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COLLEGE OF ARCHITECTURE AND PLANNING DEPARTMENT OF
BUILDING TECHNOLOGY

COMPLIANCE AND IMPLEMENTATION CHALLENGES OF THE
PUBLIC PROCUREMENT

ACT 663 (2003) IN DISTRICT EDUCATION OFFICES.

A CASE STUDY OF ASHANTI REGION.

By

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(PLANNING)

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DECLARATION

I hereby declare that, this submission is my own work towards the Msc. In Procurement Management and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of any University, except where due acknowledgement has been made in the text.

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ABSTRACT

The Public Procurement Act 663(2003) was enacted to instill efficiency in the public procurement management for Value for Money(VfM). However, since its enactment in 2003, its implementation has been fraught with a lot of challenges especially in the procurement management process. District education offices which are the decentralized units of pre-tertiary education delivery are bedeviled with poor procurement management practices. The aim of the study was to ascertain the extent to which these district education offices in Ashanti Region adhere to the Public Procurement Act 663 of 2003 and to offer interventions to improve upon the situation. The specific objectives were to identify the compliance level of the Act by the education offices, identify the strengths & weaknesses, identify capacity gaps and propose recommendations. Ashanti region was selected as a case study where five district education offices namely Asante Akim Central, Ejisu-Juaben, Asante Akim South, Bosome –Freho and Sekyere East Districts were selected. These districts were selected with due consideration to Urban, Peri-Urban and Rural Geographical educational settings of Ashanti Region. Using Purposive non-probability sampling method, the procurement committees of the 5 selected districts were targeted with a structured questionnaire. In all, 20 respondents made up of District directors of education, Budget officers, Finance & Administration officers and District Education Accountants from the 5 selected District education offices, who constituted the procurement committees, responded to the questionnaire. This constitutes 100% response rate. The data was analysed using a blend of qualitative and quantitative methods. On the basis of the Organization of Economic Co-operation and Development (OECD)/ World Bank four compliance areas, the study highlighted the following findings: the mean compliance level of the five selected District education offices in Ashanti region is 212.1 out of a total standard score of 480. This translates as 42.42 percent. The implication is that there is a huge compliance deficit of 57.58 percent. The study scientifically concludes that there is low compliance level of the Public Procurement Act 663 by the district education offices. This amply confirms the existing literature that there is low compliance level to the Public procurement Act 663 of 2003 in Public institutions. Contract management was revealed as the weakest compliance area while Procurement process was the strongest compliance area. Though the districts exhibited some strengths in some areas of the Act 663 such as the use of Request for Quotation Method (RFQ), Preparation of Cash budget to precede procurement and Notification of winners of contract, the capacity gaps constitute major challenges to the implementation of the Act 663 at the district education offices: Lack of procurement Unit, Lack of professional procurement officers, Inadequate procurement training programmes for the education officers, Lack of contract management techniques, Inadequate procurement Manuals and Acts at the offices for reference, High propensity to use the Sole Sourcing method without recourse

to the laid down conditions as specified by section 40 of the Act 663 of 2003. This is a clear confirmation to the literature review that there is high inclination by the public Procurement Entities to use the sole sourcing method. These challenges, among others, are ample affirmation to the existing literature that there is low compliance level of the Public Procurement Act and further affirm the lamentation by Ministry of Education that 71 percent of district education offices have problems with Procurement management. It is therefore recommended, among others, that a vigorous capacity training programme be organized for all Regional and District Directors of Education in Public Procurement Management skills. As a matter of urgency, Procurement Units should be created in all the district education offices in Ghana. These units, manned by professional procurement officers, would give technical expertise in procurement management at the district level. It is further recommended that Quantity Surveyors be attached to each of the District Education Offices for technical expertise on contract management especially in works procurement. It is envisaged that if these recommendations are implemented, the identified weaknesses would be surmounted for the ultimate improvement of the current low compliance level of the Public Procurement Act 663 of 2003.



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CHAPTER ONE

GENERAL INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Decentralized planning and management of education are the major strategies and processes adopted by the Government over the years to achieve the target of universal basic education. In Ghana today, the district education office is regarded as the spatial unit of decentralized educational planning and management (GES, 2012). The world education conference held in 1990 in Jomtien, Thailand, set out a vision for the international community to collectively pursue a strategy for ensuring that the basic needs of every child, youth and adult is met through the provision of education for all (EFA). In April, 2000, ten years later, in Senegal, an assessment was made on the achievements, lessons and failures of the decade following the Jomtien Conference. Based upon the findings of the Dakar forum, six goals were outlined for all member states of UNESCO to pursue in order to achieve the education for all goals (Ghana Teachers Journal, 2003).

The government of Ghana subscribes to the principle of education for all (EFA) and is committed to the achievement of universal primary completion by the year 2015. Accordingly, Ministry of Education has developed a Ten –year Education Strategic Plan (ESP) spanning from 2010 to 2020. This plan aims at placing investment in the education sector within a planned framework of development that is consistent with international goals, as well as national and regional policies. The policy and strategy reforms within the ESP are linked to broader development policies, practices, poverty reduction strategy and other reports on sectoral development.

To further show absolute commitment to universal basic education, the Ministry of Education has developed EFA work programme to run parallel with the ESP. The work programme aims, among others, at identifying capacity building requirements at the central, regional and district levels of education. It equally seeks to ensure uniform and internally consistent financial management, monitoring, audit and procurement systems (GES, 2012).

With the advent of financial decentralization, district education offices are expected to make effective use of scarce financial resources placed at their disposal for the achievement of EFA and Millennium Development Goals (MDG) of education.

Since strengthening of educational management at the local level is one of the targets of the District Education Strategic Plan (DESP), there is the need to have a critical look at the procurement management practices so as to make effective use of scarce donor and Government of Ghana (GOG) financial inflows.

Recently, procurement has become a major topical issue for all actors in both the public and private sectors of Ghana's economy. The procurement Act was therefore enacted in 2003, to streamline public procurement processes. It grants exceptions to store management and distribution, a loan or funding agreement which specifies alternative procedure, and a situation where a minister decides to use alternative procedure in the national interest. The legal framework of this Act consists of the Act 663 itself, Public Procurement Manual, Public procurement Regulations, Standard Tender Documents and Guidelines. The implementation of the Act however, presents a lot of challenges to a number of public institutions mainly due to lack of understanding of the various provisions therein (Procurement Act 663, 2003).

