



**PROCUREMENT AUDITING AND SERVICE DELIVERY IN LOCAL
GOVERNMENTS OF UGANDA: THE CASE OF
MUKONO LOCAL GOVERNMENT**

BY

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**A RESEARCH DISSERTATION SUBMITTED TO THE SCHOOL OF
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DECLARATION

I, Charles Onoria, hereby declare that this dissertation is my original work and has never been submitted for any academic award or publication in any institution or University. Due acknowledgement has been made for the work of others in this report, through quotation and references.

Signed _____

Date _____

APPROVAL

This is to certify that this dissertation entitled “PROCUREMENT AUDITING AND SERVICE DELIVERY IN LOCAL GOVERNMENTS OF UGANDA: THE CASE OF MUKONO LOCAL GOVERNMENT” was conducted under our supervision. Its final report is now being submitted to Uganda Management Institute for examination with our approval.

PROF. BENON C. BASHEKA

Date: _____

MRS PROSS N OLUKA

Date: _____

DEDICATION

This work is dedicated to my dear wife, sons and daughters.

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I would like to express my thanks and gratitude to various people who contributed to the completion of this work. It is not possible to name all but I am greatly indebted to everyone. I wish to express my sincere gratitude to my supervisors Prof Benon Basheka and Mrs. Pross N Oluka whose support, guidance and constructive criticism and their untold commitment to supervise this research.

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LIST OF ABBREVIATIONS

CTB	;	Central Tender Board
CVI	:	Content Validity Index
IGG	:	Inspector General of Government
MDAs	:	Ministries, Departments and Agencies
MoLG	:	Ministry of Local Government
OAG	:	Office Of the Auditor General
OECD	:	Organization for Common Economic Development
PAC	:	Public Accounts Committee
PALMA	:	Procurement and logistics Management Association
PDEs	:	Procurement and Disposal Entities
PDU	;	Procurement and Disposal Unit
PPDA	:	Public Procurement and Disposal of Public Assets
VFM	:	Value for Money
UMI	:	Uganda Management Institute

ABSTRACT

The purpose of the study was to establish the extent to which public procurement auditing influences service delivery in local governments of Uganda. Specifically, the study examined the extent to which bid preparatory process auditing, contract execution auditing and contract completion auditing influences service delivery in Mukono local government. The study used a case study design using both quantitative and qualitative approaches on a population comprising of district officials and contractors in Mukono District Local Government. Data was collected using a questionnaire and interview guide. The study found out that bid preparatory audits significantly influenced service delivery (Adjusted $R^2=315$, $p =0.000$). The study also found out that contract performance auditing adversely affected service delivery in the local government (Adjusted $R^2=409$, $p =0.000$) while contract completion auditing affected service delivery in the local government (Adjusted $R^2=0.252$, $p =0.000$). The study concluded that bid preparatory process auditing significantly influences service delivery in local governments while contract execution auditing significantly influences service delivery in local governments. Contract completion auditing significantly influences service delivery in local governments. The study recommended that to enhance service delivery in local governments of Uganda, the PPDA Authority, MoLG, OAG, in liaison with the local government internal audit function should coordinate their activities through joint work plans to audit procurement planning and bid management processes. This should be complemented with demand for contract managers to perform prompt value for money audits and vendor ratings for all completed contracts and submitting reports to the different local government procurement stakeholders. Training of stakeholders in procurement audits was equally recommended.

CHAPTER ONE

INTRODUCTION

1.1 Introduction

In order to deliver the required services, all public organisations are required to observe laid down procurement rules and procedures which were enacted through several procurement reforms and restructuring (Roodhooft and Abbeele, 2006). A lot of money is expended in delivering goods, works and services and it has been indicated that public procurement expenditure accounts for a high proportion of total budget (Mahmood, 2010; Basheka and Bisangabasaija, 2010). For example, in Kenya, public procurement accounts for 60% (Akech, 2005), 58% in Angola, 40% in Malawi and 70% of Uganda's public spending (Wittig, 1999; Government of Uganda, 2006) as cited in Basheka and Bisangabasaija (2010). This is very high when compared with a global average of 12-20 % (Frøystad et al; 2010). Due to the colossal amount of money involved in government procurement and the fact that such money comes from the public, there is need for accountability and transparency (Hui et al; 2011) which can only be ascertained through auditing and compliance checks.

This study focused on procurement auditing and service delivery in Local Governments of Uganda. Procurement auditing is the independent variable while service delivery is the dependent variable. This chapter presents the background to the study, the statement of the problem, the purpose and objectives of the study, the research questions, the hypotheses, scope of the study, significance, justification, the conceptual framework, operational definition of terms and concepts and limitations to the study.

1.2 Background to the study

1.2.1 Historical Background

The history of public procurement can be traced from the earliest procurement order dates between 2400 and 2800 B.C for 50 jars of fragrant smooth oil for 600 small weights in grain written on a red clay tablet found in Syria (Coe, 1989, p. 87). Other evidence of historical procurement includes the development of the silk trade between China and a Greek colony in 800 B.C. Furthermore, in the United States, according to government procurement at the municipal level predates that of state and federal governments. From the traditional acquisition approach of basically ensuring availability of goods and services for the organization's value addition, public procurement has in the last two to three decades brought on board issues and processes of purchasing especially sustainable development in the supply chain (OECD, 2005).

Thai (2003); Agaba and Shipman (2007) highlighted that throughout the world public procurement attracted interest as stakeholders expressed dissatisfaction with public procurement processes in relation to misallocation of resources by public servants and politicians, inadequate infrastructure, inefficient services, and increasing indebtedness of governments especially in developing countries. To ensure effective service delivery, both developed and developing countries had to evaluate and streamline their public procurement systems through legal, institutional, procurement processes and personnel capacity reforms (OECD, 2005; Thai, 2003; World Bank, 2003).

Today, it is widely accepted that an effective public procurement system is defined as offering a high level of transparency, accountability and value for money in the application of a procurement budget which are critical to poverty reduction and aid

effectiveness. Hence, all parties in the development process must have a vested interest in promoting this critical pillar of good governance: and to do so, in the context of an open macro economic framework that promotes open competition, the free functioning of markets and the allocation of resources based on comparative advantages (OECD, 2005; Thai, 2004).

Public procurement reforms in East Africa in the 1970s according to Odiambo and Kamau (2003) were clearly undertaken by outside agents mainly the Crown Agents to supply post colonial government's needs through centralized supplies offices largely responsible for procurement contract management in their ministries. In Uganda, despite its implicit strengths, the old system also had a number of weaknesses as the Central Tender Board, which oversaw the procurement process in the country, had a set of disparate and outdated procurement regulations and procedures. Secondly, the responsibility for procurement was inconsistent among various procuring entities yet the government system operated through cash budgets that, because of a lack of coherent management attention to problems caused by this in the procurement area, made it an unreliable business partner. These problems were compounded by impoverished management practices in the procurement sub-system both at the central and district administrations. More importantly, the procurement system was marred with malpractice and unethical conduct with a high incidence of vested interests, interference and insider dealings. The lack of focus in the existing regulations and guidelines were giving rise to decisions, which were devoid of objectivity, accountability and transparency and resulted in a high incidence of corruption and high expenditure (Agaba & Shipman, 2007).

In Uganda, real public procurements reforms commenced in 1997, as a process and a key milestone, or the first key event was the National Public Procurement Forum held at the behest of the Ministry of Finance, Planning and Economic Development (MOFPED) in Entebbe.. This was on the realisation by the Government of Uganda that old procurement system could not deal satisfactorily with the emerging demands on the system in terms of transaction numbers, expanding value of procurement budgets, scale and technical complexity of procurement activities and eventual service delivery. These demands were being made against a backdrop of a lack of bureaucratic accountability and transparency and the absence of a culture of value for money procurement. Against this weak background, donors began to exert pressure on the Government to put in place the appropriate remedies.

In response, the Government created in May 1998 a twelve-man Task Force on Public Procurement Reforms comprising the private sector represented by Procurement and Logistics Management Association (PALMA) and the donor community by the World Bank. The Task Force was given comprehensive Terms of Reference and was meant to report to the Ministry of Finance, Planning and Economic Development within six months i.e., February 1999. By the turn of 2003, the Public Procurement and Disposal of Public Assets Act and regulations were enacted and came into force on 21st February 2003. It became the legal statute to guide Public Procurement and Disposal of Public Assets system in the country, established among others, a set of procurement methods envisaging achievement of value for money public procurement in both central and local government institutions (PPDA Act and Regulations, 2003; Agaba & Shipman, 2007).

One of the objectives of PPDA are contained in section six (6) of the PPDA Act 2003 that relates to procurement auditing states that the PPDA Authority is to ensure the application of fair, competitive, transparent, and non-discriminatory and value for money procurement and disposal standards and practices, harmonize the procurement and disposal policies, systems and practices of central government, local government and statutory bodies, set standards for the public procurement and disposal systems in Uganda, monitor compliance of procuring and disposing entities; and build procurement and disposal capacity in Uganda. Similarly, the functions of the PPDA are contained in section seven (7) of the PPDA Act 2003. These include: advising Central government, local governments and statutory bodies on all public procurement and disposal policies, principles and practices, monitor and report on the performance of the public procurement and disposal systems in Uganda and advising on desirable charges, setting training standards, competence levels, certification requirements and professional development paths in consultation with competent authorities, conducting periodic inspection of the records and proceedings of the procuring and disposing entities to ensure full and correct application of this act.

While instituting procurement audits, the authority can institute procurement or disposal audits during the bid preparatory process, institute contract audits in the course of the execution of an awarded bid and also institute performance audit after the completion of the contract in respect of any procurement or disposal, as may be required etc.

Public procurement non-compliance has generated a lot of debate in recent years in Uganda (Obanda, 2010; Eyaa and Oluka, 2011). However, these studies did not incorporate procurement audit as a variable. This has left a knowledge gap, which this

study intends to fill. The authors further argue that even in those few instances where the purchasing function is examined, researchers have focused almost exclusively on the process components of purchasing, instead of the of the potential impact of auditing has had on service delivery efficiency and effectiveness.

1.2.2. Theoretical Background

The public sector represents a principal-agent relationship (Jensen & Meckling, 1976). The officials, acting as the principal's agent must periodically account to the principal for their use and stewardship of resources and the extent to which the public's objectives have been accomplished. An effective audit activity reduces the risks inherent in a principal-agent relationship. The principal relies upon the auditor to provide an independent, objective evaluation of the accuracy of the agent's accounting and to report on whether the agent uses the resources in accordance with the principal's wishes.

The need for a third party to attest to the believability (credibility) of the financial reporting, performance results, compliance, and other measures arises from several factors inherent in the relationship between the principal and its agent. For example: Moral hazards — conflicts of interest: Agents may use their resources or authority to benefit their own interests, rather than the principal's interests.; Remoteness: Operations may be physically removed from the principal's' direct oversight.; Complexity: The principal may not possess the technical expertise needed to oversee the activity and Consequence of error: Errors may be costly when agents are stewards of large amounts of resources and are responsible for programs affecting citizens' lives and health (The Institute of Internal Auditors (2006).

The Parasuraman et.al (1985) service quality model on the other hand contends that service quality is a measure of how well delivered service matches customers expectation and the main reason to focus on quality is to meet the customer needs and identifies five aspects of tangibility, reliability, empathy, courtesy and responsiveness that may relate to any service. In using the service quality model, the study examined the extent to which the local government has been responsive, reliable and cost effective in its service delivery.

1.2.3. Conceptual background

Public Procurement Auditing can be summarily defined by Thai (2004) as a statutorily approved examination or investigation of public procurement processes and practice over a given period of time by an appointed and qualified Procurement Auditor in government ministries, departments, agencies (MDAs). The salient points worth noting here are that Public Procurement Auditing is authorized by law, is an independent and objective examination or investigation of the procurement processes in MDAs' expenditure of public funds and undertaken in a given period of time. Besides, the exercise shall be carried out by a statutorily authorized public Institution through qualified serving and/or appointed experts (PPDA Act, 2003). It is very important to emphasize that the purpose of Public Procurement Auditing is not to indict any concerned MDA but to simply ascertain whether or not, the public procurement Law, policies and practice have been adhered to within the public procurement framework (Hunja, 2003).

These are the important areas and issues that the Auditors must ascertain that MDAs adhered to while carrying out their procurement activities within the period under examination. These areas include, procurement planning, placement of the

procurement advertisement, evidence of pre-qualification, evidence of bidding process, evidence of Bid Opening and Bid evaluation, evidence of Award to ascertain here, whether the lowest responsive bidder was awarded the contract or not and the reason for the decision. Procurement auditing further extends to ascertaining payment to the Contractor/Consultant and provision of evidence of Procurement Offence(s) during contract executions (Thai, 2004; Hunja, 2003).

