace a permanent member who may be absent for a prolonged period.
- (6) For avoidance of doubt, the Accounting Officer shall not be a member of the Contracts Committee and shall not seek to influence any of its decisions

4.5.2 Membership of Contracts Committee

- (1) A Contracts Committee shall be composed of 5 members and one of which shall be a lawyer.
- (2) The quorum for contract committee meetings shall be three (3).
- (3) A person shall be a member of a Contracts Committee in his or her individual capacity.
- (4) Where a member of a Contracts Committee is unable to attend a meeting, he or she shall not nominate an alternate member or proxy.
- (5) A temporary member shall be appointed only for the period for which the permanent member is absent.
- (6) The term of appointment shall be three years, which may be renewable once.

4.5.3 Disagreement between Accounting Officer and Contracts Committee

- (1) Where an Accounting Officer disagrees with a Contracts Committee on any decision pertaining to the application or interpretation of any procurement or disposal method, process or practice under the Act and the Regulations, the Accounting Officer shall state the reasons for the disagreement in writing and may:
 - (i) Return the decision to the Contracts Committee for review; or
 - (ii) May request for an independent review by the Authority.
- (2) The Contracts Committee may request for an independent review by the Authority in relation to any disagreement with the Accounting Officer.

4.5.4 Termination of office or removal of member of the Contracts Committee

- (a) The Accounting Officer may at any time terminate the appointment of a member of the Contracts Committee for:
 - (1) abuse of office;
 - (2) corruption;

- (3) incompetence;
- (4) physical or mental incapacity which renders the member incapable of performing his or her duties;
- (5) failure to attend three consecutive scheduled meetings without reasonable grounds;
 - (6) conviction of an offence involving moral turpitude;
 - (7) being declared bankrupt by courts of law;
 - (8) on any other reasonable ground
- (b) The Accounting Officer may remove and substitute any member of the Contracts Committee, prior to the expiry of his or her term of office where the post of the incumbent Contracts Committee member has changed.
- (c) Termination of office or removal of a Contracts Committee member shall be subject to the prior approval of the University Council.

4.5.5 Functions and powers of a Contracts Committee

- (a) The Contracts Committee shall be responsible for approving the recommendations from the PDU and awards of contracts. In particular it shall be responsible for:
 - (1) Approving evaluation reports and award of contracts;
 - (2) Approving bidding and contracts documents;
 - (3) Approving procurement and disposal procedures;
 - (4) Ensuring adherence to best practices in relation to procurement and disposal;
 - (5) Ensuring compliance with the PPDA Act and the Regulations;
 - (6) Nominating Contracts Committee members to attend and witness bid opening and contract negotiation meetings;
 - (7) Approving contract amendments.
 - (8) Supervising the College SubContracts Committees

4.5.6 Member to declare personal interests

A Contracts Committee member shall immediately inform the chairperson and the Accounting Officer in writing, where he or she has, or intends to acquire, a direct or indirect personal interest in a procurement or disposal activity before the Contracts Committee for decision and excuse himself or herself from the deliberations of the Contracts Committee with respect to that transaction in question.

4.5.7 Decision making procedure by a Contracts Committee relating to submission

- (1) A Contracts Committee shall consider each submission made and approve or reject the submission made.
- (2) A Contracts Committee shall state the reasons for rejecting a submission. Despite the recommendations of the Procurement and Disposal Unit, a

Contracts Committee shall take an independent decision based on the Act, the Regulations, best practices and shall act in good faith.

- (3) A decision of a Contracts Committee shall be unanimous or, where unanimity cannot be achieved, shall be by simple majority of the members present. Where a vote of the Contracts Committee is tied, the chairperson shall not have a second or casting vote and the submission shall be rejected.
- (4) A decision of the Contracts Committee shall be recorded and communicated to the Accounting Officer.

4.5.8 Disagreement between Contracts Committee and Procurement and Disposal Unit

- (1) Where a Contracts Committee disagrees with a Procurement and Disposal Unit, concerning any decision pertaining to the application or interpretation of procurement method, process or practice under these Regulations, the Contracts Committee shall state the reasons for its disagreement in writing and may:
 - (i) return the submission to the Procurement and Disposal Unit for review;
 - (ii) request for an independent review by the Accounting Officer
- (2) A Procurement and Disposal Unit may also request for an independent review by the Accounting Officer in relation to any disagreement with the Contracts Committee.

4.5.9 Records of Contracts Committee and SubContracts Committee meetings

- (1) The secretary of the Contracts Committee shall record the minutes of each contract.
- (2) The minutes of each Contracts Committee meeting shall include:
 - (i) a register of attendance, signed by all members, advisors;
 - (ii) the code of ethics, signed by all members and other persons attending the meeting; and annex 1 pg 66
 - (iii) a record of the decisions made for each submission considered by the Contracts Committee together with details of any conditions to approve submissions, and reasons for the rejected submissions.

.5.10 Co-opting of advisors and observers by the Contracts Committee

- (1) A Contracts Committee may co-opt an adviser to assist it in the discharge of

its functions. An advisor shall not take part in the decisions of the Contracts Committee and shall only attend a part of a meeting, which considers the matter on which the advice is required.

- (2) A Contracts Committee may require any member of Procurement and Disposal Unit, a user department, an evaluation team or negotiation team to attend a Contracts Committee meeting as an adviser to offer clarifications on a submission.

.5.11 Responsibilities of the Chairperson of a Contracts Committee

- (1) The chairperson of a Contracts Committee shall preside over the meeting of the Contracts Committee and, in the chairperson's absence; a member from among those present shall be elected to preside over the meeting.
- (2) The chairperson shall be responsible for guiding the secretary in drawing up the agenda. He/she shall ensure that the agenda specifies:
 - (i) the date, time and venue of the Contracts Committee meeting;
 - (ii) the submissions to be considered;
 - (iii) issues to be discussed; and
 - (iv) any adviser to attend the meeting;

.5.12 He/she shall also ensure that:

- (1) the performance of the Contracts Committee is in accordance with all legal requirements, codes of conduct and standards established by the Authority;
- (2) order is maintained and productive work done at all meetings;
- (3) open and participatory debate by members present is possible at all meetings;
- (4) specialist advice is obtained if so required; and
- (7) the minutes of the Contracts Committee meetings are confirmed by members and signed as required.

.5.13 Responsibilities of the Secretary of a Contracts Committee and Subcontract Committees

The secretary of a Contracts Committee shall be responsible for:

- (1) liaising with the Procurement and Disposal Unit regarding the timing and need for a Contracts Committee meeting and submission;

- (2) assisting the chairperson in convening meetings and preparing the agenda;
- (3) organizing and providing the necessary facilities for meetings of the Contracts Committee;
- (4) ensuring that the agenda, submissions and any other documentation are distributed to Contracts Committee members within a reasonable time before any meeting;
- (5) recording the minutes of the meetings;
- (6) keeping all records of the Contracts Committee including, submissions and minutes;
- (7) promptly notifying the relevant officials of the decisions of the Contracts Committee;
- (8) co-ordinating all activities of the Contracts Committee;
- (9) preparing reports of the Contracts Committee;
- (10) monitoring the term of membership of Contracts Committee members and notifying the Accounting Officer at least two months prior to the expiry of the term of membership.

4.6 Procurement & Disposal Unit (PDU)

4.6.1 Decentralization of the Procurement & Disposal Function

Following the establishment of Colleges in the University, the Procurement & Disposal unit was decentralized in 2011 to be handled at College level by Sub PDUs and sub-contracts committees (Sub CC) under delegated authority within the following thresholds (limits):

- (a) Supplies and Services – not more than US\$30 (Thirty million shillings)
- (b) Works – not more than US\$50 (Fifty million shillings)

These thresholds have been revised by the Accounting Officer on the recommendation by the Contracts Committee and the PDU in accordance with PPDA Guidelines 2014 for the request for quotations/ proposals thresholds as follows:

- a) Supplies and Services not exceeding US\$100million (One hundred million)
- b) Works not exceeding US\$200million (Two hundred million)

4.6.2 Sub- Contracts Committees (Sub-CCs)

During the course of exercising and implementing the delegated authority, the Sub Contracts Committee shall approve the following and related documents for Supplies (Goods) and Services procurements within the request for quotation/proposal methods whose values do not exceed Ushs.100million and for works procurement within the request for quotation methods whose values does not exceed Ushs.200 million:

- (i) Solicitation documents
- (ii) Evaluation Committee memberships and
- (iii) Evaluation reports

4.6.3 Sub-Procurement & Disposal Units (SUB-PDUs)

Under the delegated authority within the afore-stated thresholds for the Sub-CC, each Sub PDU will perform the following duties:

- (1) To provide technical advice and guidance to the Sub-Contracts Committee (Sub-CC) and the User units in the College.
- (2) To provide Secretariat services to the Sub CC.
- (3) To receive request by User Department for approval of procurement (Form 5) for micro procurements(i.e. goods & services not exceeding Shs.5 million and works not exceeding Shs.10million) from User units in the College, solicit at least three quotations for each requisition, analyze them and prepare LPOs in favour of the firms with the best evaluated prices.
- (4) To receive request by User Department for approval of procurement (Form 5) for macro procurements (i.e. goods & services above Shs 5 millions and works above Shs.10 million) from User units in the College and prepare solicitation documents for procurements within the prescribed thresholds for the delegated authority.
- (5) To issue the solicitation documents to bidders.
- (6) To receive and open the bids after closing the bid submission.
- (7) To nominate Evaluation teams, seek approval from the Sub CC and take the lead in evaluating bids for macro procurements.
- (8) To prepare Evaluation Reports and present them to the Sub-CC for approval.
- (9) To prepare and distribute the Agenda for the Sub-CC meetings.

- (10) To write minutes of the Sub-CC meetings.
- (11) To prepare the Best evaluated bidder notices and the Contracts Committee decisions.
- (12) To prepare and issue the local purchase orders (LPOs) within the delegated authority thresholds after approval of the Evaluation Reports by the Sub-CC. The LPOs within the delegated authority thresholds shall be signed by the College Principal and countersigned by the Officer- in –charge of the College Sub- PDU.
- (13) To prepare and submit periodic monthly reports or any other report on the procurements and disposal activities to the Main Contracts Committee through the Main PDU.

.6.4 Functions and powers retained by the Main Contracts Committee (Main CC)

- (1) To approve solicitation documents, Evaluation Committee memberships and Evaluation reports for all procurements in the eight Colleges above Shs.100 millions for Supplies & Services and procurements above Shs.200 millions for Works or any other figures proposed by PDU, recommended by Contracts Committee and authorised by the Accounting Officer.
- (2) To approve solicitations, evaluation committees' memberships and Evaluation reports for the Central Administration Units and other Administrative Units outside the eight Colleges for macroprocurements (ie above Shs.5 millions for goods & services and above Shs.10 million for works).
- (3) To approve disposal of all public assets of any value within the university including the Colleges.
- (4) To approve amendment/variation of any contract or purchase order of whatever value.
- (5) To approve prequalified firms for provision of supplies, services and works.
- (6) To approve framework contract suppliers and unit prices for commonly requisitioned items where necessary.
- (7) To recommend to the accounting officer the delegation of procurement and disposal function.
- (8) To terminate contracts.
- (9) To recommend requests to Accounting officer for waivers and deviations.

.6.5 Functions and powers retained by the Main Procurement & Disposal Unit (Main PDU)

- (1) To provide technical advice and secretariat services to the Main Contracts Committee.
- (2) To receive and verify requests from Colleges for all procurements above the delegated authority thresholds (i.e. Shs.100 millions for supplies and services and Shs.200 millions for works) and prepare solicitation documents accordingly.
- (3) To receive and verify requests from the Central Administration and other administrative Units for all macroprocurements (ie above Shs.5 millions for goods & services and above Shs.10 million for works) and prepare the solicitation documents.
- (4) To prepare and issue solicitation documents to the bidders.
- (5) To receive and open the sealed bids after the closing time.
- (6) To nominate an Evaluation Committee for approval by the Contracts Committee and take the lead in evaluating bids.
- (7) To prepare Evaluation reports and present them to the Main Contracts Committee for approval.
- (8) To write minutes of the Main Contracts Committee.
- (9) To prepare the Best evaluated bidder notices and Contracts Committee decisions.
- (10) To prepare the contract agreements and/or purchase orders for procurements above the delegated authority thresholds.
- (11) To prepare and consolidate monthly reports on all procurements and disposal activities within the whole university for submission to the Public Procurement & Disposal of Public Assets Authority (PPDA).
- (12) To invite, receive and evaluate bids for sale of obsolete items.
- (13) To invite, receive and evaluate bids for prequalification of firms for provision of supplies, services and works.
- (14) To invite, receive and evaluate bids from prequalified firms for framework contracts for commonly requisitioned items on periodic basis.
- (15) To coordinate and oversee procurements and disposal activities within the whole university and provide general guidance to the Sub-PDUs and Sub- CCs in the Colleges.

(16) To implement the decisions of the Contracts Committee.

4.7 User Departments/Units

4.7.1 Functions and Powers of User Departments

(a) The user Department of Mak shall perform the following functions:

- (i) liaise with and assist the PDU throughout the procurement or disposal process to the point of contract placement and thereafter contract management;
- (ii) initiate procurement and disposal requirements and forward them to the PDU;
- (iii) propose technical inputs to statements of requirements for procurement to the PDU;
- (iv) propose technical specifications to the PDU where necessary;
- (v) input with technical evaluation of bids received as required by the PDU;
- (vi) arrange for payments to the providers;
- (vii) report any departures from the terms and conditions of an awarded contract to the PDU;
- (viii) forward details of any required contract amendments to the PDU;
- (ix) maintain and archive records of contract management;
- (x) prepare any reports required for submission to the PDU, CC or AO.

(b) In the exercise of its functions, a User Department shall:

- (i) initiate procurement and disposal requirements;
- (ii) recommend Statements of Requirements to the PDU;
- (iii) undertake conformity assessments;
- (iv) issue change orders in accordance with the terms and conditions of the contract; and

- (v) certify invoices for payments to providers.

4.7.2 Role of the user department in preparation of work plan

Every user department shall prepare a work plan for procurement based on the approved budget, which shall be submitted to the PDU for implementation and may seek technical assistance, where necessary.

4.8 Evaluation Committees

- (1) All evaluation shall be conducted by an evaluation committee which shall report to the PDU.
- (2) Membership of the evaluation committee shall be recommended by the PDU.
- (3) All members of the evaluation committee shall sign a Code of Ethics provided In the Manual.
- (4) The evaluation committee shall include representative from the PDU and User Unit.