Currently, the Act 663 does not stipulate the composition of the Procurement Committee at the Metropolitan, Municipal and District Education offices .This is a recipe for unethical procurement practices at the decentralized level of education. Money meant for procurement of educational materials and other logistics could easily be siphoned for other parochial interests through uncompetitive procurement processes. This may result in dissipation of scarce financial resources since the gains that would have accrued from competitive tendering end up in the pockets of some individuals. Additionally, value for money becomes a ‘lost opportunity’. This situation negatively affects quality of education.

To improve upon proper use of scarce financial resources of the government, and to ensure full compliance of the Act 663, there is the need to periodically monitor the procurement practices in the public institutions including the MMD education offices using Compliance Indicators.

Admittedly, the Act 663 of 2003 was enacted to streamline the procurement processes in public institutions to instill efficiency for eventual value for money. Arguably, the cardinal objectives of the Act such as Transparency, Fairness, Non-discrimination and Competition will be an illusion if there is no strict compliance of the Act. This makes constant compliance monitoring of the Act a necessity. Hence, the study attempts to find out the level of adherence to the Act 663 of 2003 in District Education Offices using predefined compliance indicators.

1.2 STATEMENT OF THE PROBLEM

Public spending in education constituted 5.2% of GDP in 2010 (World Bank, 2003).

Currently, education constitutes 31% of the National Budget. Out of this, 60-75% goes to Ghana Education Service which is in charge of education delivery at the pre-tertiary level (modernghana.com).

In October 2006, Accra High Court found that the Ministry of Education and Sports (MOES) did not follow the Public Procurement Act when it single-sourced Macmillan Books to supply secondary school materials worth US\$28million during the NPP era. The Ghana Book Publishers' Association upon sensing that the MOES had sole-sourced this contract, in breach of the national text book development policy, took the case to court. The Policy, agreed between MOES, local publishers and agents from international publishing houses is a conscious effort to nurture local capacity in book development with special reference to timely development and production of high quality textbooks, other instructional materials, cost effective and sustainable procurement. In its judgment, the high court was categorical that, MOES had contravened section 40 of the public procurement Act in sole-sourcing from Macmillan Books. The Tender was then revoked (The Republic vrs MOES, 2006).

To narrow the problem to the Regional and District Education offices which are the policy implementers of MOE and GES at the grassroots, the story is equally gloomy. Seventy one percent [71%] of these decentralized offices of GES have problems with procurement management (Ministry of Education , 2011). This situation gives cause for concern. Poor procurement management practices at MOE and District Education offices is thus the core problem of this research.

This situation, if left unattended to, will result in lack of cost effectiveness in the procurement process and could as well be baneful to quality education. Similarly, the quality of the goods procured can be compromised resulting in dissipation of scarce financial envelop placed at the disposal of these educational offices. Ultimately, value for money stands to be relegated to the background. This research, hence, aims at exploring new frontiers of knowledge by measuring the procurement practices in these decentralized units of GES against International standards. The findings and the recommendations thereof would then be used as an informed and scientific basis to address any identified implementation challenges.

1.3 RESEARCH QUESTIONS

In response to the Problem, the research intends finding answers to the following questions:

- ☐ What is the level of Compliance of Act 663?
- ☐ Which Compliance area has high performance?
- ☐ Which Compliance area has low performance?
- ☐ What are the challenges faced by the institutions?
- ☐ Are there any interventions to ensure full compliance of the Act 663 of 2003?

1.4 THE PURPOSE OF THE STUDY

1.4.1 The aim of the study

The overall aim of this research is to investigate the level of adherence to the Procurement Act (Act 663) using the predetermined Compliance and Performance

indicators [CPI] and suggest remedial measures to bridge any identified implementation gaps.

1. 4. 2 The Objectives Of The Study

Specifically, the study seeks to achieve the following objectives:

1. To ascertain the level at which district education offices comply with the Act 663 of 2003;
2. To identify the strengths of the education offices in the implementation the Act 663 of 2003;
3. To identify the weaknesses of these education offices in the implementation of the Act 663;
4. To identify the capacity gaps stifling the implementation of the Act in the education offices ; and
5. To propose appropriate recommendations to improve upon the compliance level of the Act.

1.5 SIGNIFICANCE OF THE STUDY:

That, this study is of high significance can hardly be overemphasized. Particularly so, as it seeks to fill the knowledge gap about the core problem. Equally, the recommendations will be used as strategies to achieve Effective Education planning and management being one of the goals of District Education Strategic Plan(2010-2020). Moreover, the results and the output of this research can be used as one of the tools of identifying the capacity development gaps at the Regional and District Education offices in terms of procurement management.

The ESP has six focal areas namely:

- ☐ Basic Education ;
- ☐ Second Cycle Education ;
- ☐ Non-formal Education ;
- ☐ Inclusive and Special Education ;
- ☐ Tertiary Education ; and ☐ Education Management .

Under the education management Theme, MOE seeks to improve planning and delivery of education by devolution to districts while retaining responsibility for norms, standards and systematic accountability at the centre. Pursuant to this, GES is vigorously pursuing decentralization of education delivery, consistent with the Local Government Act 462(1993), leading to considerable devolution of management with significant responsibility for implementation and accountability at District, Regional and National levels (Ministry of Education, 2009). Periodic assessment of the compliance level of procurement management vis-as- vis the Act 663 of 2003 is not out of place. The relevance of such a study knows no bounds, since the recommendations will be used to fine-tune and strengthen education management in terms of procurement system at the Regional and District levels of education.

Above all, the results of the study will ultimately serve as factual and empirical data to be utilized by Regional & District Educational Directors, the Director General of Education, the Minister of Education , Educational Planners , Development Partners in Education and other Civil Society Organizations to tailor appropriate interventions to improve upon procurement at the Regional and District offices of education .

1.6 SCOPE OF THE STUDY

1.6.1 A brief profile of the geographical scope

Arguably, Ashanti region is regarded as the ‘heartbeat’ of Ghana. It is one of the ten regions of Ghana. It has a relatively dense population with about four million inhabitants. The regional capital is Kumasi which has become a cosmopolitan city due to its functionality in terms of social economic services that it provides. The sphere of influence of Ashanti region is boundless as it has become the habitat of people from all walks of life. Perhaps the unflinching hospitality of the Ashantis is the pulling magic. The strategic location of the region has made it highly accessible to other regions. Kumasi, the capital, is highly populated with migrants from the other regions notably Northern, Brong Ahafo, Central, Western, Eastern and even foreigners from the neighbouring west African countries like Togo, Benin, Nigeria, Cote d'Ivoire, Niger, Mali and Burkina Faso find Kumasi a comfortable place to live in. The interest of the traditional Authority in education is portrayed by the Otumfuo Education Fund which supports needy but brilliant students in the region irrespective of tribal or ethnic background. Currently, there are 30 administrative districts in Ashanti region. Each district has education office which oversees education delivery (Annual Review, 2008).