Service delivery is a broad concept but in a public entity perspective, it relates the level of responsiveness, quality of service, and cost effectiveness of the service or public goods and works (Carmen, Enrique & Maria, 2005). Responsiveness stresses that PDEs should endeavor to meet the aspirations, expectations and needs of the community served by the procurement (Walker & Keniger, 2002) while Quality is defined as the measure of the fitness of the service or product to fulfill the purpose defined in the procurement or conformance to established requirements (Carmen, et al., 2005). By avoiding dealing with indications of special merit, excellence, or degree of satisfaction, this definition provides a basis or measurement, i.e. the purpose defined in the procurement is either satisfied or not satisfied. Quality is equally considered as fitness for purpose (Walker & Keniger, 2002). Cost effectiveness on the other hand demands that the public resources invested in an acquisitions should bring value for money at a lesser or realistic cost from the limited government budget (PPDA, Act and Regulations, 2003).

1.2.4. Contextual Background

Both developed and developing countries have continued to reform their laws and regulations of which procurement audit is among. The major obstacle however, has been inadequate regulatory compliance (De Boer & Telgen, 1998; Gelderman et al.,

2006). Despite the enactment of a strong regulatory framework and the fact that several audits have been conducted on the public procurement processes, compliance in public procurement is still a major issue. This leaves one wondering whether service delivery has not been affected. Hui et al (2011) established that technocrats were engrossed in non-compliance to the procurement policies and procedures. However, as an organizational outcome, compliance has traditionally been understood as conformity or obedience to regulations and legislation (Snell, 2004) cited in Lisa, (2010).

Section 7 (j) of the PPDA Act, 2003 stipulates that the functions of the Authority related to audit and states that the PPDA Authority shall institute (i) procurement or disposal audits during the bid preparatory process; (ii) contract audits in the course of the execution of an awarded bid; and (iii) performance audit after the completion of the contract in respect of any procurement or disposal, as may be required; Section 5 (1) states that in the exercise of its functions and powers under the Public Procurement and Disposal of Public Assets Authority Act, 2003 the Authority shall undertake compliance monitoring, build procurement and disposal capacity, undertake procurement audits, inspections and investigations of a procuring and disposing entity's procurement and disposal functions and shall as stipulated in subsection (f) inspect and audit the procurement processes and issue an inspection or audit report to which the procuring and disposing entity shall respond within twenty one working days.

Similarly, the local government PPDA Regulation (2006) section 28 demands that The head of internal audit department of a procuring and disposing entity, in accordance with the Local Government Act shall audit procurement and disposal

procedures and payments to ensure that all goods, services and works are properly ordered, received, examined and paid for in accordance with these Regulations and the Internal audit Manual; and value for money as an objective of procurement has been achieved.

In exercise of its functions and authority, the PPDA Authority in its 2008 audits rated most local governments as unsatisfactory under this compliance area, because the standard formats in the Local Government (Procurement and Disposal) Guidelines had only recently been issued to them. Out of the 48 Local Government Entities assessed, 8 PDEs (17%) were rated as highly satisfactory, 9 PDEs (19%) were satisfactory, 20 PDEs (41%) were moderately satisfactory, 5 PDEs (10%) were unsatisfactory and 6 PDEs (13%) were rated highly unsatisfactory (PPDA, Compliance Audit, 2008). In the last quarter of the financial year 2010/11, the PPDA issued procurement audit reports to 41 PDEs. An analysis of the audit reports reveals a low level of compliance in the 41 PDEs that were audited, especially the local government where most PDEs were rated in the high risk category of 50% and above as shown in table 1.1 below.

Table 1.1: Risk rating analysis by value of Procurement

PDE Categorization	Total value (UGX)	High risk	Medium risk	Low risk	Satisfactory
Local government	92,089,435,074	57,168,945,942 (62%)	23,709,075,138 (26%)	7,221,446,075 (7.8%)	3,989,964,049 (4.2%)
Central government	56,750,149,728	26,563,336,954 (38%)	15,121,396,688 (21%)	12,995,611,41 (37%)	1,826,632,460 (4%)

Source: PPDA Newsletter, July-August, 2011.

PPDA Audit report on Mukono Local government (2007) noted that there were other irregularities in the procurement process such as irregular extension of the bidding period and no Best Evaluated Bidder Notice was sent to bidders. Extending of bidding period contrary to the provisions of the law since it was not approved by the Contracts Committee. Documentary reviews and audit verifications revealed instances where the practice was to eliminate bidders so that only one bidder is eventually evaluated and selected. For example, only one bid was received for construction of a 22.2km community access road in Busamuzi Sub County at Shs.584,671,920 and for the construction of 8 hand dug wells at Shs.47,778,750 in Mukono. In another instance, an advertisement under Open Domestic Bidding for the construction of Koome Gravity Flow Scheme in Mukono district of Shs 843,969,500 was placed on 15 January 2010 in the New Vision News paper, but the district did not wait for the advertisement to run for the full period to 8th February, 2010. Instead a similar notice to 2 bidders through selective bidding was placed by a letter dated 15th January, the same day 22 the news paper advert ran. The two methods used concurrently effectively undermined the objective of participation.

Regulation 46 (2) of the LGPPDR, 2006 requires that all procurements and disposal records be maintained by PDU for inspection by competent authorities. In many instances, documents were photocopied and inserted in the procurement files without being fully filled and endorsed. Audit also established that not all procurement records were maintained by the PDUs for inspection by competent authorities. The study further revealed that on average 68% of the procurement documentation was maintained while 32% was missing. For instance analysis revealed 0% compliance with the requirement to issue receipts for all the bids received. It further revealed that

56% and 66% of the procurement files examined complied with the requirement of receipt and stamping of bid documents opened and evidence of display of bid records within two working days,

Similarly, the Office of the Auditor General of Government Report-OAG (2011) noted that not all contracts above fifty million shillings sampled amounting to Shs.10.4 billion were approved by the Solicitor General. Of the seven districts studied six submitted their contracts to the Solicitor General for approval while Mukono district did not submit contracts amounting to Shs.2.4 billion. By not complying with this requirement in their contractual arrangement, Mukono district risked subjecting contracts worth Shs.2.4 billion to the risk of loss by government arising out of unfavorable contractual terms and possibility of unnecessary litigations.

According to Regulation 58 (f) and (g) of the PPDA, the PDU shall monitor contract management by user departments to ensure implementation of contracts in accordance with the terms and conditions of the awarded contract and report any significant departures from the terms and conditions of the awarded contract to the Accounting Officer. Audit established that all PDUs of the sampled districts did not monitor and report contract management by user departments to the accounting officer as required by the regulations. All the sampled 109 procurements involving Shs.11.4 billion did not have performance evaluation reports as evidence of monitoring and reporting by PDU in accordance with the above regulation. This was attributed to the Accounting Officers failure to recognize the need to facilitate the PDUs to perform this important role accordingly. This resulted in PDUs and contract committees remaining uninformed of poor performing contractors and other service providers yet the information would have been necessary in evaluating contractors and service

providers for subsequent pre-qualification. This weakness partly contributes to the continuous award of contracts to poorly performing service providers putting service delivery in a precarious condition (OAG, 2011).

This could explain Muyomba's (2011) study on Mukono local government who noted that the state of education in Mukono district local government presents an array of contrasting realities that range from access to functionality of education services. Quality enhancement indicators, on the other hand, show the district lagging behind the set national standards with a pupil- teacher ratio of 40:1 and pupil-classroom ratio of 54:1. Secondly, the physical state of the infrastructure at the schools left a lot to be desired with often dilapidated structures being used as classrooms. The health unit utilization, outpatient (OPD) is very low while deliveries in health units have been declining over the years. The Muyomba (2011) report also noted that the health sector in the district is faced with a number of challenges. First, despite the availability of staff accommodation for the medical personnel, it was observed that a number of health centres registered unreasonable opening and closing hours at HC IIIs and IVs, contrary to the ministry of health guidelines.

Despite the importance of the district and community access roads to the livelihood of the Mukono populace, 70% of the feeder roads are in a deplorable state, and thus limit easy transportation of agricultural produce, fish and other commercial goods to markets. These roads are not only narrow but also dusty, full of potholes and impassable, especially during the rainy season. The issue of hiked prices was also revealed as most of the NAADS resources were priced much more highly in comparison to prevailing market prices, which made farmers reject NAADS support, as it was no longer in their interests financially. Community members also mentioned

the challenge of corruption in the management of NAADS, citing that during the year under review, residents in Mukono Town Council were told to form groups in order to access NAADS projects but did not receive the quantities previously agreed (Muyomba, 2011).

1.3 Statement of the problem

Auditing whether in the public or private sectors, is a cornerstone of good public sector governance. By providing unbiased, objective assessments of whether public resources are responsibly and effectively managed to achieve intended results, auditors help government organizations achieve accountability and integrity, improve operations, and instill confidence among citizens and stakeholders. The government auditor's role supports the governance responsibilities of oversight, insight, and foresight (The Institute of Internal Auditors, 2006). PPDA Authority has over the years carried out audits in public procurement entities as mandated by section 7 (j) of the PPDA Act, 2003 aimed at enhancing service delivery in government entities.

Despite this, many entities are still graded high risk implying that compliance with the laws is still problematic thus affecting service delivery. This ultimately results into loss or low provision of services or shoddy work. Mukono local government for example seems to be constrained by a malfunctioning procurement processes which may be taking its toll on access to quality education, health services, road infrastructure and food security enhanced key government priorities (Muyomba, 2011; OAG, 2011). The worrying education, health, road infrastructure, and agriculture service delivery in Mukono local government if not addressed, threatens the decentralized mandate of the local government with adverse effects of central government takeover of the service delivery in the district. This study therefore

examined the influence of public procurement auditing on service delivery in local governments of Uganda.

1.4 Purpose of the study

The purpose of the study was to establish the extent to which public procurement auditing influences service delivery in local governments of Uganda.

1.5 Objectives of the study

- i. To establish the extent to which bid preparatory process auditing influences service delivery in Mukono local government.
- ii. To establish the extent to which contract execution auditing influences service delivery in Mukono local government.
- iii. To establish the extent to which contract completion auditing influences service delivery in Mukono local government.

1.6 Research questions

- i. To what extent does the bid preparatory process auditing influence service delivery in Mukono local government?
- ii. To what extent does contract execution auditing influence service delivery in Mukono local government?
- iii. To what extent does contract completion auditing influence service delivery in Mukono local government?

1.7 Research hypotheses

- i. The bid preparatory process auditing significantly influences service delivery in local governments.
- ii. Contract execution auditing significantly influences service delivery in local governments.

- iii. Contract completion auditing significantly influences service delivery in local government.

1.8 Conceptual framework

The conceptual framework below shows the relationship between the procurement auditing and service delivery in local governments. Procurement auditing is the independent variable while service delivery is the dependent variable.

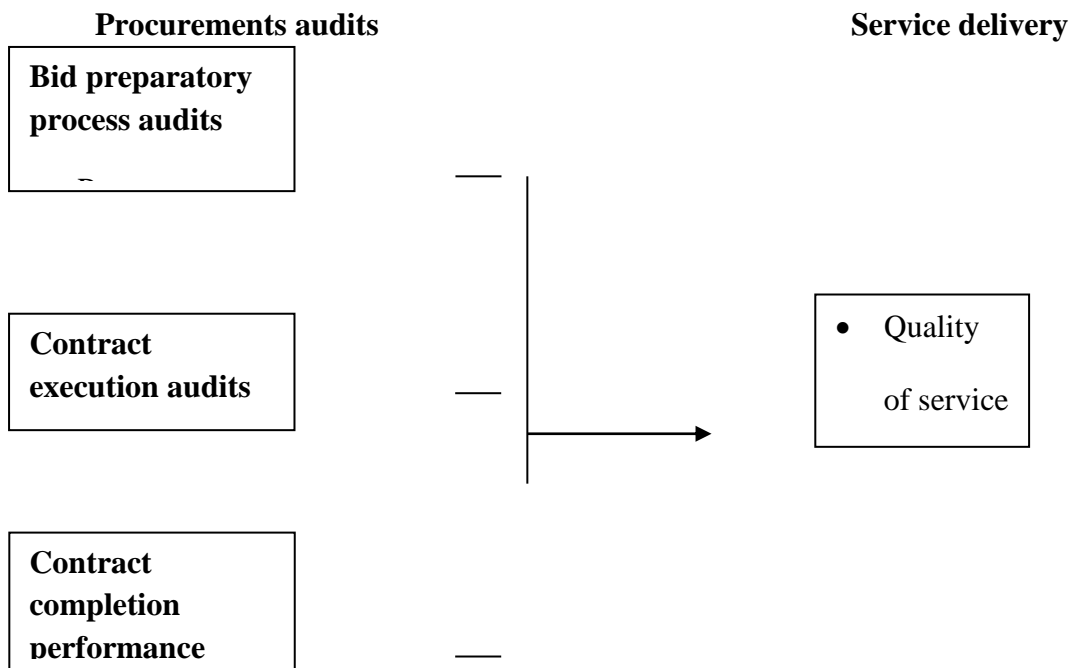


Figure 1: Model showing the relationship between procurement audits and service delivery

Source: Adopted with modifications from the DiMaggio & Powell (1983), institutional theory and PPDA Act and Regulations, 2003.