4.9 Role of Internal Audit Department

The internal audit department of a procuring and disposing entity shall audit-

- (a) the procurement procedure used for a procurement and the payment made to establish whether the supplies, works or services are properly ordered, received, verified and paid for in accordance with the Public Finance and accountability Act, 2003 and the other applicable laws;
- (b) the disposal procedure used for a disposal and the payments received, if any, by the procuring and disposing entity.

5.0 PROCUREMENT AND DISPOSAL PRINCIPLES

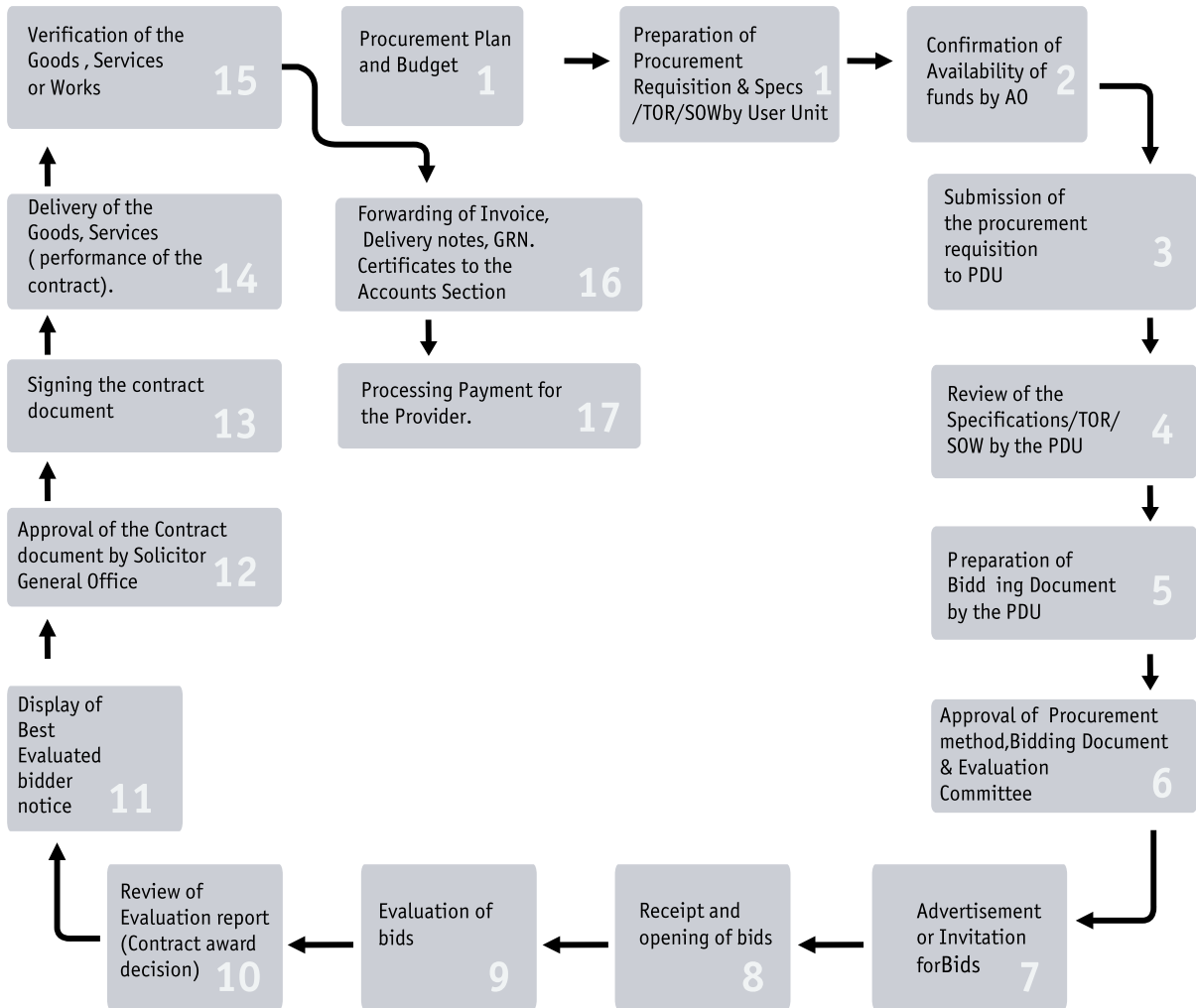
5.1 All public procurement and disposal activities in Mak shall be conducted in accordance with the following basic principles:

- a) Non-discrimination; A bidder shall not be excluded from participating in public procurement and disposal on basis of nationality, race, religion, gender or any other criteria.
- b) Transparency; all Procurement and Disposal shall be conducted in a manner which promotes transparency like giving all the bidders the same information in relation to particular procurement or disposal.

- c) **Accountability;** all procurement and disposal activities shall be conducted in a manner which promotes accountability among all the stake holders in the procurement and disposal cycle. Every stake holder in the procurement process have their roles defined and their checks and balances for each one roles, producing procurement monthly reports by the PDU, approving award by the Contract committee, identification of needs by the user department.
- d) **Fairness;** all procurements and disposal activities shall be conducted in a manner which promotes fairness to all prospective bidders. PDU will issue the same solicitation document to all the providers participating in any procurement process. Using one methodology in the evaluation process of bids, rotation of suppliers on the prequalified list, issuing the same solicitation document to providers.
- e) **Competition;** all the procurement and disposal shall be conducted in a manner to maximize competition and achieve value for money. It exhibited by bid opportunities in the print media for both open domestic bidding and international open bidding, Invitation under restricted, request for quotations and/or proposals from prequalified suppliers.
- f) **Confidentiality;** Makerere University shall not, except when required to do so by an order of court, disclose any information relating to any procurement or disposal process. At the evaluation process all information relating to the bid is not disclosed by the evaluation committee members until an award has been made by the contracts committee. For the disposal process, the reserve prices shall not revealed to any potential buyer (s).
- g) **Economy and efficiency;** all procurement and disposal shall be conducted in a manner which promotes economy, efficiency and value for money. The use of local providers in getting supplies as opposed to suppliers who are abroad reduces transportation costs and import duty taxes.
- h) **Ethics;** all procurement and disposal activities shall be carried out in accordance with the codes of ethics that may be specified in the human resource manual of Makerere university. Any staff participating in any evaluation will sign a code of ethical conduct form.
- j) **Environmental protection;** all procurement and disposal activities should be carried out in a manner that promotes green procurement principles of recycling of the product. The PDU should always insert clauses in the solicitation document that promotes the environment and certification bodies.
- k) **Conflict of interest;** Makerere University employees shall reveal/disclose and declare any personal interest that may impinge or might reasonably be deemed by others to impinge on an employee's business dealings with an industry.

6.0 PROCUREMENT CYCLE AND PROCESSES

6.1(a) Procurement Cycle



6.1(b) Procurement processes (showing timeframes)

S/No.	Activity	Responsible Office	Duration of Activity (Working days)
1.	User Unit (Dept/College) initiates the procurement requisition and prepares Form 5.	Head, User Unit	5 days
2.	Accounting Officer signs Form 5 to confirm funding.	AO	3 days
3.	User Unit submits to the User Unit Form 5 plus specifications, TOR & SOW of the procurement.	Head, User Unit	2 days
4.	PDU reviews the specifications, TOR or SOW	PDU	2 days
5.	PDU prepares the Bidding document to invite bids	PDU	4 days
6.	Approval of the Procurement method, Bidding document and Evaluation Committee by the Contracts Committee (CC)	CC	3 days
7.	Issuance of the advertisement/ invitation letter for bids.	PDU	2 days
8.	Bidding period for Bidders to prepare submit bids		
	(a) RFQ/P	PDU	• days
	(b) Restricted domestic bidding	PDU	15 days
	(c) Restricted International bidding	PDU	20 days
	(d) Open domestic bidding	PDU	24 days
	(e) Open International bidding	PDU	38 days
9.	Receipt & Opening of bids	PDU	1 day
10.	Evaluation of bids by the Evaluation Committee.	PDU	5-10 days
11.	Approval of the Evaluation report r ecommendations by the Contracts Committee.	CC	5 days
12.	Display o the Best Evaluated bidder notice.	PDU	10 days
13.	Approval of the contract document by the SG Solicitor General (SG Office) (if value \geq Shs.50 million).	SG	10-15 days
14.	Signing and issuance of the contract document to the Best Evaluated bidder.	AO & PDU	3-5 days

15.	Delivery of the Supplies/ Performance of the contract	PDU	5 days–60 days (depending on the delivery period specified in the contract).
16.	Verification of the goods, services or works provided.	User Unit & Internal Audit	2 days
17.	Forwarding Invoices, Delivery notes & GRN or certificates to Accounts Section through the PDU	<ul style="list-style-type: none"> • Stores in case of Goods • User Unit in case of Services • Estates & Works Dept. in case of Works 	2 days 2 days
18.	Processing of payment for the Provider/Contractor	Accounts Section	15-30 days.

6.2 Records open to inspection by the Authority.

6.2.1 The following records of Mak shall be open to inspection by the PPDA or any other relevant authority:

- (1) a record of the procurement process;
- (2) a record of contracts management;
- (3) all records of the Contracts Committee;
- (4) any records of the Accounting Officer which relate to procurement, contracts management, disagreements with the Contracts Committee, investigations of complaints, or any other matter related to the Act or the Regulations.

6.3 Contents of procurement records

Procurement records maintained by Mak are:

- (1) a request to initiate a procurement(a requisition) ;
- (2) a copy of the published advertisement or shortlist;
- (3) a copy of the pre-qualification and solicitation documents and any amendments or clarifications;
- (4) a record of bid closing and bid openings;
- (5) a copy of all bids evaluated or clarifications requested and responses received;
- (6) the evaluation report;
- (7) minutes of meetings on procurement, including negotiation meetings;
- (8) a notice of best evaluated bidder;
- (9) any letter of bid acceptance to the provider;
- (10) the contract document;
- (11) contract amendments;
- (12) all correspondences between Mak and a bidder or potential bidder;
- (13) a copy of all submissions to and all decisions of the Contracts Committee related to the procurement including the choice of procurement method,

(14) approval of pre-qualification and solicitation documents, approval of evaluation reports, contract award, approval of contract documents and contract amendments and any decision to suspend or cancel procurement proceedings.

6.4 Procurement planning

The PDU shall for each financial year prepare an annual procurement plan for Mak using the procurement plans of the user departments. A user department shall, based on the approved budget of Mak, prepare the procurement plan for the user department, and submit it to the PDU.

A user department shall promptly notify PDU of any change in the procurement plan of the user department. The annual procurement plan and any updates to it shall be approved by the Contracts Committee.

6.4.1 Contents of annual procurement plan

The annual procurement plan of a procuring and disposing entity shall state:-

- a) The works, services and supplies to be procured;
- b) The contract packages of the works, services and supplies to be procured and the estimated cost of each package;
- c) A time schedule of the procurement requirements;
- d) The common use items;
- e) The works, services and supplies to be used in common by the procuring and disposing entity with another procuring and disposing entity;
- (f) The resources required for the procurement, supported by a schedule of the projected funding;
- (g) The recommended method of procurement for each contract package and the time estimated for each stage of procurement;
- (h) The type of contract recommended for each requirement and where applicable, the requirement for deviation from the use of the standard bidding documents..

6.4.2 Availability of funds

The procurement process should start so long as the funds are budgeted for. The availability of funds shall be evidenced by budgeted or supplementary funds for the current financial year or an allocation for subsequent years.

The Accounting officer shall confirm the availability of funds. Procurement may be initiated, in accordance with PPDA regulations, before the receipt of funds, and the contract shall not be awarded before the availability of funds is confirmed.

Mak shall not initiate any procurement for which funds are not available or adequate, except where:-

- a) The delivery of works, non-consultancy services or supplies and the consequent payments to a provider are to be effected from subsequent financial years;
- b) In the case of framework contracts, funds will be committed at the time of issue of each specific call off order; or
- c) The Secretary to the Treasury confirms in writing that the required funding shall be made

available.

6.4.3 Assessment of market price

In order to determine the market price of a procurement requirement, the accounting officer shall use all appropriate sources of information, including:-

- a) Prices obtained on previous similar bids or contracts, taking into account any difference in the quantities purchased;
- b) Prices published or advised by potential providers; and
- c) A build-up of estimates of prices of components of the works, non-consultancy services or supplies.

Where the accounting officer contacts potential providers in order to determine the market price, the accounting officer shall limit the information disclosed to the potential providers to that which is essential for obtaining the market price or which is already available to the public.

Where the price of the best evaluated bidder is higher than the market price established at the commencement of the procurement, the accounting officer shall re-assess the market price to ascertain that the market price is still valid.

Where the accounting officer ascertains that the market price established at the commencement of the procurement is still valid, the procurement shall be cancelled and re-tendered.

7.0 PROCUREMENT METHODS, MECHANISM, AND THRESHOLDS

7.1 PROCUREMENT METHODS

Procurement methods are the procedures used by the Mak to acquire supplies, services and works. These methods can be competitive and non competitive. There's a preference for using competitive methods of procurement given that they tend to promote transparency, economy and efficiency, and limit favoritism.

The procurement method is dependent upon several factors, including, but not limited to:-

- a) The estimated value of the procurement
- b) The circumstances pertaining to the procurement
- c) The type of procurement, whether supplies, works or no consultancy services

The choice of a procurement or disposal method shall first be approved by the Contracts Committee.

Depending on the complexity and nature of the requirement and the value of the supplies/works/ services to be procured, the following procurement methods shall be used:-

7.1.1 Open Bidding

Open bidding is a procurement method which is open to participation on equal terms by all providers

through advertisement of the procurement opportunity. Open bidding can be open international bidding or domestic bidding.

7.1.2 Restricted Bidding

Restricted bidding is the procurement method where bids are obtained by direct invitation from prospective providers without open advertising. It is used to obtain competition and value for money and where circumstances do not justify open bidding.

7.1.3 Request for Quotations

This is a simplified procurement method which compares price quotations obtained from at least three providers. It is used to obtain competition and value for money where circumstances do not justify open bidding.

7.1.4 Micro Procurement

Micro procurement is a simple direct method used for very low value procurement requirements and the circumstances do not justify competition.