The study targets 5 of the 30 District Education Offices in Ashanti Region namely :

- Asante Akim South district Education office ;
- Asante Akim Central Municipal Education office ;
- Bosomtwe district Education office ;

- Ejisu- Juaben Municipal Education office ; and □ Sekyere East district Education office .

These Sample Units which were selected on the basis of proximity, time limit of the research and the homogeneous nature of the 30 districts in the region, constitute 16.67% of the total population.

1.6.2 Delimitation

The study is limited to the 5 selected districts owing principally to the time limit of the study and financial constraints. The findings therefore will reflect mainly the views and the procurement management practices of the selected district education offices . However, Since all the 30 education offices are homogeneous in character in terms of work design systems, the findings of the selected districts will be a representative for the extrapolation in the region.

1.7 ORGANIZATION OF THE REPORT

The first chapter gives an introduction to the research highlighting in the main, the background of the research, the problem statement, Research questions, and the purpose of the research . The second chapter comprehensively reviews relevant literature and related studies of the research which ultimately form the scientific basis and the theoretical framework of the current research .The third chapter deals with the methodology including the research design used in capturing the data. It further validates the data using Reliability Co-efficient Statistical Method . The fourth chapter covers data, Analysis and Discussion. The implications of the findings are comprehensively discussed. The findings are further compared with the existing

literature and theory for scientific conclusions . The fifth chapter finalizes the research by concluding and offering appropriate recommendations to tackle the core problem of the study.

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CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

Usually, any well-conceived research is based on a theory or theories [Opoku,2002]. The basic intention of a literature review is to give a comprehensive review of previous general and specific works relevant to the current study [Berg , 2007] .This chapter therefore deals with a description and review of sampled related studies in the current research area. Evaluation of this literature is systematically done to bring out any knowledge gap inherent in the existing body of knowledge.

2.2 PUBLIC PROCUREMENT AS AN EMERGING ISSUE

Public procurement is increasingly gaining much prominence across the globe. It continues to be a major concern to various governments. Public procurement accounts for up to 50-

70% of imports, representing between 18.2% to 25.48% of the country's Gross Domestic Product (GDP). About 80% of non-staff emoluments of Government expenditure passes through the procurement process (Procurement Reform in Ghana, 2003).

Moreover, Public entities spend large sums of money through the public procurement process. On account of mounting budgetary constraints, it is long overdue for Government to monitor and assess procurement procedures and systems. The ultimate intention is to ensure that the scarce resources of the government do not go down the drain.

In developing countries, Government procurement accounts for 4.5% of Gross Domestic Product. Globally, government procurement is a big business .Malaysia spent US\$26 billion on procurement in 2003. This constituted a quarter of its GDP. In the Dominican Republic, 20 percent government expenditure is spent on procuring goods and services. In Malawi and Vietnam, it is 40 percent. In Uganda, it is as high as 70 percent. Overall, across the world, Government annual spending on goods and services is estimated to be more than US\$2000 billion (McDonald, 2008).

Donors, both bilateral and multilateral, have equally joined the bandwagon of public procurement activities. The suspicion is that, money donated could be wasted or fraudulently used. This might be the primary motivation for donor engagement in procurement.

2.3 THE RELEVANCE OF COMPLIANCE USING THE OECD/DAC CPI TOOL

Compliance refers to the adherence or conformity to a set of rules, laid down procedures and laws regulating the proper conduct of an activity. It is an important variable to track in any intervention if that intervention is to yield the objectives for which it was intended. The procurement Act is, without doubt, a legally strategic regulatory intervention meant to guide

Public procurement entities and practitioners to uphold ethical and professional values to ensure value for money. It is therefore very critical to measure the adherence of the Act by the actors of the Public procurement system. Hence, compliance is a good planning standard used to measure the implementation success of the Act 663 of 2003.

Compliance and Performance Indicators are a collection of internationally recognized best practice Methodology for Assessing Procurement Systems (MAPS) both at the country level and specific procurement entity level. Such a tool has been extensively used to carry out Country Procurement Assessment across the world to ascertain the compliance levels of the procurement legal regime in these countries.

The Organization of Economic Co-operation and Development (OECD) originated in 1948 as Organization for European Economic Co-operation (OEEC) to implement the Marshall plan for the reconstruction of Europe after the World war II. This organization, which currently comprises 34 countries, was re-branded in 1961 as OECD to 'stimulate economic progress and world trade'. Its headquarters are in Paris, France (<http://en.m.wikipedia.org/wiki/w>).

The CPI tool was developed under the auspices of OECD Development Assistance Committee (DAC). Under the joint World Bank/DAC round Table initiative, developing countries bilateral and multilateral donors worked together to develop a set of tools and standards that provide guidance for improvements in procurement systems and the results they produce. The Round Table initiative culminated in 2006 with the adoption of the two tools namely the Baseline Indicator (BLI) tool and the Compliance and Performance Indicator tool. The BLIs deal with the formal and functional features of the existing system and provide

a comparison of the actual system against the international standards that the BLIs represent. The CPIs, on the other hand, deal with the monitoring performance data to determine the level of compliance with the formal system and thus with how the system actually operates. Again, while the BLIs take a ‘snapshot’ of the system design at a given time, the CPIs look at what is happening on the ground by examining a sample of procurement transactions and other relevant information that is deemed representative of the system (CPI Indonesia, 2011).

This research will study the CPI option since the focus of the study is on the compliance level and implementation challenges of the Act 663. Such compliance indicators are used to scrutinize the procurement management practices of the selected procurement Entities.

The use of these universal indicators has a stream of benefits. Firstly, apart from indicating clearly how the procurement Act is being implemented in the selected procurement entities, they can easily be replicated in other sectors with high data objectivity. Similarly, the CPI indicators can be used as performance monitoring tools to monitor and evaluate the effectiveness of public procurement systems and management in the light of the procurement law. (Forum on Aid Effectiveness, Korea, 2011)

It is therefore highly justified in selecting these compliance and performance Indicators for this development oriented research in Ghana Education Service. It is hoped that, these indicators will provide an internationally tailored means of identifying the level of compliance and systemic weaknesses in the overall procurement management at the district education offices of GES with a view of improving the system in the years to come.