The model above shows that public procurement audits influences service delivery. Procurement auditing includes dimensions of bid preparatory process, contract execution and contract completion auditing while service delivery has indicators of quality of service, responsiveness and cost effectiveness. Thus well executed procurement audit activities focusing on bid preparation, contract execution and post

contract performance audits should significantly influence service delivery in local governments of Uganda.

1.9 Scope of the study

1.9.1. Content scope

The study concentrated on procurement auditing dimensions of bid preparatory process auditing, contract execution auditing and contract completion auditing influenced service delivery in Mukono local government. The study also concentrated on service delivery indicators of quality of service, responsiveness and cost effectiveness.

1.9.2. Geographical scope

The study was carried out in Mukono Local government located 27 km from Kampala city centre on the eastern route of Uganda.

1.9.3 Time scope

The study covered the period 2005-2010 the time when the district implemented its five year development plan and was experiencing service delivery shortfalls.

1.10 Justification of the study

Public procurement reforms envisaged a well functioning public procurement systems devoid of corruption, malpractices all aimed at effective service delivery. This was to be achieved through an established legal, institutional, capacity building and continuous review of the procurement system in Uganda in all government entities including local governments. However there are service delivery shortfalls questioning the role of procurement audits in ensuring achievement of the desired service delivery expectations in Uganda. This study therefore was conducted to provide empirical evidence on the extent to which the PPDA Authority and other relevant audit institutions in the public procurement audits have observed their

statutory role and the extent to which procurement auditing practices impact on service delivery in local governments of Uganda.

1.11. Significance of the study

The study may be useful in the following ways:

To the government of Uganda the study may help to provide information on the effectiveness of procurement audits which could be used for enhancing the public procurement audits to help achieve the objectives of public procurement reforms and service delivery.

To the PPDA Authority the study offers an opportunity for it to express their needs and conditions for enhanced public procurement auditing in public entities for enhanced service delivery.

To the academia, the study offers empirical evidence on the contribution of the public procurement audits to service delivery in a developing country which is still reforming its procurement systems to make them more responsive.

1.12 Operational definition of terms and concepts

Procurement Auditing in this study refers to the bid preparatory process, contract execution and contract completion compliance checks.

Bid preparatory process audits refers to compliance checks related to procurement needs identification, specification of requirements, budgeting and development of a general procurement plan, supplier solicitation and selection and contract award processes.

Contract execution auditing refers to the compliance checks related to responsibility for contract management, contract variations and record keeping.

Contract completion refers to the compliance checks Value for money audits and Vendor rating.

Service delivery in this study refers to the quality of service, responsiveness and cost effective delivery of social services such as education, health and road infrastructure.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of related literature on procurement audits and service delivery world over based on what other scholars have observed while also raising literature gaps. The first section presents a review of related literature on bid preparatory process auditing. This is followed by a review of related literature on contract execution auditing and service delivery, contract completion auditing and service delivery and a summary of the literature review.

2.2 Bid preparatory process auditing and service delivery

Dorn, et al. (2008) highlight the risks associated with procurement processes and noted that criminality and/or corruption opportunities arise as decisions are made about whether and how the provisions should be applied in the light of the needs of the purchaser, the criteria to be met by successful providers, the availability of potential tenderers, the procedures to be followed makes the bid preparation stake prone to corruption. Hence the need for auditors to be involved in shaping the requirements, either through their prior work and/or through a specific contract for assistance to the purchasing body.

Dorn et al. (ibid) further noted that auditors' involvement will decisively shape the scope and terms of the eventual contract and key decisions made at this stage. Such decisions may include the choice of procedure, and reduce some of the crime risks at pre-contracting stage that may be summarized broadly and crudely as procurement

staff corruption; fixing the specification or criteria so to unduly narrow the field; setting an unrealistically low price so as to discourage tenders and then entering into negotiated procedure with just one favored contractor; “surfing” the work in an effort to boost service delivery. This could be averted by procurement planning audits performed by internal and external audit institutions only if they too are ethical. Dorn, et al., (2008) further noted that at the solicitation stage, audit checks should be made to see that tenderers are independent and the selection criteria applied is even in order to choose a successful tenderer in the procurement process.

Bribery at the bid preparatory stage is arguably the most common form of corruption. It entails beneficiaries using extra-legal means of payment to acquire government favours and resource allocations. And yet this may lead to delivery of shoddy work. This can involve: incomplete contract, budget and time overruns and substandard technical standards for complying with procurement rules and public information being monopolized (AAPPG, 2003); or getting the government to turn a blind eye to illegal activities (Hawley 2006). A World Bank estimate shows that \$1 trillion is paid globally in bribes each year (AAPPG, 2006).

According to Zubcic and Sims (2011), frequent audits and increased penalties lead to greater levels of service delivery and compliance with procurement laws. Corruption among government procurement officials in developing countries such as Bangladesh, India, Sri Lanka, Nigeria and Venezuela has been linked to a weak enforcement of the audit recommendations rule of law (Raymond, 2008; Okeahalam, 2004). In countries with complaint and review mechanisms, bidders are allowed to verify whether the procurement processes conform to the prescribed procedures. The possibility of audit

review is also a strong incentive for procurement officials to abide by the rules (Hui et al., 2011). Firms might choose to implement ineffective compliance systems if legal violations may be profitable in cases where the legal system under-enforces, either because penalties are set too low or because detection is imperfect or ineffective.

Gunningham and Kagan (2005) in support argue that the audits and threat of legal sanctions is essential to regulatory compliance and that enforcement action has a cumulative effect on the consciousness of regulated companies and it reminds companies and individuals that violators will be punished and to check their own compliance programs. The author further opined that the outcome of sustained enforcement action instilled a culture of compliance and 37 had a direct impact on corporate compliant behaviour with coercive enforcement measures remaining an essential ingredient in any compliance regime.

Mamiro (2009) in his study on procurement audits in Tanzania singled out absence of annual procurement plans in most procuring entities as one of the major factors fueling procurement costs and thus rendering achievement of value for money and service delivery a distant dream. This study found poor planning and management of the procurement process which include needs that were not well identified and estimated, unrealistic budgets and inadequacy of the skills of staff responsible for procurement is featuring as one of the major setbacks in public procurement. The findings of the procurement audit recommended that PDEs must view procurement as a strategic activity that must be fully integrated into their short and long term plans and provide support to delivery of their strategic objectives and realization of value to the citizens.

2.3 Contract execution auditing and service delivery

The role of procurement audits at contract execution stage cannot go unnoticed. Lai, and Yik (2007), observes that different from an audit for a quality assurance system (e.g. ISO 9000) which focuses on checking compliance of procedures on paper, an operation and maintenance (O&M) audit extends to cover physical examination of work. This is essential for safeguarding quality and workmanship of O&M work, especially for some hidden work and servicing which could be costly and sometimes impracticable to verify after their completion. Unlike in a benchmarking exercise where issues in focus can be strategic, tactical as well as operational (Lai and Yik, 2006), the usual agenda of performance review meetings would include only strategic and tactical items, whereas typically tactical and operational O&M matters would be audited.

Similarly, Dorn, et al. (2008) highlights the risks at contract execution and noted that once the contract has been agreed in principle, there may be further negotiations on details of scope and price. Depending on the type of procedure employed – a critical issue – these negotiations and their financial and other consequences may be quite considerable. Within certain limits, prolongations or extension of contracts may be agreed, without further competition. Risks here include “slippage” of work, which either may be inherent in the tender but not anticipated by the purchaser, or alternatively may be engineered by the tenderer in the course of the work in order to obtain an extension. In some circumstances the purchaser may prefer to issue another contract, rather than to admit that things are going badly. In some cases, staff changes may mean that purchasers do not understand that they are being manipulated; in other cases there may be conflicts of interest and corruption.

Hui, et.al. (2011), noted that rules are not enough, especially when the law enforcement mechanisms are also weak. Audit checks can help make existing norms effective. Transparency International has developed and implemented a number of monitoring tools to increase transparency and access to information that involve cooperation between governments, companies, donors and civil society. The auditors recommend monitoring to include an annual external audit by auditing management of the government agencies on its compliance with all procedures, rules and regulations in relation to procurement. As such, the procedures had to be made transparent and any queries raised would require the procurement officer to refer back to Circulars, Treasury Instructions etc. for confirmation. A checklist must be prepared to regularly monitor the contractors' performance and the timeline target for each project must be spelt out so as to enhance efficiency, effectiveness and availability of goods, works and services to entities and the general public.

A study by Hui, et al. (2011), found cases of incomplete and abandoned projects which keep on being repeated in the procurement plans due to poor monitoring and auditing services from the relevant authority. The authors argue that on awarding the tender to the selected contractors, there is a crucial need for the relevant authority to continuously monitor and audit the progress and performance of the projects tendered. The monitoring and auditing role could help ensure the projects proceed without having severe problems and run smoothly in accordance with the plan within the acceptable tolerance level. But the performance will depend on the specifying the roles of both the contractors, and the buying agent.

A related aspect in procurement contract execution is the key aspect of contract records which Thurston (2005) highlights and noted that in any contemporary industry, the data and reports showing compliance to regulatory needs must be robust and come from a reliable source. Many developing countries lack a systematic approach to managing records especially of a judicial ruling in nature required to mitigate corruption creating room for corruption or collusion between court officials and lawyers which negatively affects enforcement and reduces procurement and service delivery compliance. A study conducted in Kenya found out that poor records management had adverse effect on service delivery. Lack of records forces individuals to act on ad hoc basis, makes it intricate to carry out meaningful audits and to prove fraud (Kemoni and Ngulube, 2008) yet this could have been mitigated if prompt procurement audits were conducted on procurement records. This undoubtedly contributes to non-compliant behavior and may hinder service delivery.

Similarly, Akech (2005) asserted that due to poor records management, a Minister in Kenya unlawfully obtained confidential information on the tender and used it to interfere with the procurement process. Other studies have shown that current lack of data collection and records by organs of state prevents the effective monitoring targeted on the transparency of the tendering process (Bolton, 2006). In support of this view, it has been suggested that in order to allow proper accountability in the procurement process, details of procurements undertaken together with all necessary documentations should be available (Jones, 2007).

In Uganda, the procurement integrity survey on Uganda (2006) revealed that public procurement system in Uganda is marred by poor record keeping culture, which has

resulted in lack of comprehensive statistics on the value of goods, services and works procured. In addition, there is hardly any public procurement report in Uganda that passes without identifying records management and transparency challenges in PDEs (PPDA base line survey, 2010; PPDA compliance audit report, 2008; PPDA workshop report, 2008; PPDA compliance audit report, 2009).

Most recently, the PPDA Capacity Building Strategy Report (2011-2014) revealed that there is low compliance in record keeping in Uganda. As Ambrose (2008) suggests, systems without the ability to provide an inviolable audit trail would make their use unacceptable in most compliance and regulatory environments. Proper records management controls, managing who can access and modify key documents and records have been identified as an integral part of achieving compliance (Alfresco, 2009).

2.4 Contract completion auditing and service delivery

Contract completion is very vital and McCue and Gianakis (2001) highlights that the procurement final phase of evaluation, consists of three parts audit, evaluation and feedback. Audit requirements often are established in legislation or policy. If not, the procurement manager needs to design a post audit strategy to ensure that the program is in compliance with established law. The procurement evaluation plan is a tentative design for evaluating the success or failure of the procurement. This plan should include, at minimum, the research design, specification of measurable indicators of the goals and objectives stated in the procurement plan, provisions for data collection, and the assignment of responsibility for conducting the evaluation, and the performance criteria to be used in the evaluation phase. Feedback specifies the reports that will be required for the service delivery managers and decision makers. This

portion of the procurement evaluation is merely the creation of an information channel that disperses needed information to those charged with the responsibility of making procurement decisions. The amount and form of the feedback depend, in large part, on the manager's personal preferences and the audit and procurement evaluation needs.