7.1.5 Direct/Sole Sourcing

Direct or sole sourcing is a method of procurement where the source of supply is known and is the only one reasonably available in the circumstances. It is used where circumstances do not justify competition and it is for expenditure higher than micro procurement. This method can be used for extension work in construction and services contract compatibility and/or continuity.

7.2 Procurement Thresholds

7.2.1 Thresholds for supplies, works & Non-Consultancy services

The estimated value of the supplies, works or services is usually the key factor in deciding which procurement procedure to use and thresholds for the use of each procurement procedure are given by the PPDA. A summary of these thresholds is given below;

SUPPLIES (SUPPLIES)	SERVICES	WORKS	PROCUREMENT METHOD
Above Shs. 200m.	Above Shs. 200m	Above Shs.500m	Open Domestic Bidding or Open International Bidding (Advertising + public bid opening)
Value greater than Shs. 100m but does not exceed Shs. 200m	Value greater than Shs. 100m but does not exceed Shs. 200m	Value greater than Shs. 200m but does not exceed Shs.	Restricted Domestic Bidding or Restricted International Bidding (Shortlist + public bid opening)
Value greater than Shs. 5m but does not exceed Shs. 100m	Value greater than Shs. 5m but does not exceed Shs. 100m	Value greater than Shs. 10m but does not exceed Shs. 200m	Quotations or Proposals Procurement (Shortlist + internal bid opening)
Not exceeding Shs.5m	Not exceeding Shs. 5m	Not exceeding Shs.10m	Micro procurement (Internal bid opening and NO Contracts Committee approval)
No threshold	No threshold	No threshold	Direct procurement (Internal bid opening+CC approval)

Conditions under which different procurement methods are used:

7.2.2 Thresholds for Consultancy Services

- (a) For Procurement from consultancy firms:
 - (1) Publication of a notice inviting expression of interest and developing a shortlist shall be used if the estimated value of the consultancy services exceeds Shs,200,000,000=
 - (2) Short listing without publication of expression of interest shall be used if the estimated value of the consultancy services does not exceed Shs.200,000,000=.
- (b) Procurement of individual consultant:
 - (1) Publication of a notice inviting expression of interest and developing a shortlist shall be used if the estimated value of the consultancy services exceeds Shs.50,000,000=.
 - (2) Short listing without publication of expression of interest shall be used if the estimated value of the consultancy services does not exceed Shs.50,000,000=.

Procurement & Disposal Methods	Conditions/Rules for Use
Open Domestic Bidding notice	<ul style="list-style-type: none"> ◆ Open to all bidders following a public advertisement of a bid notice ◆ Bidding documents maybe issued to prospective bidders at a fee ◆ Public bid opening shall be held in accordance with procedures prescribed
Open International Bidding	<ul style="list-style-type: none"> ◆ Used instead of open domestic bidding where competition will not be effective without foreign bidders or where foreign bids will increase value for money ◆ Open to all bidders following the public advertisement of a bid notice ◆ Bidding documents may be issued at a fee ◆ Public bid opening shall be held
Restricted Domestic Bidding	<ul style="list-style-type: none"> ◆ May be used where: <ul style="list-style-type: none"> ◆ The supplies, works or services are available only from a limited number of providers ◆ There is insufficient time for an open bidding procedure in an emergency situation ◆ The estimated value of the procurement or disposal does not exceed the threshold stated in the procurement guidelines issued.
The process shall conform with the following procedures:	<ul style="list-style-type: none"> ◆ The invitation to bid shall be addressed to a limited number of potential bidders without advertising the opportunity in a bid notice ◆ The selection of bidders shall be in accordance with the procedure prescribed by regulations ◆ A public bid opening shall be held <p>Restricted International Bidding Used where the supplies, works or services are available only from a limited number of bidders</p> <ul style="list-style-type: none"> ◆ Invitation to bid shall be addressed to a limited number of potential bidders ◆ Selection of bidders shall be in accordance with the procedure prescribed ◆ Public bid opening shall be held
Quotations and Proposal	<p>Used where:</p> <ul style="list-style-type: none"> There is insufficient time for an open or restricted bidding procedure such as in an emergency situation The estimated value of the procurement or disposal does not exceed the threshold stated

Micro Procurement	Used where the estimated value of the procurement does not exceed the established threshold
Direct Procurement	Used where: <ul style="list-style-type: none"> ◆ There is insufficient time for any other procedure such as in an emergency situation ◆ The works, services or supplies are available from only one provider ◆ an existing contract could be extended for additional works, services or supplies of a similar nature and no advantage could be obtained by further competition, if the prices on the extended contract are reasonable ◆ additional works, services or supplies are required to be compatible with existing supplies, works or services and it is advantageous or necessary to purchase the additional works, services or supplies from the original supplier, provided the prices on the additional contract are reasonable; ◆ Value of the new works, services or supplies shall not exceed 15% of the original or existing contract value ◆ Original or existing contract shall have been awarded through a competitive procurement process

7.3 FORCE ACCOUNT MECHANISM.

Force account mechanism means undertaking the works or services of Mak using the personnel and equipment of Mak or of another PDE. Force account is used where Mak has equipment and personnel or where no contractor is willing to take the works.

Force account is not a method of procurement but a method of executing works or services. Where Mak uses force account mechanism;

- (1) The supplies to be used for the assignment shall be procured according to the PPDA Act.
- (2) Mak shall determine the direct, indirect and overhead costs to be incurred are lesser than would be incurred if the assignment was executed by the contractor
- (3) Mak shall undertake to ensure safety and value for money.

8.0 SOURCING METHODS AND BIDDING PROCESS

The sourcing process enables identification of suitable suppliers, and can also provide valuable information about products and specifications.

Mak shall source for providers of supplies/services/works through any of the following applicable methods:

- (a) Advertising
- (b) Pre-qualification
- (c) Request for Quotations
- (d) Direct Sourcing

8.1 Advertising

The advertising period shall start on the date the bid notice is first published. Bidding period shall begin to run from the last date of publication of the advert.

The minimum advertising period for each procurement method shall be:

- | | |
|---|----------------------------|
| (a) Open Domestic Bidding: | Four working days. |
| (b) Open International Bidding: | Eight working days. |
| (c) Restricted Domestic Bidding: | No advertisement required. |
| (d) Restricted International Bidding: | No advertisement required. |
| (e) Quotations and Proposals Procurement: | No advertisement required. |
| (f) Direct Procurement: | No advertisement required. |
| (g) Micro Procurement: | No advertisement required. |

Minimum statutory tendering time (working days)

Method of Procurement	Advert Period	Bidding Period	Contract award Display period
Open Domestic Bidding	4	20	10
Open Int'l Bidding	8	30	10
Restricted Domestic Bidding	NA	15	10
Restricted Int'l Bidding	NA	20	10
Request For Quotation & Proposal	NA	5	5
Direct Procurement	NA	-	NA
Micro Procurement	NA	NA	NA

8.2 Pre-qualification

Pre-qualification may be conducted prior to the issue of an invitation to tender mainly to identify potential suppliers who are qualified to deliver the required supplies, works or services.

Pre-qualification may be used under open domestic or open international bidding to obtain a shortlist of bidders using the criteria for evaluation prescribed by a procuring and disposing entity.

Pre-qualification shall be open to all providers using public advertisement of a pre-qualification notice, which shall invite potential bidders to:

- ◆ obtain the pre-qualification documents from a procuring and disposing entity; or
- ◆ submit an expression of interest directly to a procuring and disposing entity.

A pre-qualification notice shall be published in at least one publication of wide circulation to ensure effective competition.

The advertising period for a pre-qualification shall start on the date the prequalification notice is first published

The bidding period for pre-qualification shall start from the date when the prequalification documents are available to a provider, or from the date of publication of the pre-qualification notice, where no document is issued, to the date for submission of prequalification submissions or expressions of interest by a bidder.

The minimum bidding period for prequalification under:

- ◆ domestic bidding, shall be ten working days; and
- ◆ open international bidding, shall be fifteen working days
- ◆ the prequalification list shall be updated annually and the list is valid for three years

Preparation of solicitation documents

PPDA standard documents must be used when soliciting offers from suppliers/service providers following a formal method of solicitation.

The standard documents are templates, which contain PPDA mandatory terms and conditions customized to fit the specific procurement process being undertaken. The templates are to be completed with the specific details applicable to each solicitation.

8.3 Bid Solicitation Document

It is a bidding document or any other documents inviting bidders to participate in procurement or disposal proceedings; and includes documents inviting potential bidders to pre-qualify and standard bidding documents.

All Bid solicitation documents falling under the category of open competitive bidding and Limited invitation for bids shall comprise of the following subsections based on the standard PPDA bid document.

Below is a presentation of what type of information the various components of the solicitation documents should include;

8.4 Invitation for Bids (IFB)

This shall describe the nature of the procurement, address and contact of Makerere University, conditions under which the bid will be accepted, address for bid submission, closing date and dates to be covered by the Contract.

8.5 Instruction to bidders (ITB)

This shall describe how bid documents are to be prepared and submitted; other documents required including performance bonds, bid forms, financial statements where applicable and contract references. This section shall highlight precautions against undue contact and attempts to influence procurement office staff, format for submitting bids, pricing and currency of the bids, domestic preference, and criteria for bid evaluation and procedures for adjudication.

Where it is determined that a bid security shall be required, the value of the security shall be stated as a fixed amount not as a percentage of the bid price. The amount of the Bid Security shall be determined by Mak and shall be between 1% and 2 % of the estimated bid value.

8.6 Bid data sheet

This shall highlight additional issues that complement, supplement or amend the provisions in the instructions to bidders. Whenever there is a conflict the provision in the bid data sheet shall prevail.

8.7 Evaluation Methodology and Criteria

Evaluation Methodology and Criteria must be clearly stated in the solicitation documents how contracts will be awarded (e.g. to the lowest priced, most technically acceptable offer, to the lowest priced substantially compliant offer or to the offer scoring highest overall), and which criteria will be applied in the evaluation to determine compliance or technical rating to allocate points

8.8 Bidding Forms

These are Standard Bid Forms that are used in procurement and include, Bid Submission Sheet, Bid Security, Price Schedule and qualification Form.

8.9 Statement of Requirement

Statement of Requirement shall lay out a concise description of each product and the quantity required together with any technical specification unique to that item. Sufficient space shall be provided so that the supplier can enter all relevant information including the name of original manufacturer, shelf life and delivery period

8.10 General Conditions of Contract

The conditions shall cover all possible aspects relating to the obligations of the supplier and purchaser in relation to the contract and shall define breach, fundamental breach of the terms and remedies applicable to either party. Unless otherwise the G.C.C shall remain unchanged in the format laid out in PPDA bid documentation.

8.11 Special Conditions of Contract

These conditions shall complement, supplement or amend the provisions of the General Conditions of Contract. Wherever there is a conflict the Special Conditions shall prevail.

All bidding processes shall include an invitation to bid, a formal bid receipt and bid opening. The bidding period shall be sufficient to allow bidders to prepare and submit their bids and shall not be reduced with the aim of limiting competition.

A bid may be withdrawn at any time before the deadline for bid submission.

8.12 Bid Submission

The receiving and closing of bids shall be either by receipt of bids in person and issue of a receipt or use of a bid box.

Solicitation documents shall contain instructions on the method of bid submission, which shall either be:

- (a) the one stage-single envelope method, in which a bid is submitted in one sealed envelope, which is opened on the specified date and time in a single bid opening;
- (b) the one stage-two envelope method, in which a bid is submitted in an outer sealed envelope, containing two separately sealed and labeled technical and financial bids, which are opened on different dates in separate bid openings.
- (c) The two stage-two envelope method, in which;
 - (i) during the first stage, a bid is submitted in an outer sealed envelope, containing two separately sealed and labelled technical and financial bids, of which only the technical bid is initially opened and evaluated; and
 - (ii) during the second stage, a revised technical bid and a supplementary financial bid are submitted, which are opened and evaluated together with the original financial bid;
- (d) two stage method, in which-
 - (i) during the first stage, a technical bid only is submitted, opened and evaluated; and
 - (ii) during the second stage, a revised technical bid and a financial bid are submitted, opened and evaluated together.

8.13 Closing of bids

The PDU shall ensure that its officer is available at the location where the bids were submitted for a reasonable period before the deadline. Bids shall be closed at the precise time and date stated in the closing deadline. The bid closing process shall be managed by the PDU and witnessed by a representative of the CC.

8.14 Bid opening

Open and restricted bidding processes shall include a public bid opening and the solicitation document shall contain instructions to bidders regarding the:

- Date and time of the bid opening
- Precise location of the bid opening
- Information to be read out and recorded at the bid opening

9.0 EVALUATION PROCESS

Evaluation is the process of assessing and comparing offers in accordance with the evaluation methodology stated in the solicitation documents aimed at determining which offer best complies with the defined evaluation criteria, and thus, represents the best value for Mak.

Regardless of how effectively the other steps of the procurement process are conducted, the overall process will not be successful without a correct, objective and fair evaluation process. The evaluation process is critical, since it culminates in a recommendation and a request for an award of a contract.

Evaluation shall be conducted by an evaluation committee, which shall report to the procurement & disposal unit.

The evaluation criteria to be used shall be stated in the solicitation document and the evaluation shall be conducted in accordance with these criteria without amendments or additions to the criteria. Evaluation criteria shall be used to assess compliance with the statement of requirements, ability to perform the proposed contract or ability to meet the objectives of the procurement.

9.1 Evaluation of bids for supplies, works and non-consultancy services

1. Bids for the procurement of supplies, works and non-consultancy services shall be evaluated using the technical compliance evaluation method.
2. Notwithstanding (1) above bids for text books, information technology systems and for design and build contracts may be evaluated using the quality and cost based evaluation method.

The evaluation shall determine as the best evaluated bid :-

- (a) Which is eligible and administratively compliant to the technical requirements of Mak
- (b) With the lowest evaluated price; and
- (c) Where the bidder has the capacity and the resources to effectively execute the contract.

9.2 Evaluation criteria.

- (1) The evaluation of a bid shall be conducted in accordance with the evaluation criteria stated in the Public Procurement and Disposal of Public Assets (Rules and Methods for Procurement of Supplies, Works and Non Consultancy Services) Regulations, 2014 and in the bidding document.
- (2) An evaluation committee shall not, during an evaluation, make an amendment or addition to the evaluation criteria stated in the bidding document, and shall not use any other criteria other than the criteria stated in the bidding document.
- (3) The evaluation criteria shall assess:-

- (a) The compliance of the bid with the statement of requirements;
 - (b) The ability of the bidder to perform the proposed contract; and
 - (c) The ability of the bid to meet the objectives of the procurement.
- (4) The evaluation criteria shall not be drafted in a way which restricts competition, except where this is necessary to meet the objectives of the procurement or where the preference or reservation scheme is applied.