2.4 COMPLIANCE LEVELS IN DEVELOPING COUNTRIES

Procurement reform is one of the standards of Good Governance. The number of public sector conditions as a percentage of the overall World Bank lending conditions has increased from 17 percent in 1995-1999 to 50 percent in 2007. Procurement reforms being implemented across the world are similar. The reason is that , donors have directed countries to introduce a standard law developed by the United Nations Commission on International Trade Law (UNCITRAL) and meet the indicators set out by the OECD'S Development Assistance Committee-World Bank roundtable initiative (Aid ,Governance & public procurement, 2008).

This is an ample testimony why Compliance in public procurement to the CPI tool is a necessity.

Public procurement system is a set of rules that guide purchasing of goods, works and services, however big or small. It seeks to guide all purchases including new blackboards, textbooks, furniture, getting an expert to repair a computer and renovation of an urban water system. If there are no laid down rules to guide such expenditure, the risk that money will be allocated inefficiently is high. This is the basis for compliance to the procurement system. Realizing this need, developed and developing countries have in recent years, committed themselves to procurement legislation. For instance countries like Ghana, Uganda, Tanzania, and Peru have all introduced new procurement legislation since 2001 in response to World Bank conditions. However, the compliance level of such a system has been the major concern.

Africa has made considerable strides in procurement reforms. In Kenya, the compliance level is 66 percent according to the 2007 Assessment of the Kenyan procurement system. In Latin

America, the CPA Report of 2004 showed 50 percent compliance of the Brazilian procurement system. In Europe, the 2001 CPA report revealed 81 percent compliance level [Pillar 2] of the Albanian procurement system using the Base Line Indicators of OECD.

2.5 PROCUREMENT REFORMS: THE HISTORICAL ANTECEDENT OF ACT 663 (2003).

2.5.1 Fiduciary responsibility for Procurement

Procurement does not take place in a vacuum. Rather, it is dictated by a Budget. This is a very vital attribute of a good procurement planning. It is to forestall under budgeting and cost overruns which can grind the whole procurement process to a halt. On the basis of this, it can be reasonably argued that, good budgeting is the fulcrum around which value for money revolves.

Currently, the Ministry of Finance has the fiduciary responsibility mandated by Financial Administration Regulations, 1979[LI 1234]. Part XII, section 651, is emphatic that procurement of Public supplies and equipment and their use should be an integral part of budgetary management of public institutions and that, purchases are to be made “in the most economical way”.

2.5.2 The rationale for Public Procurement Reform (PPR).

Admittedly, any reform that can stand the test of time must have an empirical base. The PPR like any other reforms in Ghana can be traced to various procurement literature and Assessment Reports.

The need for procurement reform was articulated in the findings and recommendations of the various World Bank studies on procurement in Ghana including Country Procurement

Assessment Reports [CPAR] of 1985 ,Gosta Westring's Report of 1997 and Country portfolio Performance Review [CPPR] of 1998 . These reports highlighted the unacceptable features in the Government's procurement system and advocated a comprehensive Public Procurement reform in Ghana. This was subsequently endorsed in a Comprehensive Development Framework Initiative in Ghana in 1999. From the perspective of Ghana's development partners, an open and transparent public procurement system was considered an absolute necessity as it was central to the new approach of moving away from "project lending to program lending". Under the Comprehensive Development Framework [CDF], Donors/Development Partners require a good procurement system to allow their resources to be pooled and controlled by the Government under one basket funding.

The purpose of the reform was to eliminate the various shortcomings in the Public Procurement process through the provision of a comprehensive procurement law and standard tender documents supported by relevant institutional and administrative structures and an oversight body.

The long term strategic goal of this reform included the following:

- ☐ Promote the use of public procurement as a tool for national development ;
- ☐ Harmonize the application of procurement related rules in local and international conventions and treaties ;
- ☐ Promote the integrity of the public procurement system and public confidence in the procurement process ;

- ❑ Streamline the procedures and practices for procurement of Goods, works Services and disposal of stores & equipment.

- ❑ To establish an effective monitoring system using appropriate compliance indicators to ensure proper utilization of public funds for enhanced economic growth.

(Procurement Reform in Ghana, 2003)

2.5.3 The role of Ministry of Finance in the public procurement reform

The Ministry of Finance has oversight responsibility for rationality in the allocation and utilization of the country's scarce public resources. In 1996, it set out to reform the Public procurement system .This reform was an aspect of the Public Financial Management Reform Programme [PUFMARP].

A structure known as Public Procurement Oversight Group [PPOG] was then put in place to study the procurement system and come out with recommendations capable of responding to the procurement exigencies on the ground. The studies of PPOG confirmed the following deficiencies in the procurement system:

- a. Absence of a comprehensive public procurement policy ;
- b. Lack of a comprehensive legal regime to safeguard the integrity of the public procurement system;

- c. Absence of a central body with the requisite capability, technical expertise and competence to develop a coherent public procurement policy,

As a Rapid Response measure, an Action Plan in the form of a reform proposal was then drawn to cover policy, Legal framework, institutional structures and capacity building. To give it a legal backing, a Draft Procurement Bill to operationalise the proposal was promulgated. The Bill covered the following:

- Goods, Works and Services financed in whole or in part from public funds/loans taken or guaranteed by the State and Foreign Aid funds.
- Disposal of stores and equipment.
- Comprehensive legal provision on the Institutional Arrangements.

The Bill further provided for two broad categories of Boards namely Public Procurement Board and Tender Review Board. The Public Procurement Board [now called PPA] to exercise oversight and monitoring responsibility. The Tender Review Boards [TRB] which consists of Central, Regional, Districts and Ministerial/Headquarters to review the processes and procedure adopted by MDAs to give concurrent approval for award of Procurement Contract by the Procurement Entities. The Draft Bill became Public Procurement Act 663 in December, 2003 and subsequently became operational on 27th August, 2004 (OECD, DAC-World Bank Roundtable, 2003).

2.5.4 The Applicability of the Act 663

The Act covers a wide spectrum of institutions namely:

1. All central management agencies
2. All Government ministries, Department and Agencies [MDAs]
3. All subvented agencies, governance institutions and state owned enterprises
4. Public universities, public schools, colleges and hospitals, the Bank of Ghana and financial institutions such as public trusts, pension funds insurance companies and building societies which are wholly owned by the State or in which the State has the majority interest
5. Institutions established by the Government for the general welfare of the public or community.

Accordingly, the selection of the District Education Offices for this research where the Procurement Act is mirrored to ascertain its compliance using internationally recognized predetermined Compliance and Performance Indicators is therefore a step in the right direction.