Deterrent effect on those audited, in that it discourages them from adopting dubious management practices, is an argument often invoked by auditors (Morin, 2003). Morin (2000) observes that such a deterrent effect does exist among auditees. Knowing that the auditors will sooner or later make a return visit does seem to motivate auditees to correct certain deficiencies, to be more prudent in their management practices, to adopt better management practices, to follow up on recommendations, and to avoid certain abusive management practices. Pollitt et al. (1999) also found that the presence of auditors added considerably to auditees usual work load. Another consequence is the accelerated introduction of new practices to prepare for the auditor's visit. A drop in motivation is also a consequence noted among auditees (Pollitt et al., 1999). Some believe that auditors' recommendations are occasionally incompatible with the new management practices current in the public sector, for example, practices belonging to the culture of greater risk-taking.

On the relationship between contract completion and service delivery, Radnor (2008) in his paper considers the relationship between service delivery, audit and inspection and, efficiency programmes in local government showing that efficiency savings have been achieved but not necessarily influenced by audit and inspection or the desire to deliver quality services. Radnor (2008) concludes by observing that the presence of procurement audit and inspection has had a role in setting direction and to make further efficiency savings English councils need to better understand the context of

their procurement modernization strategy and policies to drive not only achievement of the results but also improvement of service performance.

Morin (2008) noted that in conducting procurement value for money (VFM) audits, auditors general have no doubt done their part in denouncing totally unacceptable practices in the management of public funds and in so doing, lived up to their role as guardians of public finances. No one could deny that the utmost should be done to stop politicians and managers from abusing the use of public funds. However, if the VFM audit has shown itself effective in bringing such abuses into public view, it has yet to demonstrate its capacity in improving the management of public affairs. Hence, the VFM audit has proven its worth in detection more than in prevention and correction.

The Johnsen et al. (2001) study in local governments in Finland and Norway revealed that VFM audit is regarded by auditees as an important and efficient tool for controlling and reforming the public sector in as far as service delivery is concerned. The auditors interviewed for the research Lapsley and Pong (2000) on VFM auditing in Scotland asserted that VFM audits do help improve the management of public organizations. Schwartz (2000) concludes that a state audit is more likely to have an impact if its findings address issues that are on the agenda of administrators and decision makers. Vanlandingham (2006) examined the activities of state legislative oversight offices in the USA and the impact of their work in the legislative process. Many of these offices have minimal contact with key legislative stakeholder groups and are not aggressively marketing their work as prescribed by theorists, those offices being highly internally focused on maintaining their organizational independence. The

result of this inward focus is that these offices' role can be reduced to that of a voice crying in the wilderness.

Furthermore, Blume and Voigt (2007) have made a study that assesses the economic effects of Supreme Audit Institutions (SAIs) on a cross country basis. They studied the effects of SAIs on three groups of economic variables: fiscal policy, government effectiveness, and productivity. They conclude that differences in the independence, the mandate, the implementation record and the organizational model of the SAIs do not seem to have any clear-cut effect on any of the three groups of economic variables. The only one exception is the perceived levels of corruption (an aspect of government effectiveness) which are significantly higher if the SAI is structured along the court model of auditing.

Morin (2008) reports on perceived utility of auditors' reports and noted that those audited have used the auditors' reports principally in two ways: as instruments of change and negotiation and as reference instruments. Thus, the reports, in a relative measure, have helped to unjam situations, to move things from discussion to action, to realign policies, and to put signatures on agreements and protocols. Auditees have used reports to fuel discussions between different parties and to put pressure on central authorities or to send a message to teams or certain programs. In the same relative measure, the reports have provided auditees an occasion to step back from their management practices, to be reminded of sound management principles, and to learn from their errors. The more educational aspect of VFM audits again makes its appearance here. VFM reports have also helped managers by providing the data needed to launch certain projects. And the information contained in the reports has also enriched organizational memory for improved service delivery.

Morin (2008) further observed that when the political will and that of central authorities coincide with that expressed by auditors in their recommendations, this undeniably provides strong support to auditors and leads to responsiveness and cost effectiveness. Yet, the combined officials will prove to be less of a driving force than other factors such as the will of those at the base of the organization audited, the position of recommendations on top management's scale of priorities and a major reorganization in the body being audited. So, when central and political authorities sing from the same songbook as the auditors, the report will tend to become an instrument of change and negotiation, but its influence on the post-audit actions of auditees will be only minor. Interestingly, Morin (2008) found out that when the VFM audit receives press coverage, auditees tend to react more quickly to the audit report by applying corrective measures. Pressure exerted by the media has been seen to significantly affect several aspects of management in the organizations audited, particularly by transforming the report into an instrument of change. When their organization found itself in the media spotlight, auditees tended to perceive the overall effect of the VFM audit as significantly stronger.

2.5 Summary of the literature review

The literature on procurement audits and service delivery suggests that procurement audits must be conducted in the procurement planning, supplier solicitation methods and bidding management. Secondly, the procurement audits need to be conducted at the contract at the contract execution stage to by focusing on responsibility for contract management, contract variations and procurement record keeping. Thirdly, the literature suggests that procurement audits must cover the post contract executions by assessing and reporting on attainment of VFM audits and vendor rating. However, little empirical evidence was generated in the influence of each of the procurement

stages audits on service delivery in the public sector in developing countries operating a decentralized form of governance and reforming their procurement systems. This study therefore strived to fill this literature gaps by providing empirical evidence on the extent to which procurement audits have influenced service delivery in local governments of Uganda.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter presents the study design, population of study, sample size and selection, sampling technique and procedure, data collection methods and instruments, reliability and validity of the study instruments, data collection procedure and analysis.

3.2 Research design

The study used a case study design where both quantitative and qualitative approaches were adopted to determine the extent to which procurement auditing has influences service delivery in local governments of Uganda. Yin (1994) argues that case study research strategies are appropriate for in-depth investigation and when the concern is to study contemporary issues over which the researcher has no control. The quantitative approach was used to quantify findings on the study variables using majorly the correlation and regression techniques while the qualitative approach was used to draw explanation on procurement auditing and service delivery in local governments.

3.3 Population of Study

The study was carried out on an accessible total population of 140 elements as per the Mukono District Local Government Administration data base of June, 2012. This comprised of 111 user departments staff, 1 Accounting Officers, 3 procurement and Disposal Unit staff members and 5 contracts committee members and 20 contractors in Mukono District Local Government. This population was considered based on the

relevant experiences they possess in public procurement audits in the local government and service delivery in the district by virtue of their administrative role in decentralized service delivery.

3.4 Sample size and selection technique

The study select 103 respondents based on Krejcie and Morgan (1970) sampling guidelines. (See appendix III) Table 2 below shows the summary of the sample size of the respondents and the sampling techniques and instrument to be used in the study.

Table 2: Sample size of the respondents

Population category	Total population	Sample size	Techniques
Accounting Officer	1	1	Purposive
Contract Committee	5	5	Purposive
User Department staff	111	79	Simple random
Procurement and Disposal Unit	3	3	Purposive
Contractors	20	15	Simple random
Total	140	103	

Source: Primary data

The study used simple random sampling and purposive sampling. In using simple random sampling the study used the lottery approach where names are written on a tag and put in a basket of which one tag is picked until the required number is reached (Amin, 2005). Purposive sampling was used to select the Accounting Officer, Contract Committee members and PDU staff who are most knowledgeable and experienced in procurement audits and service delivery in the local government (Sekeran, 2003).

3.5 Data Collection Methods

The researcher ensured that both qualitative and quantitative data is collected using s survey method. There are different survey approaches but this study used the questionnaire and interviewing.

3.5.1. Questionnaire survey

The questionnaire was used basing on the fact that the variables could not be observed such as views, opinions, perceptions and feelings of the respondents on procurement auditing and service delivery. The questionnaire was also be used because respondents can read and write the questions, and it was thought to be less expensive for data collection. Similarly, the questionnaires can be used to collect vast amount of data from a large sample in a short time and at a low cost (Amin, 2005). .

3.5.2. Interviewing method

In this method the researcher interviewed the Accounting Officer and Head of the PDU in the local government respondents face to face to obtain in depth information on procurement methods and attainment of value for money. The interviews were structured where they comprised of a set of issues on procurement auditing and service delivery on which the researcher wished to draw data and the same questions are posed to the respondents using a guide to conduct the interview.

3.6 Data Collection Instruments

The study used a questionnaire and interview schedule for data collection.

3.6.1 Self-Administered Questionnaire

A total of 102 self-administered close-ended questionnaire encompassing background information; procurement auditing and service delivery were developed. The study

questionnaire was scored on 5-point Likert scale ranging from 5= strongly agree, 4= agree, 3 = not sure, 2= disagree and 1= strongly disagree. The questionnaire was used for all categories of respondents.

3.6.2 Interview schedule

The interview consisted of a set of questions on bid preparatory auditing, contract performance and contract completion auditing and their influence on service delivery in the local government.

3.7 Data collection procedure

An introduction letter was obtained from the School of Management Sciences of Uganda Management Institute. In addition, permission to conduct the study was sought from management of the Mukono Local Government to authorize the study. Anonymity and confidentiality of the respondents was observed by not asking the respondents to put their names on the questionnaires. The covering letter from Uganda Management Institute was used during the data collection process. The data collected was edited, coded and later entered into the SPSS for analysis.

3.8 Pre-testing of data collection instruments

The study questionnaire was pilot tested on a sample of 15 staff in Neighboring Wakiso district and adjustments made to enhance its reliability to establish the reliability and validity of the study instrument.

3.8.1 Validity of the study instrument

The validity of the instrument was tested using the Content Validity Index (CVI) using expert judgment taking only variable scoring above 0.70 accepted for Social Sciences (Amin, 2005). The CVI will be measured using the formula:

$$\text{CVI} = \frac{\text{Number of items declared valid}}{\text{Total number of items}}$$

Total number of items

The closer the CVI to 1, the more valid is the instrument and the results are shown in table 3 below.

Table 3: Content Validity Results

Variable	Total No of items	Number of valid items	CVI
Bid preparatory audit	18	16	0.889
Contract performance audit	14	10	0.714
Contract completion audit	8	7	0.875
Service delivery	13	11	0.846

Source: Expert Judgment

Table 3 shows that bid preparatory audit yielded CVI of 0.889, contract performance auditing yielded a CVI of 0.714, contract completion auditing yielded a CVI of 0.875, while service delivery yielded a CVI of 0.846. Since all variables yielded a CVI above 0.70 accepted for social sciences (Amin, 2005), it was inferred that the instrument was relevant in measuring procurement auditing and service delivery in the local government.

3.8.2 Reliability of the study instrument

The internal consistence or reliability of the instrument will be measured using Cronbach's alpha coefficient taking only variables with an alpha coefficient value more than 0.70 accepted for social research (Amin, 2005) generated from SPSS and the results are shown in table 4 below.

Table 4: Reliability results

Variable	Total No of items	Cronbach's alpha
Bid preparatory audit	18	0.878
Contract performance audit	14	0.755
Contract completion audit	8	0.952
Service delivery	13	0.841

Source: Primary data

Table 4 above shows that bid preparatory audit yield Cronbach's alpha value of 0.878, contract performance audit yielded alpha value of 0.755; contract completion audit yielded alpha value of 0.952 while service delivery yielded alpha value of 0.841. Since all variables yielded an alpha value higher than 0.70 accepted for social sciences (Amin,2005), it was concluded that the instrument was consistent in measuring procurement auditing and service delivery in local governments and therefore reliable.

3.9 Measurement of variables

Bid preparatory, contract execution and contract completion auditing measures were derived from the PPDA Regulations 2003 provisions while service delivery was measured using Mark (2003); Smith (2003); Walker and Keniger (2002) indicators of service delivery. These were channeled into observable and measureable elements to enable the development of an index of the concept using a five- Likert scale namely: 5-Strongly agree; 4- Agree; 3- Not sure; 2- Disagree; 1- Strongly disagree was used to measure both the independent and dependent variables.

3.10 Data analysis

3.10.1 Quantitative Analysis

Quantitative data was presented in form of descriptive statistics using mean and standard deviations for each of the variables used in the study. A mean result ranging from 1-1.49 was considered as strongly disagree, 1.50-2.49 was considered as disagree while a mean in the range of 2.5-3.49 was considered as not sure. A mean in the range of 3.5-4.49 was considered as agree while a mean in the range of 4.5-5 was considered as strongly agree.

Pearson's coefficient r and significance p tested at the 95 and 99% confidence limits were used to test if there was any significant relationship between the independent and dependent variable. A positive correlation coefficient r indicates a direct positive relationship between the variables while a negative correlation indicates an inverse, negative relationship between the two variables.