9.3 Stages of evaluation using the technical compliance evaluation method

The evaluation of a bid for the procurement of supplies, works or non- consultancy services using the technical compliance evaluation method shall be conducted under the following four stages:-

- (a) A preliminary examination to determine the eligibility of the bidders and the administrative compliance of the bids received;
- (b) A detailed evaluation of the bids to determine their technical responsiveness of the bids that are eligible after the preliminary examination carried out under paragraph (a); and
- (c) A financial comparison of the bids that are eligible after the detailed evaluation carried out under paragraph (b) and to determine the best evaluated bid; and
- (d) Post qualification to determine that the best evaluated bidder has the capacity and the resources to effectively execute the contract (if required).

9.4 Evaluation of bids using the quality and cost based evaluation method

Quality and Cost Based Selection is the evaluation methodology that takes into account both the quality and the cost of bids in a process under which technical bids are evaluated without access to financial bids. It follows three stages as below;

- a) preliminary examination to determine whether a bidder is eligible and to determine administrative compliance with the basic instructions and requirements of the solicitation document;
- b) a detailed evaluation to assess-
 - 1) responsiveness to the terms and conditions of the solicitation document; and
 - 2) the technical quality of bids against set criteria on a merit point system, to determine the technical score of each technical bid and to determine which technical bid reached the minimum technical score; and
 - 3) a financial comparison to determine the financial score of each financial bid, to weight the technical and financial scores and to determine the total score of each bid.

This method is used for consultancy services and the bid submission method shall be the one stage-two envelope method

9.5 Other Evaluation Methodologies

a) Quality Based Selection, (QBS)

Quality Based Selection is the evaluation method that uses quality as the primary factor in a process under which a technical bid is evaluated without access to a financial bid and a financial comparison is undertaken only for the best technical bid. This method involves three stage with the first stage as for QCBS and the detailed evaluation assesses-

- ◆ responsiveness to the terms and conditions of the solicitation document; and
- ◆ the technical quality of a bid against set criteria on a merit point system, to determine the technical score of each technical bid and to determine which is the best technical bid;
- ◆ a financial comparison to examine the financial bid of the best technical bidder only and prepare for negotiations

b) Fixed Budget Selection, (FBS)

Fixed Budget Selection is the evaluation methodology that recommends the bidder with the best technical bid, which is within the budget. This like the previous method also looks at preliminary examination and assesses the detailed evaluation responsiveness to the terms and conditions of the solicitation document; and

- ◆ the technical quality of bids against set criteria on a merit point system, to determine the technical score of each technical bid and to determine which technical bid reached the minimum technical score; and
- ◆ a financial comparison to reject a bid which exceeds the budget and determine the best technical bid which is within the budget

c) Least Cost Selection, (LCS),

Least Cost Selection is the evaluation methodology that recommends the lowest priced bid, which meets all the requirements of the procuring and disposing entity, both commercial and technical

Least Cost Selection shall use the following three stage methodology

- ◆ a preliminary examination to determine whether bidders are eligible and to determine administrative compliance with the basic instructions and requirements of the solicitation document;
- ◆ a detailed evaluation to assess
 - ◆ responsiveness to the terms and conditions of the solicitation document; and
 - ◆ the technical quality of a bid against set criteria on a merit point system, to determine the technical score of each technical bid and to determine which technical bid reached the minimum technical score; and
- ◆ a financial comparison to determine the lowest priced bid which meets the minimum technical score

QBS, FBS and LCS, are normally used for consultancy procurements, the solicitation document shall state number of points for each main criterion; the total number of points for all the criteria shall equal

100 and the solicitation document shall not normally state the sub-criteria or the number of points allocated to each sub-criteria.

The following main criteria and maximum number of points are indicative and may be adjusted to the specific circumstances of the procurement requirement.

Criteria	Range of Points
(a) Specific experience	5 to 10 points
(b) Methodology proposed	20 to 50 points
(c) Key personnel	30 to 60 points
(d) Transfer of knowledge	0 to 10 points
(e) Participation by nationals	0 to 10 points
Total	100 points

9.6 Evaluation Committee

A person appointed member of an evaluation committee shall have the technical skills and experience relevant for the procurement requirement. An evaluation committee shall have among its members;

- a) A person representing the User department; and
- b) A member of the Procurement and Disposal unit.

A member of a Contracts Committee shall not be a member of an evaluation committee. A member of an evaluation committee shall declare that he or she has read the Code of Ethical Conduct in Business and does not have a conflict of interest in the procurement or disposal requirement by signing Form 13 in the Schedule of PPDA Regulations.

9.7 Evaluation report.

1. An evaluation report shall be prepared for each evaluation. All members of the evaluation committee shall sign the evaluation report.
2. Where a bid is submitted using the one stage-one envelope bid submission method, a combined evaluation report shall be prepared and submitted to the contracts committee after completion of the evaluation.
3. Where a bid is submitted using the one stage-two envelope, two stage-two envelopes or two stage bid submission method:
 - a) a technical evaluation report shall be prepared and submitted to the Contracts Committee after completion of the detailed evaluation and shall be approved prior to inviting or opening a financial bid;
 - b) a financial evaluation report shall be prepared and submitted to the Contracts

Committee after completion of the financial comparison.

4. An evaluation report shall contain reasons for the rejection of any bid and details of any non-material deviations accepted and the way in which they have been quantified and taken into account in the financial comparison.
5. A technical evaluation report shall contain recommendations on which bidders should proceed to the financial comparison.
6. A combined technical and financial evaluation report shall contain recommendations on:
 - a) the best evaluated bidder and the evaluated price;
 - b) whether the recommended bidder should be subject to post-qualification;
 - c) whether negotiations should be held with the recommended bidder;
 - d) the price of the proposed contract, subject to any changes following negotiations;
7. A bid or all bids may be rejected at any time prior to the award of a contract. The PDU shall submit a recommendation from the evaluation committee to the CC for award decision.
8. A contract award shall be made a day after notice of award has been displayed. It shall be confirmed by a written contract when confirmation that the required funds are committed for the proposed contract.

9.7 Preference and Reservation schemes

9.7.1 Preference schemes

1. Preference schemes shall be applied:-
 - (a) in respect of goods, works and non-consultancy services, where the open domestic or open international bidding methods are used, with a specified margin of preference being added during the financial comparison stage of the evaluation process to the evaluated price of the bid which does not qualify for preference; and
 - (b) in respect of consultancy services, for the quality and cost based selection method and the least cost selection method, where proposals are invited from both national and foreign consultants, with a specified margin of preference being added to the evaluated price of the foreign proposal, during the financial comparison stage of the evaluation process.
2. The margin of preference specified in subsection (1) shall:-
 - (a) be based on only the price and shall be added to the evaluated price of a bid which does not qualify for preference or to the evaluated price of a bid of a foreign proposal;
 - (b) in respect of goods that qualify as domestically manufactured goods, be related to

- the percentage of the labour, raw material and components of the goods that originate from Uganda; and
- (c) In respect of works and services:-
- (i) be proportional to the percentage of the share capital of the contractor or consultant, where the consultant is a firm owned by Government or by Ugandans; or
 - (ii) be based on only the price and shall be added to the evaluated price of a bid which does not qualify for preference or to the evaluated price of a bid of a foreign proposal, if the consultant is a Ugandan citizen.
- (3) Mak shall when procuring goods, works or services under this section, grant a margin of preference-
- (a) of fifteen percent (15%), in respect of goods; and
 - (b) of seven percent (7%), in respect of works or services.
- (4) Goods qualify for preference, as domestically manufactured goods, under subsection (2) (b) where:-
- (a) the labour or value addition to the good is more than thirty percent (30%) of the ex-works of the goods; and
 - (b) The production facility in which the goods are to be manufactured, assembled or processed is in Uganda and is engaged in the manufacturing, assembling or processing of the goods at the time of submission of the bid.
- (5) A contractor and a consultant qualify for preference as a Ugandan contractor or a Ugandan consultant under subsection (2) (c) where:-
- (a) The contractor or consultant is incorporated or registered in Uganda;
 - (b) The contractor or consultant if an individual is a Ugandan citizen;
 - (c) The contractor or consultant if a company registered in Uganda, more than fifty percent (50%) of the capital of the contractor or consultant is owned by Ugandan citizens; and
 - (d) The contractor or consultant if a legal entity, more than fifty percent (50%) of the capital of the contractor or consultant is owned by the Government or by a procuring and disposing entity.
- (6) A contractor or consultant who qualifies as such under subsection (5) (d) shall be—
- (a) Legally and financially autonomous;
 - (b) Established as a commercial venture; and
 - (c) Authorised by a competent authority or a professional body to operate as a contractor or to perform services as a consultant.
- (7) Mak shall, when procuring works or services under a joint venture or under an association between a Ugandan contractor and a foreign partner or between a Ugandan consultant and a foreign partner, grant a margin of preference of four percent (4%) for the works or services.

- (8) A joint venture or an association between a Ugandan contractor and a foreign partner or between a Ugandan consultant and a foreign partner shall be eligible for preference where:-
- (a) The joint venture is registered in Uganda;
 - (b) The Ugandan contractor or Ugandan consultant in the joint venture qualifies for preference under subsection (5); or
 - (c) The Ugandan contractor or Ugandan consultant demonstrates a beneficiary interest of more than fifty percent in the joint venture as demonstrated by the profit and loss sharing provisions of the joint venture agreement

9.7.2 Reservation schemes

- (1) The Authority shall, in consultation with a competent authority, and the relevant stakeholders, specify the public procurement contracts to be subject to a reservation scheme and shall designate the particular sectors, within a specified geographical area, that are eligible to participate in the reservation scheme.
- (2) A public procurement contract shall be subject to a reservation scheme in order to;-
 - (a) Promote the use of local expertise and materials;
 - (b) Promote the participation of local communities or local organisations; or
 - (c) Apply specific technologies.
- (3) If Mak intends to make procurement under a reservation scheme, it shall:-
 - (a) apply to the Authority for permission to use alternative procurement procedures and documents and shall in the application indicate the contract packages, specifications and contracting processes to be included in the bidding documents; and
 - (b) deal with only the providers that are eligible to participate in a reservation scheme

10.0 CONTRACT AWARD PROCESS

A Procurement and Disposal Unit shall submit a recommendation for award of a contract to the contracts committee after completion of the evaluation process and any post-qualification and negotiation process.

The contracts committee shall consider the recommendation in the same way as any other submission to the contracts committee. Approval of a recommendation by a contracts committee shall be an award of contract decision.

The Procuring and Disposing Entity shall, within five days of the decision of the contracts committee to award a contract, display a notice of best evaluated bidder
A notice of best evaluated bidder shall not amount to a contract.

A notice of best evaluated bidder shall be displayed on Mak- PDU's notice board and on the Authority's website.

A notice of best evaluated bidder shall be published for a minimum of-

- ◆ Ten (10) working days prior to contract award in the case of open or restricted bidding; and
- ◆ Five (5) working days prior to contract award, in the case of quotations and proposals procurement or direct procurement

The solicitation documents shall state the procedure for award of contract, which shall be-

- ◆ by placement of a written contract document; or
- ◆ by issue of a letter of bid acceptance, which shall be confirmed by placement of a written contract document

10.1 Procedure for awarding contract.

A procuring and disposing entity shall not issue a contract document, purchase order, or other communication in any form, conveying acceptance of a bid that binds a procuring and disposing entity to a contract with a provider, until:-

- (a) The contracts committee makes a decision to award the contract;
- (b) The accounting officer confirms that the contract price is not higher than the market price established prior to the commencement of the procurement process;
- (c) The period specified expires, following the notice of best evaluated bidder;
- (d) The accounting officer confirms that the procurement is not subject to any administrative review;
- (e) The full amount of the funding for the period of the proposed contract is committed; and
- (f) All relevant agencies, including, the Attorney General/Solicitor General make the necessary approval of the contract

6.5 Types of Contracts

There are different types of contracts that can be used when contracting with a potential Supplier. The choice of the type of contract depends on the category and nature of the item or service that needs to be provided.

(a) Lump sum;

A lump sum contract shall be used where the content, duration of the services and the required outputs of a provider are clearly defined.

(b) Time-based;

This is where it is difficult to define the scope and length of services, either because the services are related to activities performed by other providers for which the completion period may vary or the input of the consultants required to attain the objectives is difficult to assess; or for complex studies, designs, engineering and supervision services, advisory services, management services, and some training assignments.

(c) Admeasurements;

An admeasurement contract shall be used for buildings and other forms of construction where the works are not well defined or are likely to change in quantity or specification, and where encountering difficult or unforeseen site conditions, such as hidden foundation problems, is likely

(d) Framework;

Framework contract is used where there is a need to have specialised services “on call” and the extent and timing of the requirement cannot be defined in advance; or for requirements which are needed repeatedly or continuously over a period of time and having the requirement available on a “call off” basis would reduce procurement costs or reduce lead times

(e) Percentage;

A percentage based contract may be used where it is appropriate to relate the fee paid directly to the estimated or actual cost of the subject of the contract, such as the project construction cost or cost of supplies procured, auctioned or inspected

(f) Cost reimbursable;

cost reimbursable contract may be used for emergency works, where there is insufficient time to calculate the full costs involved; or for high risk works, where it is more economical for a procuring and disposing entity to bear the risk of price variations than to pay a provider to accept the risk or where a provider does not accept the risk.

(g) Target price;

A target price contract shall be used instead of a cost reimbursable contract where-

- ◆ a target price is agreed; and
- ◆ cost savings may be achieved by offering an incentive payment to a provider for any cost savings below the target price.

(h) Retainer;

A retainer contract may be used where a procuring and disposing entity intends to retain a specialised provider of services over a prescribed period of time, but where the level and amount of services required cannot be defined

(i) Success fee Contract;

A contingency or success fee contract may be used where it is appropriate to link a provider's fee to an achieved objective, to provide an incentive to the successful completion of a particular task, event or action

Consent shall be obtained from the Authority to use a type of contract other than one stated in this regulation.

The selection of an appropriate contract type depends on factors such as the nature of the supplies, services, or works to be procured, the uncertainties which may be involved in contract performance, and the extent to which the University or the service provider is to assume the risk of the cost of performance of the contract. Contract types differ in the degree of responsibility assumed by the contractor.