2.6 GHANA'S EXPERIENCE WITH OECD/DAC COMPLIANCE TOOL

Since 2003, Ghana has been actively involved in the work of OECD/DAC-World Bank Roundtable on strengthening capacities in development countries and the joint venture on procurement which preceded the Task force on procurement. With the assistance of the Swiss Government, Ghana developed a methodology for the assessment of Compliance and Performance of Procurement Entities. This Assessment Methodology was known as Public Procurement Model of Excellence (PPME). In 2007, as part of the broader assessment of the Ghana Public Financial Management System, the government and Development partners with the assistance of consultants, carried out an assessment of the Ghana public procurement system using the OECD/DAC Assessment methodology

(Aid effectiveness, Korea, 2011)

Though the findings showed that Ghana had made phenomenal strides in the Public Procurement System, and was ranked above average, the study revealed some challenges:

While the PPME tool was found to be innovative and valuable tool to monitor public procurement performance and practices at the entity level, it was heavily criticized for its lack of validity, reliability and relevance in application. It was therefore recommended that the tool be refined.

The current Architecture of entity tender committees and tender Review Boards did not allow for expedient processing of procurement transactions. Public officials lacked the required skills to perform procurement tasks.

2.7 REVIEW OF RELEVANT STUDIES

According to Naa Lamily Bentil, public procurement in Ghana is characterized by anomalies such as contract variations, undue delay in payment for work done and failure to adhere to the Act 663. She laments that these challenges are drawbacks to effective procurement system (Daily Graphic, Monday edition, June 24, p.45, 2013)

In a publication, “taking forward Public Procurement in Ghana” , Anvuur, argues that a framework for guiding the implementation of the public procurement Act and other alternative procurement arrangements and modalities will be required to sustain the momentum to reform , and improve the scope for achieving value for money in the public procurement function(Anvuur,2002) .

Anvuur limited his study to the construction industry. His pre -occupation was how to take forward public procurement reform in Ghana. He was of the opinion that, construction industry in Ghana had had its fair share of challenges . Quoting from Crown Agents, 1998, he laments that, “the performance of construction industry in Ghana lack the commercial edge in the exercise of its procurement function” . Contracts for both works and services take very lengthy periods to reach financial closure and are subject to unnecessary delays. Citing from Westering, 1977, Anvuur further attributes the causes of the delay to extensive post – award negotiations, delays in the preparation of technical specifications and drawings, delays in the evaluation, an extensive system of control, reviews and approval and land ownership disputes . He concludes that, “proactive governance and further initiatives are required to complete the value for money equation “.

Leading academics including Ha-Joon Chang and Dani Rodick, have emphasized the importance of institutional development. However, they question the effectiveness of imposing “best practice institution” which according to them “usually means AngloAmerican institution “ . They maintain that, Reforms need to be realistic and appropriate to the country concerned and according to Rodick, must be influenced by “a more experimental approach, a process of discovering about local needs and capabilities”.

In executive summary, Olivia McDonald, in her publication “ Aid, Governance and Public Procurement “ , remarks that it sound very administrative and technical that the rules that guide government purchases of goods ,works and services are the most controversial aspects of Good Governance agenda. She explains that Donors have two goals:

Greater accountability & Transparency which is limited because of its reliance on what she describes as “one-size-fits –approach”.

Greater efficiency which she claims as narrowly defined as value for money to be secured through open competition. McDonald further argues vehemently, “This does not only restrict the use of procurement as a policy tool for development but also have significant consequences for local firms that rely on government contracts’. However in a sober and reassuring mood, she admits that, if procurement reforms is done accountably using appropriate compliance indicators to track progress with a view of achieving cost – effectiveness , it can play a powerful role in poverty reduction (McDonald, 2008).

In a recent publication, “The implementation challenges to the Act 663”, jointly published by Ernest Osei-Tutu and others, it was found out that non-conformity of the Act in the MMDAs was very rife. The research was limited to selected MMDAs in Ashanti and Brong Ahafo regions. The findings further revealed inadequate professional procurement officers with the requisite expertise in these procurement entities. The publication concludes “ there is high inclination towards the use of less competitive methods in procuring goods, works and service in Ghana “ (Osei –Tutu et al., 2012).

In the local context, the the BLI assessment tool was used to find out if the Ghana Public Procurement System was in conformity with the four pillars. Though the findings revealed wonderful achievements since the implementation of the procurement Act in 2003, the tools did not measure the Compliance and the actual Performance level of the established institutional structures including District Education offices. This is a knowledge gap yet to be filled by the current study. The PPME which was locally prepared to do this job was

discredited by the assessment report as needing some refinement in its application to ensure reliability and relevance.

Osei-Tutu & Co, marshaled the necessary resources and responded to this knowledge deficit by using the CPI to measure compliance level of procurement entities. The findings revealed ,among others, a low compliance level. However, the data was multifaceted .This is because, the target population was multi-sectoral i.e [Education, Health & Local Government] and might have missed much more detailed compliance weaknesses and capacity gaps of the individual procurement Entities .

To polish up ,this study therefore singles out and concentrates on only education offices which are the management units of education delivery at the local level for in-depth scrutiny using ,once again, the internationally acclaimed CPI tools of OECD/DAC but a different data validation and reliability statistical method.

2.8 SUMMARY

From the review of the various studies, the following key issues have been observed:

The use of OECD/DAC MAPS has become widespread in the few years since its introduction. It has become a good measure of the public procurement systems across the world. Inadequate procurement expertise, lack of transparency, inclination to use uncompetitive methods, and low level of compliance of the procurement Act, as observed by Osei-Tutu in his publication and confirmed by the other cited studies , are challenges militating against the modernization of the public procurement system. Procurement system is dynamic. It needs all-time modernization. This study therefore seeks to add to the existing body knowledge by

ascertaining how district education offices are managing their procurement in the light of the Act 663 of 2003.

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CHAPTER THREE

METHODOLOGY

3.1 INTRODUCTION

This chapter describes how the data for the current study was collected. It deals with the research design and the data collection instruments. It equally explains the sampling approach and the statistical method used to calculate the reliability & validity of the data.

3.2 PHILOSOPHICAL STAND- POINT OF THE STUDY

The Development Theory underpinning the essence of this research is the Modernization Theory. The theory emerged in the 1950's. It explains how the industrial societies of North America and Western Europe developed. It further maintains that, there is a sequential link among modern institutions, modern society and socio-economic development. This means that for development to take place in a society, that society must be modernized. One of the ways of making a society modern is to modernize the institutions including Public procurement entities. This is the philosophy behind the current research. The research fits into the theory since it partly seeks to identify the weaknesses in the procurement management

practices at the district education management offices for capacity development recommendations and actions.