The regression analysis was used to test the extent to which the independent variables predicted the variance in the dependent variable using ANOVA statistics of adjusted R^2 values, beta, t values and significance values (Amin, 2005). Specifically the adjusted R^2 value gave a statistical indicator of the percentage to which the independent variable predicted the variance in the dependent variable.

3.9.2 Qualitative Analysis

Qualitative data analysis involved identification and transcription of the qualitative findings into themes. The themes on each of the variables were then sorted and aligned to the research objectives from which lessons learnt on procurement auditing and service delivery were deduced for reporting in a narrative form.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presents analyses and interprets the study procurement auditing and service delivery in Mukono district. The first section presents response rate, background information, presentation and analysis of the study findings in relation to the specific objectives.

4.2 Response rate

A total of 102 questionnaires were distributed but 92 useable questionnaires were returned as shown below.

Table 5: Response rate

Sample category	Targets sample	Questionnaires returned	Response rate
Contract Committee	5	5	100%
User Department	79	73	92%
Procurement and Disposal Unit	3	3	100%
Contractors	15	11	73%
Total	102	92	90.2%

Source: Primary data

Table 5 shows the questionnaire issued to the contracts committee and PDU were all turned giving a response rate of 100% on those categories. However, 92% of the questionnaires from the users departments were returned while 73% from the contract were returned and considered in the study. in total, 92/102 questionnaires were returned giving a response rate of 90.2% which was high implying that the data collected was representative of the sample used in the study as supported by Amin,2005) who asserts that a response rate of 50% and above is a good

representation of the study sample. Two interviewees were targeted and were successfully conducting giving a response rate of 100% for interviews.

4.3 Background information

This section gives the characteristics of the respondents in relation to their position, education level, and time worked with Mukono Local government based on the information provided by the respondents themselves in the study questionnaire.

Table 6: Position of the Respondent in relation to the Procurement Function

Position	Frequency	Percent
Contract committee	5	5.4
User Department	73	79.3
Procurement and Disposal Unit	3	3.3
Contractors	11	12.0
Total	92	100.0

Source: Primary data

Table 6 above shows that majority of 73(79.3%) of the respondents were from user departments, 11(12%) were contractors, 5(5.4%) were from contract committee while 3(3.3%) were from the PDU. This was expected as the procurement institutional framework provides for user departments which constitute the end users of the procurements, PDU staff which coordinated the procurement function, contract committee which adjudicates on all procurement processes and contractors who are external but supply the goods, works and services. The findings revealed that the respondents had reasonable experience in the procurement processes including auditing and the performance of their local governments.

Table 7: Education Level of the Respondents

Education Level	Frequency	Percent
Diploma	21	22.8
Degree	53	57.6
Post graduate	15	16.3
Others(specify)	3	3.3
Total	92	100.0

Source: Primary data

Table 7 above shows that majority of 53(57.6%) of the respondents were graduates, 21(22.8%) were diploma holders, 15(16.3%) had attained a post degree while 3(3.3%) had attained other qualifications. This was so as most position in local government require degree level of education while senior position may require a post graduate level of education and professional qualifications. The findings equally suggested that the respondents had possessed a reasonable level of education to understand procurement auditing and service delivery in their local government making their responses reliable.

Table 8: Time Worked with Mukono Local Government

Time worked	Frequency	Percent
1-4 years	19	20.7
5-9 years	30	32.6
10-14 years	32	34.8
15 + years	11	12.0
Total	92	100.0

Source: Primary data

Table 8 above shows that majority of 32(34.8%) of the respondents had worked with the local government for 10-14 years, 30(32.6%) had worked for 5-9 years, 19(20.7%)

had worked for 1-4 years only while 11(12%) had worked with the Mukono Local government for 15 and more years. This finding suggested a high retention rate in the district and that about 80% of the respondents were senior staff with reasonable experience in the management of the procurement function since they had been with the local government for over four year.

4.4 The extent to which bid preparatory process auditing influences service delivery in Mukono local government.

The first objective of the study was to establish the extent to which bid preparatory process auditing influences service delivery in Mukono local government. Bid preparatory auditing was one of the dimensions of procurement auditing and had two indicators of procurement planning and bid management auditing measured using 18 items and the findings are tabulated below.

Table 9: Descriptive Results for Bid Preparatory Audits

Bid preparatory audit	Mean	S.D
<i>Procurement planning</i>		
1. Regular bid preparatory procurement audits are conducted in your local government to examine the procurement planning process by the user departments	2.23	1.491
2. Regular bid preparatory procurement audits are conducted in your local government to examine the specifications of requirements	2.53	1.208
3. Regular procurement audits are conducted in your local government to examine the authorization of alternative specifications standards	4.05	1.261
4. Regular bid preparatory procurement audits are conducted in your local government to examine the adequacy of procurement budgeting process	2.39	1.350
5. Regular bid preparatory procurement audits are conducted in your local government to examine if the Local government has a well developed procurement plan	2.38	1.333
6. Regular bid preparatory procurement audits are conducted on procurement plans to examine the comprehensiveness of procurement plans	2.38	1.316
7. Regular bid preparatory procurement audits are conducted on initiation of procurement requirements based on confirmation of funds	2.08	1.260
8. Procurement audits are conducted to examine compliance to legal provisions related to procurement planning	3.99	1.262

<i>Bid management</i>		
9. Relevant audit institutions audit the appropriateness of bid documents in your local government	2.33	1.187
10. Relevant audit institutions promptly audit the use of appropriate procurement methods in your local government	2.12	1.203
11. Prompt procurement audits are conducted on the compliance to bidding period requirement in your local government	2.36	1.228
12. Prompt procurement audits are conducted on the compliance to procurement method rules	2.41	1.319
13. Regular audits are conducted on the receipt of bids process	2.49	1.254
14. Regular audits are conducted on bid opening	3.70	1.256
15. Regular audits are conducted on supplier selection process	3.69	1.414
16. Regular audits are conducted on contract award process	2.54	1.270
17. Prompt procurement audits are conducted on the provision of bid security by the best evaluated bidder	4.01	1.163
18. Prompt procurement audits are conducted on the post qualifications and negotiations	2.78	1.308
<i>Aggregated Mean</i>	2.80	

Source: Primary data

Table 9 above shows an overall mean of 2.80 suggesting that the respondents disagreed with the majority of the items of bid preparatory process auditing in Mukono local government an indicator of failure by the relevant audit institutions and agencies to conduct regular and prompt procurement audits at the procurement planning and bid management levels. The mean ranged from 1.163 to 1.414 which was narrow implying the data deviate from the overall mean by a small and negligible margin.

Item 4 which asked if regular procurement audits were conducted in the local government to examine the authorization of alternative specifications standards received the highest mean of 4.05. Item 17 which asked if prompt procurement audits were conducted on the provision of bid security by the best evaluated bidder equally received the second highest mean of 4.01. These finding suggested that audits in the bid preparatory processes emphasized auditing the development of functional, performance and technical specifications while ensuing the submission of bid securities which enhances service delivery due to ascertaining of the

descriptions of the requirements to be procured and security for compensations of the contract following failure by the contractors to perform their part of the contract.

However , item 7 which asked if regular procurement audits were conducted on initiation of procurement requirements based on confirmation of funds received the lowest mean of 2.08 suggesting that users could initiate procurements before confirmation of availability of funds leading to delayed payment of suppliers, contractors and service providers. This had a consequence of outsourced providers halting the procurement due to failure by the local government to pay for the services rendered leading to delayed service delivery.

4.4.1. Procurement Planning Auditing

Table 9 above shows that the respondents agreed that regular procurement audits were conducted in the local government to examine the authorization of alternative specifications standards (mean = 4.05) while they also agreed that procurement audits were conducted to examine compliance to legal provisions related to procurement planning (mean = 3.99). These findings suggested that procurement planning audits in the Mukono district were conducted to authorize use of alternative specifications and compliance with legal planning requirements in compliance with the PPDA Act, 2003 a practice which should be commended as it fosters the achievement of cost effectiveness, quality of service and responsive service delivery by the local government.

However, the respondents disagreed that regular and prompt procurement audits were conducted to examine the procurement planning process by the user departments (mean = 2.23), adequacy of procurement budgeting process (mean = 2.39), comprehensiveness of procurement plans (mean = 2.38), and initiation of procurement requirements based on confirmation of funds (mean = 2.08). These findings suggested that the different audit institutions such as the PPDA Authority, OAG, IGG, Internal Audit department of the local

government and other authorized government agencies were constrained to conduct regular and prompt procurement planning audit to ascertain submission of procurement plans by the user departments, development of specifications, procurement budgets, development of comprehensive procurement plans and initiation of procurement process. The failure to conduct regular and prompt procurement planning audits constrains service delivery due to lack of an independent opinion or advice on each of the areas above which are critical in achievement of value for money service delivery by the local government. It was necessary that these procurement audit institutions' capacity is developed to enable them conduct regular and prompt procurement audits at the planning level of the bid preparatory level.

4.4.2. Bid management Auditing

Table 9 above shows that the respondents agreed that regular audits are conducted on bid opening (mean= 3.70), supplier selection process (mean= 3.69), and provision of bid security by the best evaluated bidder (mean = 4.01) finding which suggested audit of the bid management process to ensure compliance to the PPDA Act and Regulation 2003. The auditing of the bid opening, supplier selection, and provision of bid security by the relevant authorities should be commended as it enables the identification of deviations and taking of corrective action by the entity based on the audit opinion and advice from an external agent which fosters effective service delivery by the local government.

However, the respondents disagreed that the relevant audit institutions audited the;- appropriateness of bid documents in the local government (mean= 2.33), the use of appropriate procurement methods by the local government (mean = 2.12), compliance to bidding period requirement in your local government (mean = 2.36), and compliance to procurement method rules (mean = 2.41). These findings revealed that the procurement audit institutions or agencies were constrained to conduct prompt audits on some critical bid

management processes such as appropriateness of bid documents, the use of appropriate procurement methods, compliance to bidding period requirements and compliance to procurement method rules. The failure to observe bid management processes raised above adversely affects the outcomes of the procurement process for failure to gain an early opinion and advise on enhancement of achievement of the objective of the procurement by the local government.

Asked to describe the bid preparatory audits, one interviewee had this to say:

Preparing a bid document involves inserting instructions to bidders, scope of works, bid submissions sheet and invitations. However, my experience is that auditors do not carry out any auditing practices on the bid preparatory process but it's the work of the PDU to make sure a bid document is up to the standard of the PPDA local government Regulations, 2006. Some times PPDA Authority sends technical people from their officers to check whether the bid preparatory process conforms to the expected standards.

Another interviewee had this to say on the bid preparatory stage:

At the bid preparatory stage the internal audit department does not carry out audit of the bid preparation process. The practice is that this stage is left to the staff of the PDU to make sure a bid document is up to the standard as stipulated in the PPDA local government regulations of 2006.

4.4.3 Correlation results

To test the relationship between bid preparatory auditing and service delivery by the local government, Pearson's correlation analysis was conducted at the 2-tailed level and the findings are presented below.

Table 10: Correlation Matrix between Bid Preparatory Auditing and Service delivery

Variable		1	2
1. Bid Preparatory Auditing	Pearson Correlation	1	
	Sig. (2-tailed)		
2. Service Delivery	Pearson Correlation	.567**	1

	Sig. (2-tailed)	.000	
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Primary data

Table 10 above shows Pearson’s correlation coefficient $r = 0.567^{**}$ and $p = 0.000$ between bid preparatory auditing and service delivery in Mukono district suggesting that there was high positive significant relationship between bid preparatory auditing and service delivery. The implication was that the effective service delivery in local governments of Uganda depends on the efforts to conduct prompt audits on the procurement planning and bid management processes by the responsible procurement audit institutions and departments.

4.4.4. Regression Results

To establish the extent to which bid preparatory auditing influences service delivery, a simple regression analysis was conducted using the ANOVA techniques of adjusted R^2 values, standardized beta values, t-values and the significance measured at 0.05 levels. The results are tabulated in the Table 11 below.

Table 11: Regression results between Bid Preparatory Auditing and Service Delivery

Model	R	R Square	Adjusted R ²	t-value	F-value	Sig	Std. Error of the Estimate
1	.567 ^a	.322	.315	6.539	42.752	0.000	.577
a. Predictors: (Constant), Bid preparatory auditing							

$P \leq 0.05$

Source: Primary data

The regression model in table 11 above shows adjusted R^2 value of 0.315 between bid preparatory auditing and service delivery suggesting that bid preparatory auditing alone, predicted 31.5% of the variance in the level of service delivery in Mukono District. The adjusted $R^2 = 0.315$, $t = 6.539$, $F = 42.752$ and $sig = 0.000$ suggested that the bid preparatory auditing was a strong significant predictor of the variance in service delivery by the local

government. The study therefore accepted the hypothesis that the bid preparatory process auditing significantly influences service delivery in local governments.