11.0 ADMINISTRATIVE REVIEW AND SUSPENSION OF PROVIDERS

11.1 Grounds for administrative review

A bidder may seek administrative review for any omission or breach of the PPDA Act, the Regulations, the provisions of bidding documents or best practices, by Mak.

A bidder may submit an application for administrative review in writing to the AO copied to the Authority within fifteen working days from the date he or she first became aware of the circumstances giving rise to the complaint. All administrative reviews at the colleges will be forwarded through the Main Procurement and Disposal unit.

11.2 Administrative review by the accounting officer

Upon receipt of an application for administrative review, the accounting officer shall immediately suspend the procurement or disposal proceedings where a continuation of the proceedings might result in an incorrect contract award decision or a worsening of any damage already done. The accounting officer shall immediately on receipt, send a copy of the application for administrative review to a contracts committee.

The accounting officer shall institute an investigation to consider -

- ◆ the information and evidence contained in the application;
- ◆ the information in the records kept by Mak;
- ◆ information provided by staff of a procuring and disposing entity;

- ◆ information provided by other bidders;
- ◆ any other relevant information.

The accounting officer shall issue his or her decision in writing within fifteen working days of receipt of the application and the decision shall indicate -

- ◆ whether the application is upheld or rejected;
- ◆ the reasons for the decision;
- ◆ corrective measures to be taken.

The accounting officer shall submit a copy of his or her decision to the Authority.

11.3 Administrative review by the Authority

A bidder may submit an application for administrative review to the Authority where the accounting officer does not issue a decision within fifteen working days or the bidder is not satisfied with the decision of the accounting officer.

An application to the Authority for administrative review shall be submitted within ten working days from the date of the decision by the accounting officer or the date by which the accounting officer should have issued a decision.

Upon receipt of an application, the Authority shall immediately -

- ◆ give notice of the application to Mak;
- ◆ instruct Mak to suspend any further action on the procurement or disposal requirement, where the Authority considers a suspension necessary;
- ◆ notify all bidders of the application and invite them to submit any relevant information prior to a given deadline;
- ◆ institute an investigation.

In investigating the application for administrative review, the Authority shall consider the following, where appropriate -

- ◆ the information and evidence contained in the application;
- ◆ the information in the records kept by Mak;
- ◆ information provided by staff of Mak;
- ◆ information provided by the other bidders;
- ◆ any other relevant information.

The Authority shall issue its decision in writing within twenty-one working days of the receipt of the application.

The decision of the Authority shall indicate -

- whether the application was upheld or rejected;
- the reasons for this decision;
- any corrective measures to be taken.

11.4 Appeals to Tribunal

A bidder may appeal to tribunal where:-

- (2) bidder is not satisfied with the decisions of the Authority
- (3) the Authority does not issue a decision in respect of a review of the decision of the Accounting officer within time frames for administrative review at AO (15 working days).
- (4) the bidder alleges the Authority may not handle the review impartially, the regulations provides time frames for administrative review at AO (15 working days), PPDA (21 working days) and Tribunal (10 working days).

11.4 SUSPENSION OF A PROVIDER

11.4.1 Grounds for suspension

13.4.1.1 A provider may be suspended from participating in public procurement or disposal of public assets on the following grounds:

- (a) Seriously neglecting their obligations under a contract
- (b) Providing false information
- (c) Offering inducements
- (d) Having a history of unsatisfactory performance
- (e) Having been convicted of charges of fraud, bribery, collusion, conspiracy, or any other charge connected with procurement and disposal transactions.
- (f) Having failed to comply with terms and conditions of existing contract
- (g) If the Provider has been blacklisted by PPDA.

11.5 Recommendations to suspend a provider

A recommendation to suspend a provider shall be submitted to the Authority in writing by a contracts committee. A public officer of Mak may make a submission to the contracts committee regarding a recommendation to suspend a provider. The contracts committee shall consider all submissions and decide whether to submit a recommendation to the Authority to suspend a provider.

A recommendation to suspend a provider shall include –

- the name of the provider;
- the grounds for the recommendation to suspend the provider;
- details of the procurement or disposal proceedings or contract to which the recommendation relates;
- documentary or other evidence supporting the recommendation;
- any other information relevant to the recommendation.

The Authority shall suspend a provider on the written recommendation of the CC.

Suspended suppliers are excluded from participating in public procurement and disposal for any period ranging up to a maximum of thirty six months.

12.0 CONTRACT MANAGEMENT & MONITORING

12.1 Contents of contract management record

Contract management records maintained by Mak shall include:

- a) a signed contract document, including any signed contract amendments;
- b) any variations or change orders issued under the contract;
- c) post: contract documents relating to the fulfilment of contract obligations, in particular copies of bank guarantees or payment guarantees;
- d) minutes of any meetings related to contracts management, including contract progress or review meetings;
- e) delivery documents evidencing delivery of supplies or completion certificates in relation to a contract for services or works under the contract;
- f) a copy of all invoices for works, services or supplies including work papers verifying the accuracy of payments claimed and details of the actual payment authorised by a contract manager;
- g) a copy of Mak payment worksheets evidencing management of all payments made;
- h) a copy of any claims made by the Contract manager on behalf of Mak in respect of any warranty, non-warranty, short supply, damage and other claims upon the provider;
- i) a copy of all submissions to the Contracts Committee and decisions related to the contract management including the approval of contract amendments.

Cost effective procurement in public sector requires adherence with the following rules and processes:

After a contract has been placed, contract management, except the capacity to amend or terminate, shall pass from a procuring and disposal unit to a user department

Contract management is the process which guarantees that both parties to the contract fully meet their respective responsibilities as efficiently and effectively as possible, delivering the business and operational outputs required from the contract and mitigating attendant risks

There are six stages in the contract management process:

1. Monitoring and control of contract performance
2. Variation management

3. Dispute resolution
4. Receipt of Supplies/Services
5. Payment management (Payment to Service Providers)
6. Contract completion/closing files

If required, the supplier shall within a specified period of time of the notification of contract award, provide a security for performance of the contract, or an advance payment security, in an amount determined by Mak. The proceeds of the security (an established amount) shall become payable to Mak in the event of the supplier's failure to perform

The performance security shall be returned by Mak to the supplier no later than thirty days following the date of completion of the supplier's performance obligation under the contract, including any warranty obligations

12.2 Monitoring and Control of Contract Performance

A procurement and disposal unit shall provide a copy of the contract to a user department.

Upon receipt of a contract, a contract manager shall prepare a contract implementation plan, using Form 49 and forward a copy to the procurement and disposal unit for monitoring purposes. Where a user department has any reservations or difficulties with the terms or conditions of the contract, they shall be discussed and resolved with the procurement and disposal unit

The overall contract monitoring is the responsibility of a user department who shall nominate an existing member of staff with appropriate skills and experience, or who is supervised by a member of staff with appropriate skills and experience, as a contract manager. The responsibilities includes observing the performance of the supplier to ensure that a quality product, in the right quantity, is delivered on time and within the budget, a provider submits all required documentation in accordance with the terms and conditions of a contract, there is compliance with the provisions of the PPDA Act, Regulations, the guidelines and best practices, all contract obligations are complete prior to closure of the contract file and all contract management records are kept and archived as required.

Various requirements are built into the standard contracts and the degree to which suppliers fulfil these requirements is used to measure the achievement of performance indicators in order to evaluate the ongoing performance of the contract (e.g. quality standards, delivery times, inspections, milestone dates, etc.).

Control of performance includes ensuring that the performance of the supplier is according to the contract that any variance can be justified, and that contracts are amended to reflect agreed changes to the scope of work.

12.2.1 Supplies

For the procurement of supplies, contract manager must monitor delivery and receipt of supplies through the following actions;

- Follow up with the supplier a few days/weeks before the required delivery to ensure that supplies will be ready for delivery by the agreed date
- Inform suppliers/end user of any change of plans
- Make sure that all relevant contractual documents are provided to the parties
- If necessary, request an extension of the performance security if the activity is delayed

Typical performance indicators used for monitoring of contracts for Supplies includes:

1. Comparison of required delivery date vs actual delivery date
2. Comparison of quantity ordered vs delivered quantity
3. Comparison of compliance between ordered and delivered specifications

12.2.2 Services

When contracting services, the Contract Manager must monitor the performance of the consultant/service provider by ensuring timely receipt and acceptance of the deliverables specified in the contract (e.g. inception reports, progress reports, reports from workshops or training sessions, etc.).

The deliverables under the contract must be acknowledged and approved by the user unit, and occasionally also by the management

12.2.3 Works

Works are considered completed when the project manager (consulting engineer) has issued a certificate of final completion stating that the works have been completed and that the contractor has fulfilled his/her obligations in accordance with the contract

The certificate of substantial completion is issued when the works, have been completed to the satisfaction of the supervising engineer. It states that the whole of the works have been substantially completed in accordance with the contract, and that any outstanding works as specified in the certificate are to be completed within the defects liability period (typically the period of 180 days following the date of substantial completion of the works as stated in the certificate of substantial completion.

12.2.4 Site meeting/Inspections

Monitoring of the contract and evaluation of the works projects could be achieved through site meetings/inspections. Inspections involve examining the works to ensure that it conforms to contract requirements. Site meetings may be performed by in-house experts or by consultants contracted on agreed basis.

12.3 Variation Management

Variation management is the handling of changes that arise during contract execution, typically involving variations in costs or requirements that were not originally anticipated, but are not in dispute. Variation management includes both avoiding unwanted changes as well as incorporating necessary

changes into the contract

A contract variation or change order may be issued with the approval of the contracts committee and any additional funding required for a variation or change order shall first be committed.

A contract may be varied in accordance with a compensation event or the issue of a variation, change order or similar document, as provided in the contract

A variation or change order shall be in accordance with the terms and conditions of a contract and shall be authorised by a competent officer

A contract which provides for a variation or change order shall include a limit on a variation or change order which shall not be exceeded without a contract amendment. An amendment to a contract refers to a change in the terms and conditions of an awarded contract

A contract amendment for additional quantities of the same items shall use the same or lower unit prices as the original contract. No individual contract amendment shall increase the total contract price by more than fifteen percent of the original contract price.

Where a contract is amended more than once, the cumulative value of all contract amendments shall not increase the total contract price by more than 25 percent of the original contract price.

12.4 Dispute Resolution

Ideally, contracts should be clear and the responsibilities and obligations of both the supplier and Mak must be clearly defined in order to minimize the possibility of disputes and disagreements

However, no matter how well a contract is drafted and its performance managed, disputes can and do arise. As potential disputes must be considered throughout the procurement process in order to resolve any dispute should it ultimately arise, a good understanding of how disputes are resolved is fundamental to effective procurement

The preferred means of commercial dispute resolution is negotiation. All negotiations are based on an openness to compromise, which often is less costly than alternative methods of dispute resolution. Where negotiation is not possible or fails, more formal means of dispute resolution are available. Mediation is a private method of dispute resolution by submission to an agreed impartial third party that has a nonbinding authority. Arbitration also is a mutually agreed method of dispute resolution, but the arbitrator(s) are given authority to render a binding judgement

Arbitration often is agreed to by contracting parties by including an arbitration clause in their contract. Such a clause can be found in all standard PPDA contracts formats (in the General Conditions of Contract)

12.5 Receipt of Supplies/services

As a general rule, all supplies must be delivered to the central stores and requisitioned for by the relevant

user departments. Supplies will consist of:

- a) Stock items
- b) Non-stock items (direct materials)

And will be treated and recorded slightly differently.

12.5.1 Stock Items

All stock items must be delivered to the relevant stores and the receipt/issue recorded through the stores procedures. Stock items will have already been so identified prior to receipt by the indication on the requisition and order of the commodity code and their coding to the Stock Purchase Control Account. On receipt, the store keeper will check on his copy of the order that the supplies are as ordered in respect of quality, quantity and price.

12.5.2 Non-Stock Supplies

Non-stock supplies will consist of:

- a) Non-stock materials purchased for specific purposes which will be delivered to the stores and recorded via a "direct materials" system for control purposes,
- b) "one-off" purchases of items of an unusual or specialized nature, which will usually be delivered direct to the usage site.

A Supplies Received Notice shall be completed once stores have accepted the supplies.

12.5.3 Services and Exceptional Items

For the receipt of services, or exceptional items not routed via stores, the 3rd copy of the order is to be returned to the requisitioning officer, who will file it, pending receipt of the items/services. When received, this will be noted on the order. When an invoice is received, this will be certified by the requisitioning officer, to indicate that items/services have been received and are satisfactory, and that the invoice can be paid. Invoice details and date passed for payment will be entered on the order.

The procurement unit will maintain a control document for all orders raised. This should show:

- i Order number (sequential within each order book)
- ii Order date
- iii Providers particulars
- iv Order value
- v Requisition number
- vi Date supplies/services delivered
- vii GRN
- viii Payment Voucher (PV) date
- ix PV No.

A copy of all orders issued by Makerere University shall be available in Stores. Materials not justified

with a valid order shall not be accepted into the store, except those that are subject to emergency procurement.

12.6 PAYMENT TO PROVIDERS

12.6.1 Payment Terms

Bidding documents and the resulting contracts shall specify the payment terms that apply to a contract and these shall include:

12.6.2 Payment method

Makerere University shall agree with a provider on the method of payment for a contract. This method of payment shall be comprehensively specified in a contract.

12.6.3 Payment Structure

Makerere University shall state in the bidding documents and the resulting contract, the structure of the payment to be made. A payment structure may include:

1. Advance payments
2. Stage payments which should be linked to specific deliverables
3. Regular interim payments which should be based on general progress or the work performed
4. Retained payment which should be linked to a specific contract event such as installation or warranty

12.6.4 Payment Documents

Payment to a provider/supplier will require an original invoice from the provider.

The bidding documents shall clearly state the documents against which each payment shall be made. A payment document may include a document certifying or proving that:

- a) The delivery or receipt of supplies, works or services is in accordance with the terms of the contract;
- b) Content of the consignments delivered;
- c) Insurance coverage of the delivered items;
- d) Successful inspection of the delivered items;
- e) Goods Received Note (GRN) for supplies received into stores
- f) Origin or eligibility of the delivered items
- g) Payment of costs specified in the contract, such as duties, levies, taxes that may be due and payable by the Provider on the delivered items;
- h) Acceptance of installation or commissioning of the delivered items by the user department;
- i) Receipt or acceptance of reports, manuals, guides, or other documentation

- required as a deliverable against a contract;
- j) The actual time period worked
- k) Actual works or services completed;
- l) The payment of sums due to sub-contractors.
- m) The actual sums paid for reimbursable costs, such as air tickets

12.6.5 Verification of Supplies/Services

The Internal Audit or the User Department of Mak shall verify the delivery of supplies or certify the provision of services before payment to any provider is processed.