3.3 RESEARCH DESIGN

Relevant literature of the current study was reviewed with the intention of establishing the existing body of knowledge and to understand the theoretical basis of the study. Objectives of the current study were therefore based on the identified problem statement and the research questions. Data collection instruments were then developed and pilot tested to begin the validation process of the data. Using appropriate Sampling method, the data was collected and analyzed using scoring criteria. Quantitative and Qualitative research approaches were used to present the findings. Conclusion and implications of a bundle of related findings were made. Appropriate recommendations were made to add to the existing body of knowledge in the research area. To make the findings relevant to society, the reliability & validity of the data was tested using Co-efficient of Reliability.

3.4 SELECTION OF THE STUDY AREA

The study area was carefully selected on the basis of the problem statement. The fact that poor procurement management practices exist in district education offices is a source of worry. These procurement entities are in charge of education delivery at the Basic level in the various districts of Ghana. With the advent of educational decentralization, the Municipal, Metropolitan and the district education offices need to be strengthened in all areas of financial management including procurement management.

3.5 SAMPLING UNITS

The Sampling Units about which the study was conducted are:

- Asante Akim Central Municipal Education Office ;
- Asante Akim South District Education Office ;
- Bosome –Freho District Education Office ; □ Ejusu-Juaben Municipal Education Office ; and
- Sekyere East District Education Office .

These Units were selected on the basis of the following reasons:

- Proximity of these offices to the researcher ;
- The time limit of the study ; and
- Homogeneous nature of all the education offices in terms of work design systems .

3.6 SAMPLING METHOD

The sampling units were selected using the Systematic method of Sampling which deals with a combination of different sampling method. The region was divided into 3 Geographical settings namely:

1. Urban setting ;
2. Peri-Urban setting ; and
3. Rural setting .

On the basis of the proportion of these geographical settings in the region, Quota Sampling was further used to allocate the Pre-determined 5 district offices among the 3 settings. The geographical distribution of the sample size of 5 was as follows:

Table 3.1 Geographical distribution of the Sample size

Geographical setting	District selected	No. of districts	Percentage
Urban	.Asante Akim		
	Central .Ejusu-Juaben	2	40%
Peri-Urban	.Asante Akim		
	South .Sekyer East	2	40%
Rural	.Bosome-Freho	1	20%
Total		5	100%

Field Survey, 2013

Overall, the selected units of analysis constitute 16.67% of the 30 district education offices in the region .

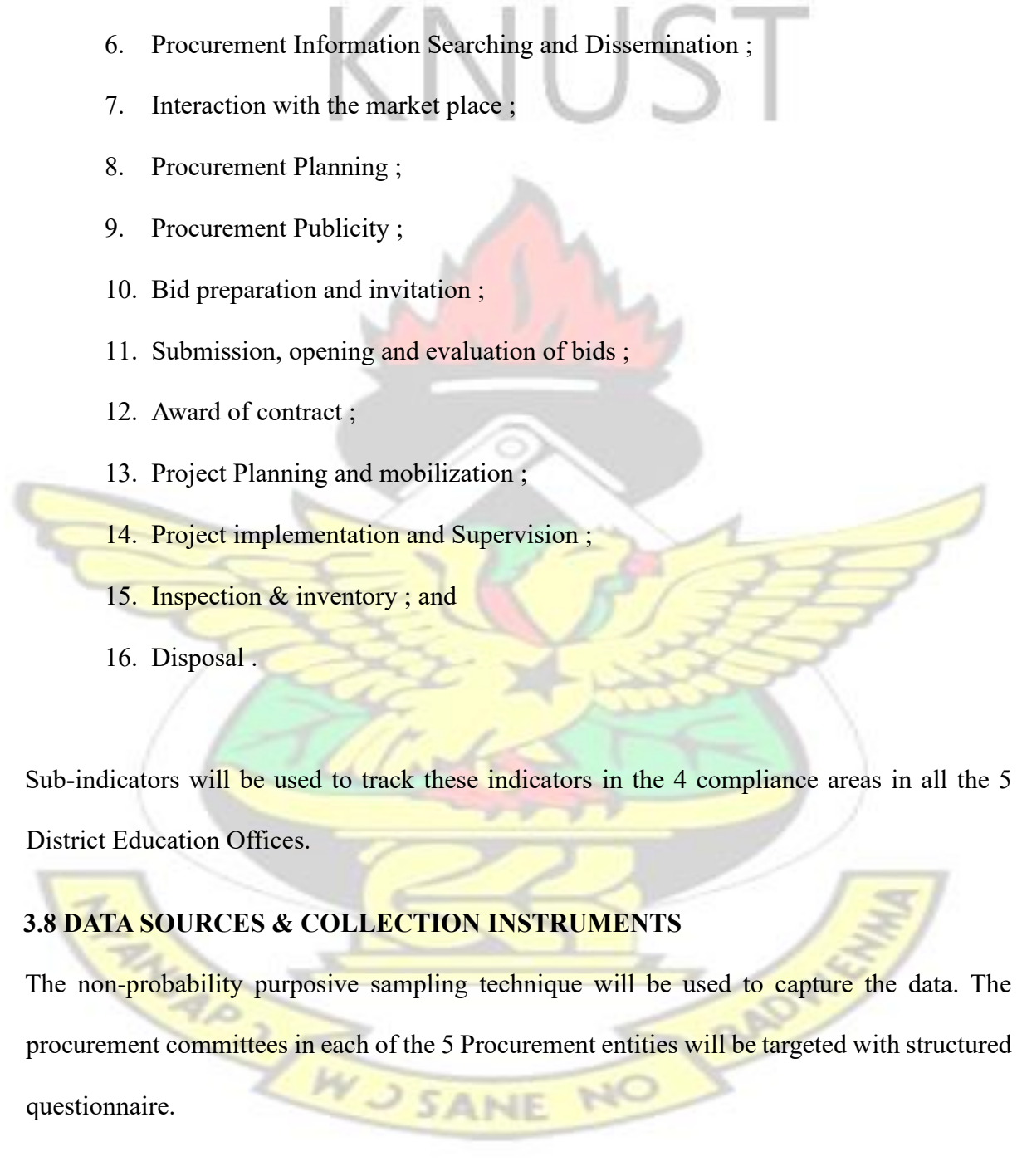
3.7 THE STUDY VARIABLES

The study variables under consideration are the internationally recognized 4 OECD/DAC compliance area and their respective Indicators. The broad Compliance areas are as follows:

1. Management systems ;
2. Information & Communication ;
3. Procurement Processes ; and
4. Contract Management .

The following are the indicators to measure these broad compliance areas as spelt out by OECD:

1. Effectiveness of leadership ;
2. Human Resource Development ;

- 
3. Monitoring & Control systems ;
 4. Compliance with ethics and Regulatory Framework ;
 5. Complaint systems, structure and sequence ;
 6. Procurement Information Searching and Dissemination ;
 7. Interaction with the market place ;
 8. Procurement Planning ;
 9. Procurement Publicity ;
 10. Bid preparation and invitation ;
 11. Submission, opening and evaluation of bids ;
 12. Award of contract ;
 13. Project Planning and mobilization ;
 14. Project implementation and Supervision ;
 15. Inspection & inventory ; and
 16. Disposal .