Asked to describe how the bid preparatory auditing influenced service delivery in Mukono district, one respondent put it:

Since PPDA carries out compliance checks on the bid preparatory process, it enforces the district to ensure that the bidders get the instructions clearly as stipulated in the bid document thereby aiding the achievement of value for money through doing the exact work that was in the bid document thereby guaranteeing good service delivery.

Another respondent had this to say on the relationship between bid preparatory audit and service delivery:

Usually the internal audit department carries out an audit of the whole procurement process of a particular contract after the selection the successful bidder. This is done at this stage because the internal audit department should not be seen as influencing the award of the contract and in case the bidder is not satisfied with the process, the internal audit department can without bias be part of the administrative review appointed by the CAO. But after selection of the successful bidder, the internal audit reviews the whole process to ensure the most competent bidder is the one who gets the contract to ensure good service delivery.

4.5 The extent to which Contract Execution Auditing Influences Service Delivery in Mukono Local Government

The second objective of the study was to establish the extent to which contract execution auditing influenced service delivery in Mukono local government. Contract execution auditing was one of the dimensions of procurement auditing and had two indicators of roles and responsibilities, and contract monitoring audits measured using 14 items and the findings are tabulated below.

Table 12: Descriptive Results for Contract Execution Auditing

Contract management audits	Mean	S. D
<i>Roles and responsibilities</i>		
1. The relevant audits institutions regularly conduct procurement audits on	4.27	1.110

the performance of overall accountability responsibility by the accounting officer(CAO) of the district.		
2. The relevant audits institutions regularly conduct procurement audits on the transfer of contract responsibility to the user department in your local government.	2.40	1.090
3. The relevant audits institutions regularly conduct procurement audits on the appointment of a contract manager in your local government	2.33	1.259
4. The relevant audits institutions regularly conduct procurement audits on the responsibilities of a contract manager in your local government	2.39	1.258
5. The relevant audits institutions regularly conduct procurement audits on the roles of the contractor in your local government	2.49	1.218
<i>Contract Monitoring</i>		
6. The relevant audits institutions regularly conduct procurement audits on the fulfillment of contract terms in your local government.	2.11	1.236
7. The relevant audits institutions regularly conduct procurement audits on variations or change orders to contracts in your local government.	2.23	1.241
8. The relevant audits institutions regularly conduct procurement audits on contract amendment in your local government.	2.18	1.179
9. The relevant audits institutions regularly conduct procurement audits on performance of the contractors in your local government	2.14	1.245
10. Adequate procurement audits are conducted to on the availability of procurement records in your local government.	2.42	1.251
11. Adequate procurement audits are conducted to on the content of procurement records	2.49	1.245
12. Adequate procurement audits are conducted to on the safe keeping of records	4.01	1.245
13. Adequate procurement audits are conducted to on the safe keeping of financial instruments	3.95	1.296
14. Adequate procurement audits are conducted to on the contractor performance reports in your local government.	3.91	1.306
<i>Aggregated Mean</i>	2.64	

Source: Primary data

Table 12 above shows an overall mean of 2.64 suggesting that the respondents disagreed with the majority of the items of contract execution auditing in Mukono local government an indicator of failure by the relevant audit institutions and agencies to conduct regular and prompt procurement audits to ascertain the adequacy of location of responsibilities and contract monitoring. The mean ranged from 1.09 to 1.296 which was narrow implying the data deviate from the overall mean by a small negligible margin.

Item 1 which asked whether the relevant audits institutions regularly conducted procurement audits on the performance of overall accountability responsibility by the accounting officer (CAO) of the district received the highest mean of 4.27. This finding suggested that audits in the contract execution processes emphasized checking on the powers and authorities of the CAO in providing the overall responsibility in the administration and accountability of awarded contracts in the local government. However, item 6 which asked if the relevant audits institutions regularly conducted procurement audits on the fulfillment of contract terms in the local government received the lowest mean of 2.11 revealing that less efforts was directed to audit the contract monitoring processes and making recommendations for enhancing contract monitoring by the entity to guarantee effective service delivery.

4.5.1. Roles and Responsibilities Audits

Table 12 above shows that the respondents agreed that the relevant audits institutions regularly conducted procurement audits on the performance of overall accountability responsibility by the CAO (mean = 4.27). However, the respondents indicated that the relevant audits institutions did not regularly conduct procurement audits on the;- transfer of contract responsibility to the user department in the local government (mean = 2.40), appointment of a contract manager in your local government (mean = 2.33), responsibilities of a contract manager (mean = 2.39), and roles of the contractor in the local government (mean = 2.49). These finding inferred that it was easier for the procurement audit institutions to audit the exercise of the roles and powers of the Accounting officer in a local government (given that it could be done on an annual basis), than conducting regular spot audits on observance of roles and responsibilities of stakeholders in contract execution during contract performance. The failure to conduct prompt procurement audits on the observance of roles and responsibilities by the contract stakeholders in the PDE and contractor during contract performance adversely affects the outcome of the procurement process. It becomes difficult

to allocate responsibilities for failure to detect problems in contract performance and development of recommendations necessary to rectify the contract management loopholes and problems which may hinder the achievement of the objective of the procurement.

4.5.2. Contract monitoring audits

Table 12 above shows that respondents felt that adequate procurement audits were conducted to on the safe keeping of records (mean = 4.01), safe keeping of financial instruments (mean = 3.95), and the contractor performance reports in Mukono local government (mean = 3.91). This finding suggested the difference audit institutions were in position to audit the safety of records and bid securities. This should be commended as it enables the entity to gain information on how to improve on their records management and ensuring that all contract performance and financial instruments are under safe custody and act as points for future references on the contract.

However, the respondents indicated that the relevant audits institutions did not regularly conduct procurement audits on the;- fulfillment of contract terms in the local government (mean = 2.11), variations or change orders to contracts (mean = 2.23), performance of the contractors (mean = 2.14), and availability of procurement records in the local government (mean = 2.42). These findings revealed inability to audit the contract monitoring process by the relevance procurement audit institutions and agencies of government which compromises the achievement of value for money due to failure to identify and rectify contract monitoring weaknesses and giving of an informed audit position, opinion or advice during contract performance. It was necessary that the different audit institutions develop capacity to audit the contract monitoring process and giving of audit opinions for enhanced achievement of the objective of the procurement and value for money in local governments of Uganda.

Asked to describe the contract execution process auditing practices in Mukono local government, one interviewee put it that:

In this local government, there is an internal auditor who carries out an inspection in form of auditing when contracts are being executed. On the same note, external auditors from the MoLG carry out value for money audits on contracts which are being executed by going on ground and examining the works in relationship to the scope of works the bidder was supposed to do.

Another respondent however noted that:

“The internal audit department carries out periodical monitoring and value for money audits on all contract awarded and travels to all the sub counties and examines the work carried out in relation to the terms and conditions of the contract”.

4.5.3. Correlations Results

To test the relationship between contract executions auditing and service delivery in Mukono local government, Pearson’s correlation analysis was conducted at the 2-tailed level and the findings are presented below.

Table 13: Correlation Matrix between Contract Execution Auditing and Service delivery

Variable		1	2
1. Contract Execution Auditing	Pearson Correlation	1	
	Sig. (2-tailed)		
2. Service Delivery	Pearson Correlation	.645**	1
	Sig. (2-tailed)	.000	
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Primary data

Table 13 above shows Pearson’s correlation coefficient $r = 0.645^{**}$ and $p = 0.000$ between contract execution auditing and service delivery in Mukono district suggesting that there was high positive significant relationship between contract execution auditing and service delivery. The implication was that the effective service delivery in local governments of Uganda depends on the efforts to conduct prompt audits on the allocation and performance of

roles and responsibility among the parties to the award contract and monitoring of the performance of the contractor during contract execution by the responsible procurement audit institutions and departments.

4.4.4. Regression Results

To establish the extent to which contract execution auditing influences service delivery, a simple regression analysis was conducted using the ANOVA techniques of adjusted R² values, standardized beta values, t-values and the significance measured at 0.05 levels. The results are tabulated below.

Table 14: Regression Results Between Contract Execution Auditing and Service Delivery

Model	R	R Square	Adjusted R ²	t-value	F-value	Sig	Std. Error of the Estimate
1	.645 ^a	.416	.409	8.006	64.098	0.000	.536
a. Predictors: (Constant), Contract execution auditing							

P_≤0.05

Source: Primary data

The regression model in table 14 above shows adjusted R² value of 0.409 between contract execution auditing and service delivery suggesting that contract execution auditing alone, predicted up to 40.9% of the variance in the level of service delivery in Mukono District. The adjusted R² = 0.409, t = 8.006, F= 64.098 and sig= 0.000 suggested that the contract execution auditing was a strong significant predictor of the variance in service delivery by the local government. The study therefore accepted the hypothesis that the contract execution auditing significantly influences service delivery in local governments.

Asked to describe how contract execution auditing influenced service delivery in the local government, one respondent had this to say:

When auditors do site visits, they make sure or examine whether the contractor is conforming to the scope of works. This therefore results into the contractor

performing to the expected standards given in the contract which leads to quality works, therefore improved service delivery.

Another respondent put it that:

Due to periodic monitoring and value for money carried out by the internal audit department to cross check whether the contractor is doing work according to the terms of the contracts it greatly enhances service delivery since the quality of the works is being monitored. The engineering department also carries out its own forms of monitoring.

4.6 The extent to which Contract Completion Auditing Influences Service Delivery in Mukono Local Government.

The third objective of the study was to establish the extent to which contract completion auditing influenced service delivery in Mukono local government. Contract completions auditing was one of the dimensions of procurement auditing and had two indicators of value for money audits and vendor rating audits measured using 8 items scored on five (5) point Likert scale ranging from 5= strongly agree, 4 = agree, 3 = not sure, 2= disagree, 1= strongly disagree and the findings are tabulated below.

Table 15: Descriptive Results for Contract Completion Audits

Contract Completion Audits	Mean	S.D
<i>Value for Money</i>		
1. Timely audits are conducted the attainment of economy in the Mukono local government procurements	1.96	1.037
2. Timely audits are conducted the attainment of efficiency in the Mukono local government procurements	1.84	1.072
3. Timely audits are conducted the attainment of effectiveness in the Mukono local government procurements	1.81	1.062
<i>Vendor Rating</i>		
4. Post contract audits are regularly conducted to appraise the fulfillment of procurement requirement by the vendor in your local government	1.78	1.046
5. Post contract audits are promptly conducted to appraise the fulfillment of delivery time schedules by the vendor in your local government	1.77	1.028
6. Post contract audits are promptly conducted to appraise fulfillment of cost or price expectations by the vendor in your local government	1.73	1.039
7. Post contract audits are promptly conducted on the capabilities of the vendor in your local government	1.77	1.060

8. Post contract audits are promptly conducted on fulfillment of service quality expectations by vendor in your local government	1.62	.970
Aggregated mean	1.79	

Source: Primary data

Table 15 above shows an overall mean of 1.79 suggesting that the respondents disagreed with the majority of the items of contract completions auditing in Mukono local government which has a consequence of failure to establish the attainment of value for money procurement and vendor's performance. The mean ranged from 1.09 to 1.07 which was narrow implying the data deviate from the overall mean by a small negligible margin.

Item 1 which asked whether the post contract audits were promptly conducted on fulfillment of service quality expectations by vendor in the local government received the lowest mean 1.62 suggesting that less effort was directed in audit and give opinions/recommendations on the vendor rating practices in the local government after completion of the contract which puts service delivery into a precarious condition.

4.6.1. Value for money audits

Table 15 above shows that the respondents disagreed that timely audits were conducted on the;- attainment of economy in the Mukono local government procurements (mean = 1.96), attainment of efficiency (mean = 1.84) and attainment of effectiveness (mean = 1.81). These findings suggested failure to promptly ascertain the achievement of value for money at the end of the contract performance through procurement audits a situation which could be attributed to lack of capacity by the relevant procurement audit institutions to conduct post contract performance audits in all local governments in Uganda under their mandate.

4.6.2. Vendor Rating Audits

The respondents equally disagreed that post contract audits were regularly conducted to appraise the fulfillment of;- procurement requirement by the vendor in the local government

(mean = 1.78), delivery time schedules by the vendor (mean = 1.77), cost or price expectations (mean = 1.73), and service quality expectations by vendor in Mukono local government (mean = 1.62). These findings equally revealed that the different procurement audits inadequately examined and established the observance of vendor rating requirements by the local government which puts the attainment of the objective of the project into a precarious condition due to failure to establish the effectiveness of the vendor in fulfilling the contract terms before prequalification as a regular supplier for related procurements.