The user unit and store keeper shall submit to PDU one set of verified delivery note, goods received note, tax invoice and completion certificates in case of works and services.

12.6.6 Payment Period

The period for payment shall be 30 days from certification of Invoices except where this is varied in the Special Conditions of Contract.

12.6.7 Payment Currency

Bidding documents shall state any limitations on the currency of bidding or the currency of payment that may apply to a procurement proceeding or resulting contract.

12.5.8 Contract completion /Closing Files

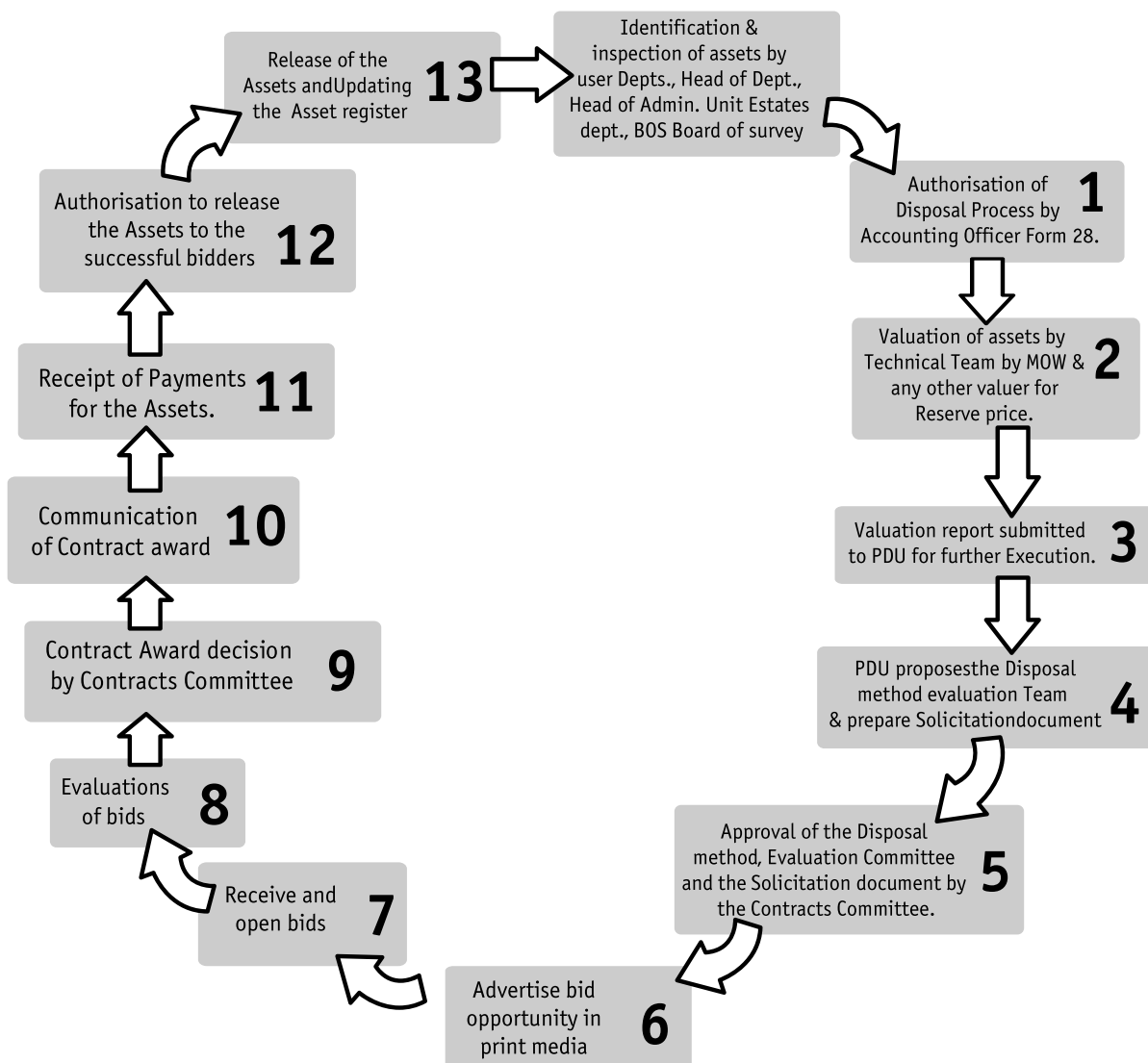
Contract completion entails the confirmation that all obligations have been met, identification of any residual obligations and how they will be fulfilled, settlement of final payments, assessment of contractor, and the administrative closing of files.

A procurement transaction shall be considered to have been concluded when:

- a Purchase order is fully delivered
 - b All payments are made and,
 - c A copy of payment voucher is sent to PDU for contract management file
 - d No claims or investigations are pending on the contract
- Thereafter, files shall be closed and sent to archives.

13.0 DISPOSAL CYCLE & PROCESSES

13.1: Disposal Cycle



13.2: Disposal Processes (showing the time frames)

S/No	Activity	Responsible Office (s)	Duration of Activity (Working days)
1.	Board of Survey from Ministry of Finance inspects the assets due for disposal	<ul style="list-style-type: none"> • Board of Survey • PDU • Estates & Works Dept. 	10 days
2.	Authorisation of the Disposal process (Form 28)	AO	5 days
3.	Valuation of the Assets to determine the reserve prices and submission of the valuation report to the AO	Ministry of Works & Transport	30 days
4.	Forwarding of the valuation report to the PDU to proceed with the disposal process.	AO	3 days
5.	Preparation of the Solicitation document for bids and nomination of the Evaluation Committee	PDU	5 days
6.	Approval of the Disposal method, Solicitation document and the Evaluation Committee.	Contracts Committee	4 days
7.	Issuance of the advertisement /invitation letter for bids	PDU	2 days
8.	Preparation of bids by the bidders and provision of clarifications where necessary	<ul style="list-style-type: none"> • Bidders • PDU 	15 days
9.	Receipt & Opening of bids	PDU	1 day
10.	Evaluation of bids	PDU	10 days
11.	Approval of the evaluation report (contract awards)	Contracts Committee	5 days
12.	Communication of contract awards to successful bidders	PDU	3 days
13.	Receipt of payments from the successful bidders for the assets	Finance Dept. (Accounts)	10 days
14.	Authorisation to release the Assets to the successful bidders after payment	<ul style="list-style-type: none"> • PDU • Estates & Works Dept. • Main Store keeper • Heads of Dept./Colleges 	3 days

14.0: DISPOSAL METHODS AND PROCEDURES

14.1 Application of rules to disposal of assets

Disposal of public assets shall be carried out in accordance with the provisions of the PPDA Act, Regulations and the Guidelines.

The University Secretary (Accounting Officer) shall ensure that the assets of the University shall be reviewed on an annual basis, to identify those which are obsolete and should be subject to disposal. The User department will be responsible for identification of assets to be disposed off. Assets to be disposed of shall be grouped in contracts or lots in a manner which attracts maximum possible competition.

Where an asset is to be disposed of through a public auction, the University shall maximize the number of assets to be disposed of at a time in order to reduce administration and transaction costs.

The University may pool assets for purposes of common disposal and may use a Board of Survey (BOS) to identify assets to be disposed of on a periodic basis.

A User Unit shall initiate the disposal process for assets under its management. Initiation of disposal requirement may follow the recommendation of a Board of Survey.

Approval to commence disposal proceedings shall be approved by the University Secretary or an authorized officer.

14.2 Record of disposal of assets

The following records shall be open to inspection by the PPDA and any other relevant Authority during working hours.

- (a) records of a disposal process;
- (b) records relating to contracts management;
- (c) records of the Contracts Committee;
- (d) records of the Accounting Officer which relate to disposal, contracts management, disagreements with the Contracts Committee or investigations of complaints.

14.3 Records of disposal of public assets shall contain the following documents, where appropriate:

- (a) a request to initiate disposal proceedings, including a report of a Board of Survey;
- (b) a copy of an invitation notice, if any;
- (c) copies of solicitation documents, their amendments or clarifications and any additional information such as an auctioneer's catalogue or general descriptive literature;
- (d) a report of inspection of the assets by potential bidders;
- (e) a record of bid openings;
- (f) a copy of all bids evaluated, clarifications requested and responses received;

- (g) the evaluation report, if any;
- (h) minutes of the disposal, and negotiation proceedings;
- (i) a copy of a letter of bid acceptance to a successful bidder, if any
- (j) the contract, if any;
- (k) documents related to contracts management, including records of receipts of payment and handing over certificates;
- (l) a copy of the update to the University's asset register;
- (m) a copy of all submissions to the Contracts Committee and all decisions related to the disposal, including, the choice of disposal method, approval of solicitation documents, approval of an evaluation report, approval of negotiations, contract award decision, approval of contract documents
and any decision to suspend or cancel disposal proceedings;
- (n) NEMA approval and a destruction certificate.

14.4 Description of assets

The University shall obtain valuations of an asset prior to the commencement of any disposal proceedings. The solicitation documents or notices, and any additional information made available to a prospective bidder, shall specify that the asset is to be sold on an "as is, where is" basis. There shall be a disclaimer regarding all liability after sale.

The University shall give a full and accurate description of an asset to be disposed of. A warranty shall not be offered on an asset to be disposed.

14.5 Solicitation documents

Solicitation documents shall be drawn using the format provided by PPDA and shall include:

- (a) a description of the asset to be disposed of;
- (b) a statement that the asset is sold on an "as is, where is" basis or an alternative basis for sale;
- (c) the location of the asset and arrangements for a potential bidder to inspect the asset;
- (d) the requirement for a bid security;
- (e) the deadline, location and method for submission of a bid;
- (f) the arrangements for a public bid opening;
- (g) qualification requirements to be met by a bidder;
- (h) the method for evaluating bids and awarding a contract;
- (i) conditions of sale;
- (j) the payment procedure handing over arrangements;
- (k) a statement confirming that the risk and cost of dismantling and removing an asset shall be the responsibility of a successful bidder, or any other arrangements;

14.5.1 Solicitation documents may be sold at a nominal price to basically cover the costs of photo copying and issuing the documents.

14.5.2 Each solicitation document shall have a reference number in the mode recommended by PPDA Act, Regulations and Guideline..

14.6 Advertising and bidding periods

Advertising and bidding periods shall be based on:

- (a) the need to allow sufficient time for a potential bidder to inspect an asset prior to bidding;
- (b) the time needed to obtain written solicitation documents;
- (c) the level of detail required in a written bid;
- (d) the time required for preparation and submission of a written bid.

14.7 Methods for disposal of public assets

The University shall select one of the following disposal methods:

- (a) public auction;
- (b) public bidding;
- (c) sale to public officers;
- (d) direct negotiations;
- (e) trade-in;
- (f) transfer to another procuring and disposing entity;
- (g) conversion or classification of assets into another form;
- (h) destruction of assets;
- (i) Donation.

14.8 Selecting a disposal method

15.11.1 In selecting a disposal method the following factors shall be taken into account:

- (a) the potential market value of the asset;
- (b) the volume of the asset, whether one-off or bulk;
- (d) the number and location of potential bidders;
- (e) the location of the asset;
- (g) national security and public interest issues;
- (h) health and safety issues;
- (i) legal or human rights issues;
- (j) environmental considerations;
- (k) the trade-in value of the asset;
- (l) the possibility of transferring the asset to another procuring and disposing entity.

14.9 Conditions for use of public auction.

The bidding period under public auction will be 10 working days

A public auction may be used where:

- (a) there are no conditions of end-user or export restrictions attached to the sale;
- (b) there is a large number of potential bidders or assets to be disposed of in one location and where an onsite auction is arranged to avoid transport costs.

14.10 Conditions for use of public bidding.

The bidding period under public bidding will be 15 working days

Public bidding may be used:

- (a) for high-value or unusual assets;
- (b) for assets located in remote areas;
- (d) for assets that have a geographically dispersed potential market;
- (e) for assets with end-user or export restrictions attached to their sale;
- (f) where conditions need to be attached to the sale of the asset;
- (g) where post-bid negotiations may be required.

14.11 Conditions for use of sale to public officer.

The bidding period under the sale to public officer method will be 10 working days

To promote fairness and competition, University shall not dispose of an asset outside of a public process where an open and competitive process may be successful.

Disposal may be by sale to a public officer:

- (a) where there is no likely benefit or financial advantage to the University in using any other disposal method;
- (b) where the assets for disposal are a small number of low value items which are unlikely to attract public interest;
- (c) where the personal use of disposal assets would directly benefit the performance of a public officer in the execution of his or her duties within the University ;
- (d) in remote locations, where any other method of disposal would be difficult;

Disposal by sale to public officials shall be contracted to an independent agent;

Assets for sale to public officers shall be for personal use but not business or commercial use.

An employee of the University shall not be permitted to participate in any disposal process as a bidder, except under the sale to public officer’s method or public bidding.

14.12 Conditions for use of direct negotiations.

The bidding period for direct negotiations will be 3 working days

Direct negotiations may be used where:

- (a) the market is limited and a single buyer who is willing to pay the reserve price has been identified;
- (b) national security, public interest, legal or human rights issues or environmental considerations are served by selling to a particular organization, group or individual;
- (c) a potential buyer is a tenant, occupier or user of an asset at the time the decision to dispose of the asset is made, and it is reasonable to give that "sitting" tenant first option to buy the asset at a market rate; an asset is located on a potential buyer's premises on a hire or free-use basis and it is reasonable to give that person first option to buy the asset at a market rate.

A Contracts Committee shall approve the use of direct negotiations disposal method prior to the commencement of disposal proceedings.

14.13 Conditions for donations.

The Bidding period will be determined by Procurement & Disposal Entity.

If approved by the University Council and Management, the University Secretary (Accounting Officer) shall write informing the Contracts Committee about the University decision to make a donation. The information shall cover the following:

- (a) name of the recipient of the donation;
- (b) details of the asset;
- (c) a declaration that the donation is for charity or philanthropic purposes only.
- (d) The Contracts Committee shall display on the notice the decision to donate assets for ten (10) days.
- (e) After the display period, the Contracts Committee shall request the PDU to liaise with the User Units where the assets are and make the necessary arrangements for the University Secretary or his/her authorized representative to hand over the donation to the concerned party.