Sub-indicators will be used to track these indicators in the 4 compliance areas in all the 5 District Education Offices.

3.8 DATA SOURCES & COLLECTION INSTRUMENTS

The non-probability purposive sampling technique will be used to capture the data. The procurement committees in each of the 5 Procurement entities will be targeted with structured questionnaire.

Primary and Secondary sources of data will be used. Data on the budgetary allocation of the sampled units on procurement over the years will be collected through secondary source.

While the data on challenges of procurement and capacity gaps will be obtained through primary source.

Structured Questionnaire using Open ended & close ended forms of questions will be used. While open questions will be used to get the existing facts from the respondents, the close ended will be used to guide respondents. Interview will be used to triangulate and clarify responses and also to increase response rate from the respondents. In all, 20 respondents made up of District Directors of education, Budget officers, Finance & Administration Officers and Accountants will be contacted at the 5 district education offices.

3.9 DATA PROCESSING AND ANALYSIS

The data was processed using a blend of Quantitative and Qualitative research approaches. Content Analysis was used where the responses from each of the district education offices were scored using predetermined scoring criteria. This group analysis was followed by listing of common findings and drawing conclusions using descriptions, numbers, percentages graphs and charts. Such quantitative tools facilitate in making the planning implications of the findings clear to policy makers, educational planners and other stakeholders. Data analysis was immediately followed by data interpretations.

3.9.1 The scoring criteria

Using an adapted Likert scale, a rating system of 0-3, qualitatively defined, was used to score each of the District Education Offices to find out the compliance levels after which the individual scores were aggregated into mean score.

Table 3.2 The adapted likert scale

<i>score</i>	<i>Meaning</i>	<i>Interpretation</i>	<i>Compliance implication</i>
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0	<i>Very weak</i>	Information is <i>not</i> available	Non-compliance
1	<i>Weak</i>	Information is available <i>but</i> does not satisfy indicator	Partial compliance
2	<i>Strong</i>	Information available <i>partly</i> satisfy indicator	Compliance
3	<i>Very strong</i>	Information available <i>satisfy</i> indicator	Absolute Compliance

Author's construct, 2013.

The co-efficient of variation method was applied to find out the extent to which the mean compliance score represent the 5 district education offices for a valid and scientific generalization. In arriving at the Co-efficient of variation, the standard deviation, mathematically represented as $s = \sqrt{\sum (x_i - \bar{x})^2 / (n-1)}$, was calculated for the districts before dividing the value by the arithmetic mean. The smaller the coefficient of variation, the more the compliance level represents the 5 districts and vice versa.

Table 3.3: Co-efficient of variation

<i>X- VALUES</i>	<i>X- X BAR</i>	<i>(X-X BAR)²</i>
50.10	50.1-42.42= 7.68	58.98
38.40	38.4-42.42= -4.02	16.16
33.00	33.0-42.42= -9.42	88.74
46.20	46.2-42.42= 3.78	14.29
44.40	44.4-42.42= 1.98	3.92
$\sum x=212.1$	$\sum x-x \text{ bar}= 0$	$\sum (x-x \text{ bar})^2 =182.09$

Field Survey , 2013.

The x - values on the first column of the table represent the respective compliance levels of the five districts. The \bar{x} (42.42) refers to the mean compliance level of the five districts. This is subtracted from the respective compliance levels in the second column to arrive at the individual difference of variance. The last column squares the individual difference of variances. The standard deviation is hence, calculated as:

$$S = \sqrt{\sum (x_i - \bar{x})^2 / (n-1)} \quad \text{where } n = \text{number of districts studied.}$$

$$= \sqrt{182.09 / (5-1)}$$

$$= 3.37$$

The coefficient of variation is finally calculated as:

$$CV = \text{Standard deviation} / \bar{x}$$

$$= 3.37 / 42.42$$

$$= 0.08.$$

The co-efficient of variation (CV) of 0.08 means that the mean compliance score of 42.42 of the five districts does not differ very much from the compliance score of the individual districts. It equally implies that, it is not fair to single out the mean compliance level and conclude that the five selected districts performed poorly in terms of compliance of the Act 663 of 2003. One must look at the

performance of the individual districts as well.

3.9.2 Data Reliability & Validity Testing Statistical Method

Arguably, reliability, validity and relevance are the three core attributes of a good data. For information to be valid and therefore relevant to guide the planning of procurement entities, such a data must be reliable. The Statistical Method adopted to test the reliability and validity of the data is Reliability Co-efficient using the Cronbach Alpha formula. The co-efficient of Reliability ranges from 0 to 1. A data with a co-efficient reliability of zero is absolutely unreliable. On the other hand, Co-efficient of Reliability of one implies that the data is perfectly reliable. The Cronbach Alpha formula calculates the Reliability Co-efficient as follows:

$$\text{Alpha} = \frac{N}{(N-1)} * (\text{Total Variance} - \text{Sum of Variance for each Question}) / \text{Total Variance}.$$

Where N=the number of items or Questions

Variance= Square of (score - Average).

Total variance=square of (score - Average) for the total group values.

In arriving at the Reliability Co-efficient for the data from the 5 districts, using the formula, the following steps were taken:

1. Total score for each district was calculated
2. Total average score for the 5 districts was then struck out
3. Sum of variance for each question for the 5 districts was further calculated.
4. Total value for all the variances in the 5 districts was ascertained.

5. The number of questions of the questionnaire used was equally ascertained. Finally, the Reliability Co-efficient was computed by substituting the values in the Cronbach Alpha formula.

Table 3. 4: Reliability co-efficient

<i>District</i>	<i>Absolute Score for questionnaire</i>	<i>Sum of variance for each question</i>	<i>Total value for all the variances</i>
Asante Akim Central	200.4	5	250
Asante Akim South	153.6	4	200
Bosome Freho	132	4	200
Ejusu-Juaben	184.8	5	250
Sekyere East	177.6	7	350
Mean	169.68	5	250

Field Survey, 2013.