In a interview, on post contract performance auditing practices, one respondent put it:

Site visits by the internal and external auditors tend to produce reports entailing what they found on ground. A copy is given to the local government to answer queries raise in the report and sometimes PAC calls for the management of the district to respond to audit queries.

Another respondent put it:

After the performance of the contract, contract reports are written and in some occasions some contracts have been terminated where the contractor does not live to the expectations. In some isolated case we have recorded contracts which have been abandoned with works half way the contract. In some cases we write to PAC local government for remedial action.

4.6.3. Correlations Results

To test the relationship between contract completion auditing and service delivery in Mukono local government, Pearson’s correlation analysis was conducted at the 2-tailed level and the findings are presented below.

Table 16: Correlation Matrix between Contract Completion Auditing and Service delivery

Variable		1	2
1. Contract Completion Auditing	Pearson Correlation	1	
	Sig. (2-tailed)		
2. Service Delivery	Pearson Correlation	.514**	1
	Sig. (2-tailed)	.000	

**.	Correlation is significant at the 0.01 level (2-tailed).
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Source: Primary data

Table 16 above shows Pearson's correlation coefficient $r = 0.514^{**}$ and $p = 0.000$ between contract completion auditing and service delivery in Mukono district suggesting that there was high positive significant relationship between contract completion auditing and service delivery. The implication was that the effective service delivery in local governments of Uganda depends on the efforts to conduct prompt audits on attainment of value for money and vendor rating at contract completion by the responsible procurement audit institutions and departments.

4.6.4. Regression Results

To establish the extent to which contract completion auditing influences service delivery, a simple regression analysis was conducted using the ANOVA techniques of adjusted R^2 values, standardized beta values, t-values and the significance measured at 0.05 levels. The results are tabulated below.

Table 17: Regression Results Between Contract completions Auditing and Service Delivery

Model	R	R Square	Adjusted R^2	t-value	F-value	Sig	Std. Error of the Estimate
1	.514 ^a	.260	.252	5.626	31.647	0.000	.603
a. Predictors: (Constant), Contract completion auditing							

$P \leq 0.05$

Source: Primary data

The regression model in table 17 above shows adjusted R^2 value of 0.252 between contract completion auditing and service delivery suggesting that contract completion auditing alone, predicted up to 25.2% of the variance in the level of service delivery in Mukono District. The adjusted $R^2 = 0.252$, $t = 5.626$, $F = 31.647$ and $\text{sig} = 0.000$ suggested that the contract completion auditing was a strong significant predictor of the variance in service delivery by

the local government. The study therefore accepted the hypothesis that the contract completion auditing significantly influences service delivery in local governments.

4.7 Summary of the study findings

The purpose of the study was to establish the extent to which public procurement auditing influences service delivery in local governments of Uganda. The study therefore strived to establish the extent to which bid preparatory, contract execution and contract completion auditing influences service delivery in Mukono local government. Table 18 and 19 below shows the summary of the study results.

Table 18: Summary of the Correlations Results

		1	2	3	4
1. Bid Preparatory Auditing	Pearson Correlation	1			
2. Contract Execution Auditing	Pearson Correlation	.226*			
3. Contract Completion Auditing	Pearson Correlation	.247*	.492**	1	
4. Service Delivery	Pearson Correlation	.567**	.645**	.514**	1
**. Correlation is significant at the 0.01 level (2-tailed).					

$P \leq 0.05$

Source: Primary data

Table 18 above shows that bid preparatory auditing had a high and positive significant relationship with service delivery in the local government ($r = 0.567^{**}$, $p = 0.000$), contract execution auditing also had the highest positive significant relationship with service delivery ($r = 0.645^{**}$, $p = 0.000$) while contract completions auditing had a high and positive significant relationship with service delivery ($r = 0.514^{**}$, $p = 0.000$). These findings revealed that effective service delivery highly depended on the level to which the relevant procurement audit institutions and departments undertook to perform prompt bid preparatory, contract execution and contract completion audits.

A multiple regression was undertaken to establish the extent which all the dimensions of procurement audits influenced service delivery in the local government and to determine which among the dimensions was a more significant predictor of the variance in service delivery and the findings are shown below.

Table 19: Multiple Regression Results

Adjusted R ² = .615		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta β		
1	(Constant)	.172	.185		.929	.355
	Bid Preparatory Auditing	.345	.056	.419	6.118	.000
	Contract Performance Auditing	.452	.074	.462	6.139	.000
	Contract Completion Auditing	.151	.064	.179	2.367	.020
a. Dependent Variable: service delivery b. Predictors: bid preparatory, contract execution and contract completion						

Source: Primary data

Table 19 above shows an adjusted R² value of 0.615 between procurement audits dimensions of bid preparatory process, contract execution, contract completion auditing and service delivery suggesting that procurement auditing predicted 61.5% of the variance in the service delivery by local government while other variables predicted the remaining 38.5% of the variance in the service delivery. Contract execution auditing had the highest influence on service delivery ($\beta = 0.462$, $t = 6.139$, and $\text{sig} = 0.000$). This was followed by Bid preparatory auditing ($\beta = 0.419$, $t = 6.118$, and $\text{sig} = 0.000$) and lastly contract completions auditing ($\beta = 0.179$, $t = 2.367$, and $\text{sig} = 0.000$). These finding revealed that although bid preparatory auditing and contract completion auditing were necessary for effective service delivery by local governments of Uganda, emphasizing prompt procurement audits by the relevant

procurement authorities and departments during contract execution would guarantee higher results in service delivery.

Table 20: Summary of study hypotheses

Study hypotheses	Substantiated/unsubstantiated
1. The bid preparatory process auditing significantly influences service delivery in local governments.	Substantiated
2. The contract execution auditing significantly influences service delivery in local governments.	Substantiated
3. The contract completion auditing significantly influences service delivery in local governments.	Substantiated

CHAPTER FIVE

SUMMARY, DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

This chapter presents a summary, discussion, conclusions and recommendations of the study on procurement audits and service delivery on local governments. The first section presents a summary of findings on management functions and project success. This is followed by a discussion, conclusion, recommendations, limitations of the study, contributions of the study and recommendations for further studies.

5.2. Summary of the study findings

This sub section presents a summary of the study findings on the extent to which procurement auditing influenced service delivery in Mukono district based on the study objectives.

5.2.1. Bid preparatory process auditing and service delivery in local governments

The study found a high positive significant relationship between bid preparatory auditing and service delivery in the local government under study ($r = 0.567^{**}$ and $p = 0.000$). The simple regression results revealed that bid preparatory auditing alone, predicted 31.5% of the variance in the level of service delivery in Mukono District (adjusted $R^2 = 0.315$, $t = 6.539$, $F = 42.752$ and $sig = 0.000$). The study therefore confirmed the hypothesis that the bid preparatory process auditing significantly influenced service delivery in local governments.

5.2.2. Contract execution auditing and service delivery in local governments

The study found a high positive significant relationship between contract execution auditing and service delivery in the local government under study ($r = 0.645^{**}$ and $p = 0.000$). The simple regression results revealed that contract execution auditing alone,

predicted 40.9% of the variance in the level of service delivery in Mukono District (adjusted $R^2 = 0.409$, $t = 8.006$, $F = 64.098$ and $sig = 0.000$). The study therefore confirmed the hypothesis that contract execution auditing significantly influenced service delivery in local governments.

5.2.3. Contract completion auditing and service delivery in local governments

The study found a high positive significant relationship between contract completion auditing and service delivery in the local government under study ($r = 0.514^{**}$ and $p = 0.000$). The simple regression results revealed that contract completion auditing alone, predicted 25.2% of the variance in the level of service delivery in Mukono District (adjusted $R^2 = 0.252$, $t = 5.626$, $F = 31.647$ and $sig = 0.000$). The study therefore confirmed the hypothesis that contract completion auditing significantly influenced service delivery in local governments.

5.3 Discussion of the study findings

This sub section presents a discussion of the study findings on the extent to which procurement auditing aspects of bid preparation, contract execution, contract completion influenced service delivery in local governments in cross reference with the literature review.

5.3.1. Bid preparatory process auditing and service delivery in local governments

On the extent to which the bid preparatory auditing influenced service delivery, the study found out that bid preparatory auditing was a high significant predictor of the variance in service delivery in local governments of Uganda. This study findings and observations are similar to Mamiro (2009) study on procurement audits in Tanzania which found absence of annual procurement plans in most procuring entities as one of the major factors fueling procurement costs and thus rendering achievement of

value for money a distant dream a situation which would have been annulled if audits were implemented. In support, Okeahalam (2004) noted that in Africa revealed countries such as Nigeria and Ghana suffer from weak procurement law enforcement mechanisms leading to poor service delivery. Hui et al. (2011) concludes by observing that the possibility of bid management process review is a strong incentive for procurement officials to abide by the rules leading to enhancement of the objective of the procurement.

The study found out that bid preparatory audits in the local government under study emphasized auditing the development of functional, performance and technical specifications while ensuring the submission of bid securities which should be credited as it enhances service delivery due to possibility of ascertaining of the descriptions of the requirements to be procured and security for compensations of the contract following failure by the contractors to perform their part of the contract.

However, the study found out that that the different audit institutions such as the PPDA Authority, OAG, IGG, Internal Audit department of the local government and other authorized government agencies experienced challenges to conduct regular and prompt procurement planning audit to ascertain submission of procurement plans by the user departments, development of specifications, procurement budgets, development of comprehensive procurement plans and initiation of procurement process. The procurement audit institutions or agencies were equally constrained in conducting prompt audits on appropriateness of bid documents, the use of appropriate procurement methods, compliance to bidding period requirements and compliance to procurement method rules. The interview findings seems to equally highlight constraints in effecting bid preparatory audits as the internal auditors do not carry out

any auditing practices on the bid preparatory process leaving it to the PDU. In few incidences, the PPDA Authority technical team audited the bid preparatory process.

The failure to observe bid management audits adversely affects the outcomes of the procurement process for failure to gain an early opinion and advise on enhancement of achievement of the objective of the procurement by the local government as it give a leeway for corruption tendencies. Dorn, et al., (2008) highlight the risks associated with procurement processes and noted that criminality and/or corruption opportunities arise as decisions are made at the procurement planning and bid management processes. According to Zubcic and Sims (2011), enforcement action and increased penalties lead to greater levels of compliance with procurement laws. Corruption among government procurement officials in developing countries according to Raymond (2008) has been linked to a weak enforcement of the rule of law.

In retrospect, the study findings and views of other scholars affirm to the Principal Agent theory by Jensen and Meckling, (1976) which put it that auditors officials, acting as the principal's agent must periodically account to the principal for their use and stewardship of resources and the extent to which the public's objectives have been accomplished. An effective audit activity therefore reduces the risks inherent in a principal-agent relationship.

5.3.2. Contract execution auditing and service delivery in local governments

Contract execution auditing was found to significantly influence service delivery in the local government. This study inferred that the ill managed contract performance auditing adversely affected service delivery in local governments a view supported by Hui, et al. (2011) who noted that rules are not enough, especially when the law enforcement mechanisms are also weak and call for proper monitoring policies

mainly audits to help make existing norms effective. In support Hui, et al., (2011) reported that poor monitoring systems created room for fraud where cases of incomplete and abandoned projects which keep on being repeated in the procurement plans. It was recommended that the monitoring and auditing role could help ensuring the projects proceed without having severe problems and run smoothly in accordance with the plan within the acceptable tolerance level (ibid). Morin (2000) concludes by noting that:

Knowing that the auditors will sooner or later make a return visit does seem to motivate auditees to correct certain deficiencies, to be more prudent in their management practices, to adopt better management practices, to follow up on recommendations, and to avoid certain abusive management practices

On the observance of roles and responsibilities, the study found out that it was easier for the procurement audit institutions to audit the exercise of the roles and powers of the Accounting officer in a local government than conducting regular spot audits on observance of roles and responsibilities of stakeholders in contract execution during contract performance. The study therefore inferred that the failure to conduct prompt procurement audits on the observance of roles and responsibilities by the contract stakeholders in the PDE and contractor during contract performance compromises the achievement of the desired service delivery levels in the local government.

On contract monitoring audits, the study found out that although the different audit institutions were in position to audit the safety of records and bid securities, the audit agencies were constrained in auditing fulfillment of contract terms in the local government, variations or change orders to contracts, performance of the contractors which compromises the achievement of value for money due to failure to identify and rectify contract monitoring weaknesses and giving of an informed audit position, opinion or advice during contract performance. The qualitative findings are in

agreement with constraints in implementing prompt internal contract performance audits and point to the view that the internal audit function was central in auditing the contract execution audits but other external entities only occasionally audited running contracts.