15.0 PROCUREMENT AND DISPOSAL REPORTING

15.1 Reports to University Management

The PDU shall prepare a Procurement and Disposal Report of mainly high value items in supplies, works, services and high value disposed items for the University Secretary/ Accounting Officer and the University Management at the end of every month. This is to update the high offices of what is transpiring in the area of contract awards, their progress as regards deliveries, installation, commissioning & payments or even completed contracts awarded by the Contracts Committee

15.2 Procurement performance measurement System (PPMS)

According to the requirement by the PPDA, PDU shall prepare PPMS reports for the Authority during every financial year for the Authority to monitor compliance by the Entity on PPDA rules & regulations. The PPMS report will also reflect data on the total amounts in Uganda Shillings of the procurements and disposals handled in that financial year.

15.3 Objectives of the PPMS

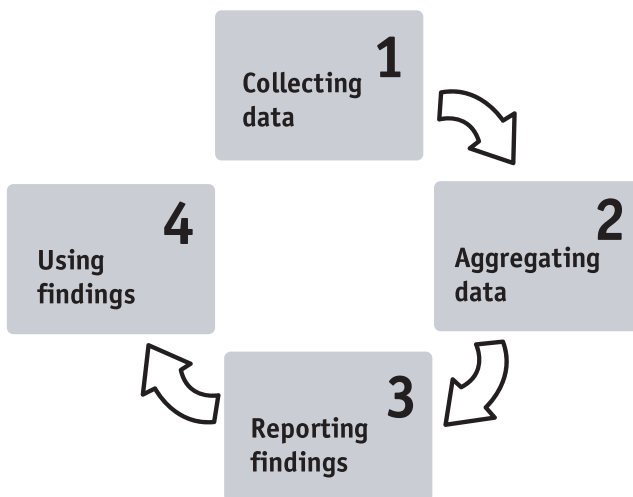
The overall objective of the PPMS is to bring about knowledge of procurement performance at PDE level as well as at the level of PPDA itself. By doing so, PPMS aims to assist the PPDA in two important respects.

- (a) To guide and adjust the continued public procurement reform efforts led by PPDA
- (b) To inform external stakeholders (Ministry of Finance, Auditor General, development partners, the public) about the results of the activities carried out by PPDA.

In short the PPMS is designed to make it possible to measure procurement performance, throughout the procurement cycle, allowing for tracking of progress over time. In this way, the system will enable the PPDA to analyse performance related strengths and weaknesses throughout the procurement cycle (for example weaknesses related to procurement planning, bid evaluation, or contract management practices), to support such weaknesses through targeted capacity development interventions and to report on progress to different stakeholders.

15.4 The PPMS Cycle

The PPMS is designed as a permanent monitoring system revolving around four core steps, which together constitute a recurring monitoring cycle as illustrated below.



The four consecutive steps of the PPMS cycle together represent the milestone of the system and constitute the framework for measuring procurement performance.

15.5 Monthly Reports on Procurements and Disposal

PDU shall periodically presents reports on procurements and disposal activities to the contracts committee. Makerere University shall according to Regulation 20 under statutory instrument No.7 of the PPDA Regulations 2014 for (Procuring and Disposing Entities) submit its monthly report by the 15th day of each month for the previous month; its monthly report on procurement and disposal to the Authority using form 2.

- Copies of the minutes or the month reported on are to be attached and procurements or disposals are to be properly referenced.
- Reports on Procurements handled by College Sub-PDU’s shall be submitted to the contracts committee through the Main PDU and included in the monthly reports to the Authority.

Annex 1

Insert Name of Procuring and Disposing Entity

**PP Form 211
R57 (3),R169(9),R221(7)**

ACCEPTANCE OF CODE OF ETHICAL CONDUCT IN BUSINESS

I hereby declare that I have read the Code of Ethical Conduct in Business and that I will execute my responsibilities with regard to procurement and disposal in accordance with this code.

CODE OF ETHICAL CONDUCT IN BUSINESS

(Cited in Section 93(1) of the Public Procurement and Disposal of Public Assets Act, 2003 and specified in the Fifth Schedule to the Act)

1. Ethical principles.

(1) Employees shall not use their authority or office for personal gain and shall seek to uphold and enhance the reputation of the Ugandan Government at home and abroad by-

- (a) maintaining an impeccable standard of integrity in all business relationships both inside and outside the organisations in which they are employed;
- (b) fostering the highest possible standards of competence;
- (c) optimising the use of resources for which they are responsible to provide the maximum benefit to Uganda; and
- (d) complying both with the letter and the spirit of-
 - (i) the laws of Uganda and regulatory guidance;
 - (ii) accepted business practices in commercial markets; and
 - (iii) contractual conditions.

2. Conflict of interest.

Employees shall reveal any personal interest that may impinge or might reasonably be deemed by others to impinge on an employee's business dealings with an industry.

3. Confidentiality and accuracy of information.

(1) Employees shall respect the confidentiality of information received in the course of business dealings and shall never use such information for personal gain.

(2) Information given by employees in the course of business dealings shall be true and fair and not designed to mislead.

4. Competition.

Employees shall avoid any business arrangement that might prevent the effective operation of fair competition.

5. Business gifts.

Employees shall not accept business gifts from current or potential Government Providers unless such gifts are of very small intrinsic value such as a calendar or a pen.

6. Hospitality.

Employees shall refrain from any business hospitality that might be viewed by others as having an influence in making a government business decision as result of accepting that hospitality.

7. Restrictiveness.

A member of the Authority, a procuring and disposing entity or expert contracted to deliver specific services shall not use to his or her personal or organizational advantage, information acquired by him or her by virtue of his or her association with the Authority or a procuring and disposing entity for a period of one year after vacating office or ceasing to render the specific services.

Signature _____ Name: _____

:

Position: _____ Date: _____
 (DD/MM/YY)

Annex 2

CODE OF ETHICAL CONDUCT IN BUSINESS FOR BIDDERS AND PROVIDERS

(Under Section 93 of the Public Procurement and Disposal of Public Assets Act, 2003)

1. Ethical principles.

- (1) Bidders and providers shall at all times-
- (a) maintain integrity and independence in their professional judgment and conduct;
 - (b) complying with both with the letter and the spirit of-
 - (i) the laws of Uganda
 - (ii) any contract awarded
 - (c) avoid association with businesses and organization which are in conflict with this code.

2. Standard

Bidders and providers shall:-

- (a) strive to provide works, services and supplies of high quality and accept full responsibility for all works, services or supplies provided;
- (b) comply with the professional standards of their industry or of any professional body of which they are members.

3. Conflict of Interest

Bidders and providers shall not accept contracts which would constitute a conflict of interest with any prior or current contract with any procuring and disposing entity . Bidders and providers shall disclose to all concerned parties those conflicts of interest that cannot reasonably be avoided or escaped.

4. Confidentiality and Accuracy of information

- (1) Information given by bidders and providers in the course of procurement process or the performance of contracts shall be true, fair and not designed to mislead.
- (2) Providers shall respect the confidentiality of information received in the course of performance of a contract and shall not use such information for personal gain.

5. Business gifts.

Bidders and providers shall not offer gifts of hospitality directly or indirectly, to staff of a procuring and disposing entity that might be viewed by others as having an influence on a government procurement decision.

6. Inducements

- (1) Bidders and providers shall not offer or give anything of value to influence the action on a public official in the procurement process or in contract execution.
- (2) Bidders and providers shall not ask a public official to do anything which is inconsistent with the Act, Regulation, Guidelines or the Code of Ethical Conduct in Business.

7. Fraudulent Practices

Bidders and providers shall not –

- (a) Collude with other businesses and organizations with the intention of depriving a procuring and disposing entity of the benefits of free and open competition.
- (b) enter into business arrangements that might prevent the effective operation of fair competition.

- (c) engage in deceptive financial practices, such as bribery, double billing or other improper financial practices;
- (d) Withholding information from the PDE during contract execution in the detriment of the PDE

- (e) misrepresent facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring and Disposal Entity; or utter false documents;
- (f) Unlawfully obtain information relating to a procurement process in order to influence the process of execution of a contract to the detriment of the PDE

I..... agree to comply with the above code of ethical conduct in business

AUTHORISED SIGNATORY

NAME OF BIDDER/PROVIDER

Signature _____

Name: _____

:

Position: _____

Date: _____

(DD/MM/YY)

NAME OF PROCURING AND DISPOSING ENTITY

User Department Procurement Plan for Supplies, Works, Non Consultancy and Consultancy Services

Area/Section/Department

Financial Year

S/N	Subject of procurement	Quantity/ Unit measure	Currency and Estimated cost	Source of funding	Date when goods/services/ works are required
1					
2					
3					
4					
5					
6					
7					
8					
9					

Prepared by User:

Name:

Signature:

Date:

.....

Approval by Head of Department

Name:

Signature:

Date:

Received by Head of PDU

Name:

Signature:

Date:

Annex 4

NAME OF PROCURING AND DISPOSING ENTITY

CONSOLIDATED DISPOSAL PLAN

FINANCIAL YEAR.....

S/N	Asset to be disposed	Reference Number in the Asset Register where applicable	Quantity and Unit of Measure	Value given by the Board of Survey where applicable	Method of Disposal	Period within which the disposal should take place			
						Q1	Q2	Q3	Q4
1.									
2.									
3.									
4.									
5.									
6.									

Prepared by PDU

Name:

Signature:

Date:

.....

Approval by Head Finance and Administration

Name:

Signature:

Date:

Approval by Accounting Officer

Name:

Signature:

Date:

THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT, 2003

REQUEST FOR APPROVAL OF PROCUREMENT**PART I: REQUEST BY USER DEPARTMENT FOR APPROVAL OF PROCUREMENT**

Procurement Reference Number					
Code of Procuring and Disposing Entity		Supplies/Works/Non-consultancy services		Financial year	
				Sequence number	
Particulars of Procurement					
Subject of Procurement					
Procurement Plan Reference					
Location for Delivery					
Date Required					
Details relating to the Procurement					
Item No.	Description <i>(Attach specifications, terms of reference or scope of works)</i>	Quantity	Unit of Measure	Estimated Unit Cost	Market price of the procurement
				Currency: _____	
				Estimated Total Cost: _____	

(1) Request for Procurement
(Member of user department)

(2) Confirmation of request
(Head of user department)

Name: _____
 Signature: _____
 Title: _____
 Date: _____

Availability of funds to be confirmed prior to approval by Accounting Officer:

Vote/head No	Programme	Sub-programme	Item	Balance remaining

(3) Confirmation of funding and approval to procure
 (Accounting Officer)

Name: _____
 Signature: _____
 Title: _____
 Date: _____

PART II: REQUEST BY PROCUREMENT AND DISPOSAL UNIT TO CONTRACTS COMMITTEE FOR APPROVAL OF PROCUREMENT METHOD

	Submission by the Procurement and Disposal Unit	Decision by the Contracts Committee	Conditions/ Justification for decision
	Date of submission to Contracts Committee:	Date/reference of Contracts Committee meeting:	
1.	Recommended method of procurement and justification		
2.	Names of shortlisted provider (s) and justification for selection		
3.	Bidding document. Persons involved in preparation of proposal document (<i>Names and positions</i>)		
4.	Names of persons recommended to constitute the Evaluation Committee and the justification (<i>Names and positions</i>)		
5.	Cost of the bidding document, if any		
6.	Any other information		

Documents attached:

1. Bidding Document

MAKERERE UNIVERSITY

Declaration by Procurement and Disposal Unit

The information contained in this form and the attached documents is complete, true and accurate and in accordance with the Public Procurement and Disposal of Public Assets Act, 2003.

Name: _____

Position: _____

Signature: _____

Date: _____

Signature: _____

Date: _____

Name: _____

Position: **Secretary Contracts Committee**

Signature: _____

Date: _____

Declaration by Contracts Committee

The information contained in this form is a true and accurate record of the decision of the Contracts Committee meeting held on the above date.

Name: _____

Position: **Chairperson Contracts Committee**

FORM 8

Regulation 47(3)

THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT, 2003

RECORD OF SALE OR ISSUE OF BIDDING DOCUMENTS OR ADDENDA

Procurement Reference Number							
Code of Procuring and Disposing Entity		Supplies/Works/ Non-consultancy services		Financial year		Sequence number	
Particulars of Procurement							
Subject of procurement							
Date of publication of bid notice							
Date bid document or addendum is available							
Addendum number							
Particulars of Issue of Bidding Documents or Addendum							
No.	Name and address of bidder	Date of application for the document*	Fee paid	Date and time of issue of documents	Person issued with the document and address	Signature of person issued with document	Name and Signature of officer issuing document

I hereby certify that the above is a true and accurate record of the issue of bidding documents.

Name: _____ Position: _____ Signature: _____ Date: _____

Annex 7

FORM 11

Regulation 59(3), 59 (8), 60(7)

THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT, 2003

RECORD OF BIDS RECEIVED

Procurement Reference Number							
Code of Procuring and Disposing Entity		Supplies/Works/ Non-consultancy services		Financial year		Sequence number	
Particulars of procurement							
Subject of procurement							
Deadline for bid submission (date and time)							
Location for bid closing							
Particulars of receipt or bid closing							
No.	Name and address of bidder	Date of receipt	Time of receipt	Number of envelopes	Method of receipt: person/ bid box	Name of officer who received the bid	Signature of officer who received the bid

Name: _____ Position: _____

Signature: _____ Date: _____

Name: _____ Position: _____

Signature: _____ Date: _____

FORM 12

Regulation 65 (9), 65(10)

THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT, 2003

RECORD OF BID OPENING

Procurement Reference Number						
Code of Procuring and Disposing Entity		Supplies/Works/ Non-consultancy services		Financial year		Sequence number
Particulars of Procurement						
Subject of procurement						
Date and time of bid opening						
Location for bid opening						
Type of opening Technical/Financial/Combined opening						
PART 1 - PARTICULARS OF BID OPENING						
No	Name and address of the bidder	Currency and price as read out	Bid security received (Yes/No)	Bid security amount*	No of copies	Power of attorney*

Name: _____

Position: _____

Signature: _____

Date: _____

Name: _____

Position: _____

Signature: _____

Date: _____

PART II: RECORD OF ATTENDANCE

No	Name and address	Position	Company or department	Signature

Insert Name of Procuring and Disposing Entity

PP Form 209

R53(3), R51(8)

CONTRACTS COMMITTEE DECISION ON A SUBMISION

Procurement Reference Number					
PD Entity Code	Wrks/Srvcs/Supplies?	Budget Year	Sequence Number	ITB Number	Contract Number

SUBMISSION INFORMATION	
Subject of Procurement or Disposal	
Submission made (Section Letter and Title of Submission Form)	
Date/reference of Contracts Committee Meeting	
CONTRACTS COMMITTEE DECISION	
<p>Approval / Rejection of Submission to Contracts Committee <i>(delete as applicable)</i></p> <p><i>List all conditions to any approval; list all reasons for any rejection.</i></p> <p>For Contract Awards, Documents and Amendments, state name of successful bidder/provider and total of contract award or amendment (currency, amount, including/excluding VAT and increase/decrease if applicable).</p> <p>All contract documents, Letters of Bid Acceptance and contract amendments must be signed by the Accounting Officer or an official authorised by the Accounting Officer to sign. For procurement requirements, any request to sign submitted to the Accounting Officer must state the earliest date on which the document may be issued, allowing sufficient time for publication of a Notice of Best Evaluated Bidder, where required. For procurement requirements, funds must be committed before the issue of any such document. Where required, clearance must be obtained from the Solicitor General before the issue of any document.</p>	

Signature: _____ Name: _____
 Position: _____ Date: _____
 (DD/MM/YY)

Annex 10

MAKERERE UNIVERSITY

R224(1)

Best Evaluated Bidder Notice

(for Procurement and Disposal Notice Board)

The bidder named below has been evaluated as the best evaluated bidder for the procurement requirement detailed below. It is the intention of the Procuring and Disposing Entity to place a contract with the bidder named after ten working days from the date for display given below.