This study findings relate to a great extent to Kemoni and Ngulube (2008) Kenyan study which found out that situations of acting on ad hoc basis, made it intricate to carry out meaningful audits and to prove procurement fraud yet this could have been mitigated if prompt procurement audits were conducted on procurement records. Ambrose (2008) opines that systems without the ability to provide an inviolable audit trail would make their use unacceptable in most compliance and regulatory environments. Similarly, Alfresco (2009) noted that proper records management controls, managing who can access and modify key documents and records have been identified as an integral part of achieving compliance. The study findings and discussions are in agreement with the Principal Agent theory by Jensen and Meckling, (1976) which put it that an effective audit activity therefore reduces the risks inherent in a principal-agent relationship.

5.3.3. Contract completion auditing and service delivery in local governments

On the extent to which contract completion audit influence service delivery, the study found out that contract completion auditing significantly influenced service delivery in the local governments a position supported by McCue and Gianakis (2001) highlight that the procurement final phase of evaluation, consists of three parts audit, evaluation and feedback. Audit requirements often are established in legislation or policy. If not, the procurement manager needs to design a post audit strategy to ensure that the program is in compliance with established law (ibid).

Radnor (2008) concludes by observing that the presence of procurement audit and inspection has had a role in setting direction and to make further efficiency savings English councils need to better understand the context of their procurement modernisation strategy and policies to drive not only achievement of the results but also improvement of service performance.

One of the areas in contract completion audits was the value for money audits of which the study found out that the responsible entities failed to promptly ascertain the achievement of value for money at the end of the contract performance due to low capacity to audit all completed contracts in the many local governments. The procurement audit institutions were also constrained in the performance of vendor ratings requirements by the local government which puts the attainment of the objective of the project into a precarious condition due to failure to establish the effectiveness of the vendor in fulfilling the contract terms before prequalification as a regular supplier for related procurements.

Qualitative data however seem to disagree with existence of constraints to performance contract completion audits and posits that site visits by the internal and external auditors tend to produce reports entailing what they found on ground of which copies of the audit reports are given to the local government to answer queries raised and actions by PAC.

Morin (2008) while reviewing value for money audits noted that if the VFM audit has shown itself effective in bringing such abuses into public view, it has yet to demonstrate its capacity in improving the management of public affairs. Hence, the VFM audit has proven its worth in detection more than in prevention and correction. Morin (2008) further noted that when the VFM audit receives press coverage,

auditees tend to react more quickly to the audit report by applying corrective measures.

The view that contract completion auditing influences service delivery in the local governments attests to the Principal Agent theory by Jensen and Meckling, (1976) which put it that:

Auditor officials, acting as the principal's agent must periodically account to the principal for their use and stewardship of resources and the extent to which the public's objectives have been accomplished and an effective audit activity therefore reduces the risks inherent in a principal-agent relationship.

5.4 Conclusions of the study

This sub section presents the learning points of the influence of bid preparatory auditing, contract execution auditing and contract completion auditing influenced study on service delivery on local governments of Uganda based on the study findings and discussions above.

5.4.1. Bid preparatory auditing and service delivery in local governments

The study concluded that the bid preparatory process auditing significantly influenced service delivery in local governments of Uganda. The inference was that the failure by the public procurement audit stakeholders to adequately undertake procurement planning and bid management audits adversely affected service delivery in the local government.

5.4.2. Contract Execution auditing and service delivery in local governments

The study concluded that procurement contract execution auditing significantly influenced service delivery in local governments of Uganda. The inference was that the failure by the public procurement audit stakeholders to adequately undertake

audits on the performance of roles and contract monitoring by those parties in the contract contract, adversely affected service delivery in the local government.

5.4.3. Contract completion auditing and service delivery in local governments

The study concluded that procurement contract completion auditing significantly influenced service delivery in local governments and the inability by the public procurement audit stakeholders to adequately undertake audits on the attainment of value for money and vendor ratings adversely affected service delivery in the local government.

5.5 Recommendations of the study

This sub section presents the recommendations of study on bid preparatory auditing, contract execution auditing, contract completion auditing and service delivery. This based on the study findings, discussions and conclusions.

5.5.1. Bid preparatory auditing and service delivery in local governments

To enhance service delivery in Mukono Local Governments, the PPDA Authority, MoLG, OAG, IGG, in liaison with the local government internal audit function should coordinate their activities through joint work plans to audit procurement planning and bid management processes. This should be complemented with continuous resource mobilization through allocation of procurement audit budgets to facilitate implementation of planned procurement audits at the bid preparatory audits.

5.5.2. Contract execution auditing and service delivery in local governments

To enhance service delivery in Mukono Local Governments, the PPDA Authority, MoLG, OAG, IGG, in liaison with the local government internal audit function should demand for development of contract performance responsibility charts and

monitoring work plans by the district authorities to act as the basis for development of coordinated procurement audits plan by the different audit institutions.

5.5.3. Contract completion auditing and service delivery in local governments

To enhance service delivery in Mukono Local Governments, the PPDA Authority, MoLG, OAG, IGG, in liaison with the local government internal audit function should compel contract managers to perform prompt value for money audits and vendor ratings for all completed contracts and submit reports to the different local government procurement stakeholders. This should be completed with training in value for money audits and vendor ratings.

5.6 Limitations of the study

The study used majorly primary data collected using a standardized questionnaire and interview guide without use of secondary data to effectively triangulate and enhance the data quality on procurement audits and service delivery in the local governments. Use of secondary data gained from procurement audit reports if accessed would have enhanced the quality and objectivity of the study findings but efforts to access such secondary data was futile. Secondly, the study used only one local government out of the 110 district local government in Uganda which constrains the generalization of the study findings. Use of selected local government would have enhanced the representativeness of the study findings, conclusions and recommendations but we were resource constrained to carry out a study of that magnitude.

5.7 Contributions of the study

The study has helped develop public procurement audit managerial recommendations requiring concerted efforts through coordination of the different procurement audit institutions to audit bid preparation, contract execution and contract completion audits

to enhance service delivery in local governments of Uganda. Similarly, the study has also helped cover literature gaps by providing empirical evidence on the extent to which procurement auditing influences service delivery in local governments of Uganda, a developing country which is still reforming its procurement operations for enhanced service delivery.

5.7 Recommendations for further studies

The study found out that other variable other than procurement auditing predicted the remaining 38.5% of the variance in service delivery. Other studies need to examine the extent to which procurement capacity building could have influenced service delivery in selected local governments while considering use of documentary review to triangulate the data.

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APPENDICES

Appendix 1: Study Questionnaire

Dear Respondent,

I am a student at Uganda Management Institute pursuing a Masters degree of Business Administration. I am carrying out a study entitled procurement auditing and service delivery in local governments. You have been selected in your local government to participate in this study by furnishing us your experiences. So feel free and answer diligently as your responses will be used for achieving academic objectives.

SECTION A: BACK GROUND INFORMATION (Tick as appropriate)

1. Your position in relation to procurement function: Contracts Committee [] User Department [] Procurement and Disposal Unit [] Contractor []
2. Level of education: Diploma [] Degree [] Post Graduate [] others (specify).....
3. Time worked with Mukono Local government: 1-4 Years [] 5-9 Years [] 10-14 Years [] 15+ years []

SECTION B: PROCUREMENT AUDITING

Indicate the extent to which you agree or disagree with the following positions on procurement auditing in your Local Government on a scale of 5-Strongly agree, 4-Agree, 3-Not decided, 2-Disagree, 1-Strongly disagree.

Procurement audits					
3. Bid preparatory audit					
<i>Procurement planning</i>					
1. Regular procurement audits are conducted in your local government to examine the procurement planning process by the user departments					
4. Regular procurement audits are conducted in your local government to examine the specifications of requirements					
3. Regular procurement audits are conducted in your local government to examine the authorization of alternative specifications standards					
4. Regular procurement audits are conducted in your local government to examine the adequacy of procurement budgeting process					
5. Regular procurement audits are conducted in your local government to examine if the Local government has a well developed procurement plan					
6. Regular procurement audits are conducted on procurement plans to examine the comprehensiveness of procurement plans					

7.Regular procurement audits are conducted on initiation of procurement requirements based on confirmation of funds					
8.Procurement audits are conducted to examine compliance to legal provisions related to procurement planning					
<i>Bid management</i>					
9.Relevant audit institutions audit the appropriateness of bid documents in your local government					
10.Relevant audit institutions audit the use of appropriate procurement methods in your local government					
11.Procurement audits are conducted on the compliance to bidding period requirement in your local government					
12.Procurement audits are conducted on the compliance to procurement method rules					
13.Regular audits are conducted on the receipt of bids process					
14.Regular audits are conducted on bid opening					
15.Regular audits are conducted on supplier selection process					
16.Regular audits are conducted on contract award process					
17.Procurement audits are conducted on the provision of bid security by the best evaluated bidder					
18.Procurement audits are conducted on the post qualifications and negotiations					
.2. Contract execution audits					
<i>Roles and responsibilities</i>					
1. The relevant audits institutions regularly conduct procurement audits on the performance of overall accountability responsibility by the accounting officer(CAO) of the district.					
2.The relevant audits institutions regularly conduct procurement audits on the transfer of contract responsibility to the user department in your local government.					
3.The relevant audits institutions regularly conduct procurement audits on the appointment of a contract manager in your local government.					
4.The relevant audits institutions regularly conduct procurement audits on the responsibilities of a contract manager in your local government.					
5.The relevant audits institutions regularly conduct procurement audits on the roles of the contractor in your local government.					
<i>Contract Monitoring</i>					
6.The relevant audits institutions regularly conduct procurement audits on the fulfillment of contract terms in your local government.					

7.The relevant audits institutions regularly conduct procurement audits on variations or change orders to contracts in your local government.					
8.The relevant audits institutions regularly conduct procurement audits on contract amendment in your local government.					
9.The relevant audits institutions regularly conduct procurement audits on performance of the contractors in your local government					
10.Adequate procurement audits are conducted to on the availability of procurement records in your local government.					
11.Adequate procurement audits are conducted to on the content of procurement records					
12.Adequate procurement audits are conducted to on the safe keeping of records					
13.Adequate procurement audits are conducted to on the safe keeping of financial instruments					
14.Adequate procurement audits are conducted to on the contractor performance reports in your local government.					
3.Contract completion audits					
<i>Value for money audits</i>					
1.Timely audits are conducted the attainment of economy in the Mukono local government procurements					
2.Timely audits are conducted the attainment of efficiency in the Mukono local government procurements					
3.Timely audits are conducted the attainment of effectiveness in the Mukono local government procurements					
<i>Vendor rating</i>					
4.Post contract audits are regularly conducted to appraise the fulfillment of procurement requirement by the vendor in your local government					
5.Post contract audits are promptly conducted to appraise the fulfillment of delivery time schedules by the vendor in your local government					
6. .Post contract audits are promptly conducted to appraise fulfillment of cost or price expectations by the vendor in your local government					
7. Post contract audits are promptly conducted on the capabilities of the vendor in your local government					
8.Post contract audits are promptly conducted on fulfillment of service quality expectations by vendor in your local government					

SECTION C: SERVICE DELIVERY

Indicate the extent to which you agree or disagree with the following observations on service delivery in your Local Government on a scale of 5-Strongly agree, 4-Agree, 3-Not decided, 2-Disagree, 1-Strongly disagree.

<i>Responsiveness</i>					
1. Mukono local government ways provides for the aspiration of its community					
2. Mukono local government always provides the expectations of its community					
3. Mukono local government always meets the needs of its community					
4. Mukono local government is always in position to improve on the aspirations, expectations and needs of its community					
<i>Quality of services</i>					
5. The delivery of health service by Mukono local government is reliable					
6. The delivery of educational services in Mukono local government is adequate					
7. There are adequate core development infrastructures in Mukono local government					
8. Mukono local government has a favorable rating on quality services achievement among local urban authorities					
<i>Cost effectiveness</i>					
9. There is adherence to accountability practices in Mukono local government					
10. There is transparency in the delivery of services in Mukono local government					
11. Mukono local government meets its mandate at the lowest costs possible					
12. Mukono local government meets its mandate within its budgets					
13. Mukono local government has achieved value for money in its service delivery					

Appendix II: Interview schedule

1. Describe the bid preparatory process auditing practices you have experienced in Mukono local government.
2. How does bid preparatory auditing influenced service delivery in Mukono local government?
3. Describe the contract execution process auditing practices you have experienced in Mukono local government.
4. How does contract execution auditing influenced service delivery in Mukono local government?
5. Describe the post contract performance auditing practices you have experienced in Mukono local government.
6. How does contract execution auditing influenced service delivery in Mukono local government?

Appendix III: Table for determining sample size from a given population

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Source: Krejcie and Morgan (1970).