Procurement Reference number:	
Subject of Procurement:	
Method of Procurement:	
Name of Best Evaluated Bidder:	
Total Contract Price:	
Award of contract decision Ref.	
Date for Display:	
Date for Removal:	

Display of this Notice does not constitute an acceptance of the bid described above or the formation of a contract. Bid acceptance and contract placement shall be in accordance with the Regulations.

Authorised for display on Procurement and Disposal Notice Board:

Signature
:

Name:

Position:

Date:



MAKMAKERERE UNIVERSITY

P. O. Box 7062 Kampala, Uganda

(This order Is not valid until serially numbered and Officially stamped)

To Date:

Quantity	Description	Total Price

.....
 HEAD, FACULTY/DEPT OF:
 (Signature & Stamp)

.....
 HEAD/PROCUREMENT & DISPOSAL UNIT
 (Signature & Stamp)

Important

1. All invoices and Statements to be addressed to Makerere University, Kampala P.O. Box 7062 Kampala
2. One Invoice should cover all the items ordered above, as far as is possible
3. Beware of delivering goods to strangers or unauthorized Persons

Annex 12

FORM 49

Regulation 51(3)

THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT, 2003

CONTRACT MANAGEMENT PLAN

PART I - SUPPLIES

Procurement Reference Number			
Code of Procuring and Disposing Entity	Supplies	Financial year	Sequence number
Subject of Procurement			
Provider			
Contract Value			

1. Contract start date	
2. Delivery date	
3. Contract completion date if different from 2.	
Deliverables	
Item	Quantity
Contract Start-up/Mobilization and Guarantees (Where applicable)	
Letter of credit issued, if applicable	
Performance guarantee	<i>Amount :</i>
	<i>Latest date for receipt:</i>
Date of release of bid security	
Advance payment guarantee	<i>Amount :</i>
	<i>Latest date for receipt:</i>
Release of guarantees	
Inspection (Where applicable)	
Point of inspection	
Inspection agency	
Point of delivery	
Acceptance/handover	

Contract Progress	
Installation and commissioning (Where applicable)	
Installation date	
Commissioning date	
Interim or stage payments	<i>See attached sheet</i>
Contract Completion	
Liquidated damages due if any	
Final Payment	Amount
	Date
Warranty/Guarantee (Where applicable)	
Warranty/ Guarantee start date	
Warranty/ Guarantee expiry date	

Contract Implementation Plan prepared by: Contract Manager

Name:..... Position.....

Signature Date

Schedule of Deliverables and Stage Payment Certificates for Multi Deliverable Contracts

<i>Deliverable</i>	<i>Expected date</i>	<i>Actual date Submitted</i>	<i>Expected Amount</i>	<i>Actual Amount</i>	<i>Approval Date</i>	<i>Date of Invoice</i>	<i>Date of Payment</i>	<i>Interest due Y/N</i>	<i>Remarks</i>
									<i>Advance payment?</i>
									<i>Letter of Credit?</i>

Contract management plan prepared by:

Name:..... Position.....

Signature Date

Part II – Works

Procurement Reference Number			
Code of Procuring and Disposing Entity	Works	Financial year	Sequence number
Subject of Procurement			
Provider			
Contract Value			

Contract start date	
Contract end date <i>(Start Date + Time for completion)</i>	
Site possession date to contractor	
Supervisor or the engineer	

Guarantees (Where applicable)

Performance guarantee	<i>Amount :</i>
	<i>Latest date for receipt:</i>
Advance payment guarantee	<i>Amount :</i>
	<i>Latest date for receipt:</i>
Date of release of bid security	
Date of release of advance payment guarantee	

Contract Progress

Interim or Stage payments	<i>See attached sheet</i>
---------------------------	---------------------------

Contract Completion

Date of taking over certificate	<i>(Release of % of Retention where applicable)</i>
Extension of time, if any	
Delay, if any	
Liquidated damages due, if any	

Date of performance certificate	<i>(date of taking over certificate+ defects notification period and release of remaining % of retention)</i>
Return of performance security	
Final Payment	<i>Amount</i>
	<i>Date</i>
Retentions (Where applicable)	
The proportion of payments to be retained <i>[insert percent]</i> percent.
Defects Liability Period (Where applicable)	
Defects liability period	
Contractual Date of Performance Certificate	<i>(contract completion date + defects notification period)</i>

Contract management plan prepared by:

Name:..... Position.....

Signature Date

Schedule of Interim Payment Certificates

No	Expected date	Actual date Submitted	Expected Amount	Actual Amount	Date of Certification	Date of Invoice	Date of Payment	Interest due Y/N	Remarks
									Advance payment?
									Letter of Credit?
									First Return of % of Retention
									Return of Remaining % of Retention

Contract management plan prepared by:

Name:..... Position.....

Signature Date

Part III - Consultancy Services

Procurement Reference Number			
Code of Procuring and Disposing Entity	Consultancy Services	Financial year	Sequence number
Subject of Procurement			
Provider			
Contract Value			

Contract Duration	
Contract start date	
Contract Completion date	

Deliverables		
No.	Deliverable	Date expected

Payment Schedule (Where applicable)				
Percentage payment	Deliverable	Amount to be paid	Amount outstanding on contract	
Lumpsum				
Time based				

Contract management plan prepared by:

Name:..... Position.....

Signature Date

Part IV- Non Consultancy Services

Procurement Reference Number			
Code of Procuring and Disposing Entity	Non Consultancy Services	Financial year	Sequence number
Subject of Procurement			
Provider			
Contract Value			

Contract duration		
Contract start date		
Contract completion date		
Deliverables		
No.	Deliverable	Dates expected
Guarantees (Where applicable)		
Performance guarantee		<i>Amount :</i>
		<i>Latest date for receipt:</i>
Date of release of Bid Security		
Advance payment guarantee		<i>Amount :</i>
		<i>Latest date for receipt:</i>
Installation and commissioning (Where applicable)		
Installation date		
Commissioning date		
Payment Schedule		
Interim/stage payments		Milestones
Lumpsum		
Time based		
Contract completion		
Liquidated damages due if any		
Final Payment		Amount
		Date

Contract management plan prepared by:

Name:..... Position.....

Signature Date

MAKERERE UNIVERSITY

SUPPLIES RECEIVED NOTE

NO. CS

SUPPLIER/DEPTP.O. OR CONTRACT
NO.....RETURN NO.....

SUPPLIER CODE NO..... ACCOUNT NO.....
SORT CODE NO.....

.....NO	CAT.NO	DESCRIPTION	U O M	PRICE	QTY RECD	POSTED				
						L/NO	BALANCE	S/C	COMPUTER	
								INTLS	L/NO	INTLS

CERTIFIED THE ABOVE ITEMS HAVE BEEN INSPECTED AND FOUND SATISFACTORY
*EXCEPT FOR

PREPARED BY.....

FORM 28

Regulation 3(6)

THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT, 2003

REQUISITION FOR DISPOSAL

Disposal Reference Number			
Code of Procuring and Disposing Entity	Financial Year	Sequence number	
Particulars of Disposal			
Subject of disposal:			
Disposal Plan Reference:			
Location/site of asset:			
Details relating to the asset for disposal			
Item No.	Description of asset <i>(Attach a detailed list or Board of Survey report)</i>	Reference number from Asset Register	Reserve Price
		Currency: _____	
		Estimated total value:	

(1) Request for Disposal
(Originating Officer)

(2) Approval to disposal
(Accounting Officer)

Name: _____
Signature: _____
Position: _____
Date: _____

Annex 15

FORM 2

Regulation 20(2)

THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT, 2003

MONTHLY REPORT ON PROCUREMENT
(Insert Name of Procuring and Disposing Entity)

Month of Reporting						
Financial year						
PART I: CONTRACTS AWARDED (except Micro Procurement)						
Procurement Reference Number	Subject of procurement	Method of procurement	Provider	Date of award of contract	Market price of the procurement	Contract value (Currency and amount)
				TOTAL		

PART IV: REPORT ON MICRO PROCUREMENTS					
No	Procurement reference number	Subject of procurement	Provider	Invoice and date of delivery/completion	Contract value (Currency and amount)
				Total value of micro procurements of the Procuring and Disposing Entity	

Declaration

I hereby certify that the above information is a true and accurate record of the micro procurement transactions undertaken by the user departments within the month.

Name: _____

Title: _____

Signature: _____

Date: _____

Accounting Officer

Attach relevant minutes of the Contracts Committee

Copy: Contracts Committee

Annex 16**Schedules of procurement and disposal forms & reports.**

- Form 1- Letter of Appointment to the Contract Committee.
- Form 2- Monthly Report of procurement.
- Form 3- Delegation of procurement Functions by Accounting Officer.
- Form 4- Delegation of Disposal Functions by Accounting Officer.
- Form 5- Report for approval of procurement submission to contracts committee.
- Form 6- Request by the procurement and Disposal Unit for Approval of Pre-qualification.
- Form 7- Report of assessment and pre-qualification evaluation.
- Form 8- Record of sale of bidding documents or addenda.
- Form 9- Request for approval of addendum to bidding documents.
- Form 10- Record of minutes of the pre-bidding meeting.
- Form 11- Record of bids received.
- Form 12- Record of bid opening.
- Form 13- Declaration to abide by code of Ethical Conduct in Business.
- Form 14- Technical Evaluation report under quality and cost based evaluation method.
- Form 15- Record of financial bid opening.
- Form 16- Evaluation report under technical compliance method.
- Form 17- Financial Evaluation report under quality and cost based evaluation method.
- Form 18- Requisition for procurement for consultancy services and submission to Contracts committee.
- Form 19- Evaluation report for expression of interest for consultancy services.
- Form 20- Record of issue of request for proposal or addenda.
- Form 21- Record of minutes of pre-proposal meeting.
- Form 22- Record of receipt of expression of interest /proposals.
- Form 23- Report of opening of of technical proposals.
- Form 24- Technical evaluation report for consultancy services.
- Form 25- Record of financial proposal opening.
- Form 26- Evaluation report of consultancy services.
- Form 27- Quarterly report on procurement and disposal contracts.
- Form 28- Requisition for disposal.
- Form 29- Request by the Procurement and Disposal Unit to contract Committee for Disposal by public bidding.
- Form 30- Record of issue or sale of bidding documents or addenda.
- Form 31- Request by the procurement and disposal unit to contracts committee for disposal by public auction.
- Form 32- Request by the procurement and disposal unit to contracts committee for disposal by direct negotiation.
- Form 33- Request by the procurement and disposal unit to contracts committee for disposal by sale to public officers.
- Form 34- Request by the procurement and disposal units to contracts committee for disposal by destruction.
- Form 35- Approval of destruction of public assets.
- Form 36- Request by the procurement and disposal unit to contracts committee for Disposal by conversion or classification of assets into another form.
- Form 37- Certificate of conversion of classification of asset into another form.

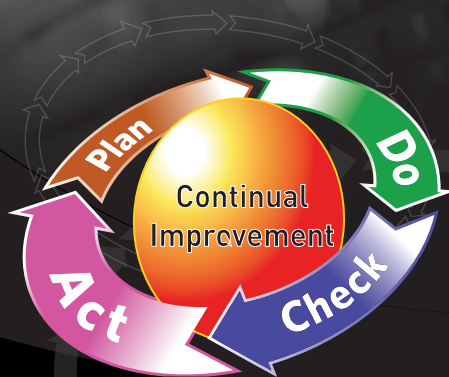
- Form 38- Request by the procurement and disposal unit to contracts committee for disposal by trade in.
- Form 39- Request by the procurement and disposal unit to contracts committee for Disposal by transfer to another procurement and disposing entity.
- Form 40- Agreement for the transfer of an asset to another procurement and disposing entity.
- Form 41- Request by the procurement and disposal unit to contracts committee for disposal by donation.
- Form 42- Confirmation of donation of asset.
- Form 43- Record of receipt of bids or bid closing.
- Form 44- Record of bid opening.
- Form 45- Disposal evaluation report.
- Form 46- Negotiations plan.
- Form 47- Record of public auction.
- Form 48- Monthly report on disposal.
- Form 49- Contract implementation form

Our Core Values:

1. A global outlook and outreach
2. Breath of vision, creativity and openness to change
3. Collaboration and team work.
4. Excellence and continuous improvement
5. Transparent and courteous internal and external communication in the organization
6. The highest intellectual and ethical standards and;
7. The values of humane and just society; and in realizing Makerere University as an internationally recognized and globally focused, research-intensive institution, with a vigorous learning and teaching environment; the University commits an unequivocal commitment to high quality permeating all dimensions of academic activities and support services.

Our mission:

To promote confidence in the quality provision (teaching, research and outreach services) that the quality and the standards of awards of Makerere University are safeguarded, enhanced and effectively managed.



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Makerere University
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Fax: +256 414 533640
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<http://qad.mak.ac.ug>