Number of questions =50

Sum of variance =5

Total value for the variances=250

Hence, the Co-efficient of Reliability = $50/(50-1) * (250-5)/250$

$$= 1.02 * (245/250)$$

$$= 1.02 * 0.98$$

$$= 0.99$$

Reliability co-efficient of 0.99 implies that, the data is highly reliable and valid for scientific conclusions and generalization.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION

4.1 INTRODUCTION

This chapter covers the analysis and discussion of the data collected. The major findings are equally highlighted for decision making.

4.2 VOLUME OF PROCUREMENT UNDERTAKEN BY THE DISTRICT EDUCATION OFFICES.

The trend portrays a steady increase in procurement at the five District Education Offices over the past three years.

Procurement of Goods dominates with 52% while Procurement of Technical Services constitute 36%.

Procurement of works constitutes 12% of procurement at the five offices. This trend is particularly so due to Threshold limitation.

The education Offices are not deep into works since construction is heavily capital intensive. The District Assemblies are therefore in charge of the Major construction works like construction of school buildings.

A secondary analysis further show that , school furniture, Teaching & Learning materials, computers and office stationery constitute the bulk of the procurement of Goods at the

offices .

Admittedly, these items have direct bearing on quality of teaching and learning. Improper procurement of these items will therefore have negative repercussions on quality of teaching and learning.

Vehicle maintenance, Repairs and minor office renovation dominate procurement of services.

Construction of school urinals, Toilet facilities and extension of Kindergarten kitchen constitute the works component.

Table 4.1: Trend analysis of procurement undertaken by the District Education Offices [2011-2013] Financial years.

PROC. TYPE \ YEAR	2011	2012	2013	TOTAL	%
GOODS	30,000	42000	45500	117,500	52%
SERVICES	25000	27605	28100	80,705	36%
WORKS	10000	123000	144000	27,700	12%
TOTAL				225,905	100%

Field Survey, 2013.

4.3 GENERAL PERFORMANCE OF THE DISTRICTS UNDER THE FOUR COMPLIANCE AND PERFORMANCE INDICATORS .

Using the scoring criteria , the five districts were scored on the four OECD compliance areas namely Procurement Management System, Procurement Information & Communication, Procurement Process and Contract Management. These broad compliance areas were disaggregated into measurable sub-indicators to facilitate the scoring process .

The table below shows the compliance levels of the five selected districts.

Using the Relative Importance (RII) statistical method, which further refines the respective scores , the table shows the overall compliance levels of the individual districts. Asante Akim Central with a total score of 200.4 from the respondents has a mean score of 50.10. The Statistical Relative Importance (RII) of this mean score is 10.44. This ranks the district

Table 4.2: Compliance levels

Districts	Score	Mean Score	SD	RII	Rank
Asante Akim Central	200.4	50.10	17.07	10.44	1 st
Asante Akim South	153.6	38.40	8.14	8.00	4 th
Bosome- Freho	132	33.00	12.18	6.88	5 th
Ejisu –Juaben	184.8	46.20	18.63	9.63	2 nd
Sekyere East	177.6	44.40	7.96	9.25	3 rd
Standard	480	120.00	0.00	25.00	

Field survey, 2013. first in terms of performance. Ejisu-Juaben district had a total score of 184.8 which gives a mean score of 38.40. With RII of 9.63, the district ranks second.

Similarly , Sekyere East had a total score of 177.6 marginally lower than Ejisu-Juaben district.

The district is ranked third with RII of 9.63. Asante Akim South had a total score and a mean

score of 153.6 and 38.40 respectively. This gives RII of 8.00. This performance ranks the district fourth.

Lastly, Bosome Freho had total score of 132.0 and a mean score of 33.00. The district is placed fifth among the other districts. The overall mean score of 212 out of the total score of 480 by the 5 districts further translates into 42.42% as the overall compliance level. This confirms the assertion by Osei- Tutu in the literature Review that there is low compliance level of the Procurement Act 662 of 2003.

4.4 PERFORMANCE OF THE DISTRICTS UNDER THE SPECIFIC COMPLIANCE AREAS

Table 4.3: Compliance Disaggregation

Districts	Criteria			
	Procurement Mgt system	Information & Comm.	Procurement Process	Contract Mgt.
Asante Akim central	54	64	57.6	25.2
Asante Akim South	42	34	48	30
BosomeFreho	29	40	45.6	18
EjusuJuaben	53	31	69.6	31.2
Sekyere East	46	46	52.8	33.6
Average	45	43	54.72	27.6

Field survey, 2013.

The above table further disaggregates the total scores over the four compliance areas. With reference to the table, though each of the 5 districts has its own strength of compliance, Procurement process is the strongest. This compliance area has the highest average absolute score of 54.72. On the other hand, all the districts had weak compliance under the Contract management compliance area. With an average absolute score of 27.6, Contract management

is the weakest. This finding equally confirms contract management being cited in the literature review as one of the challenges of the Procurement Act especially in the construction sector.

4.5 SPECIFIC STRENGTHS AND WEAKNESSES EXHIBITED BY THE DISTRICTS.

The districts have differences in performance as far as the four compliance areas are concerned. The districts showed remarkable strengths in the appropriate use of Request for Quotation Method. This was preceded by invitation to Tender and duly limited to least three suppliers as demanded by the Procurement Act. Apart from the fact that some of the districts did not use the standard RFQ standard form, the details conformed to the Procurement Act.

Another indicator of strength was the notification of winners of awards of contract. Though the winners were not publicized, they were duly notified .However; losers were not notified as demanded by the Act. Though the procurement Plans observed in the offices fell short of the Act, indicating partial compliance, they were captured in their Work plans with attached Budget. These plans were not posted on the PPA website. Whiles two of the districts used their Internal Notice Boards to advertise tender invitations, the rest were not aware of such obligation.

The mean score of the Districts under the ***Information and communication Compliance*** area from Table 7, was quite satisfactory. Though all the districts were aware of PPA website, more than half of the respondents could not quote it . The districts visited have received Procurement training from PPA in 2009. It was observed that, the Manuals given to them were not in the system .It was further observed that, apart from the Internal Notice Boards, the Offices did not make use of procurement information dissemination system

such as Procurement Bulleting, Newspapers and PPA website. To interact with the market place, three of the five districts had a record of their numerous suppliers and contractors.

Under the ***Procurement management System compliance*** area, the districts like the other two compliance areas, showed strengths and weaknesses. Though the districts visited showed good record keeping skills in terms of procurement minutes, they were not in the best of shape indicating partial compliance. All the districts visited had procurements minutes .Three of the districts did not have contract files and none had project files. All the districts had one file for the different phases of procurement activities. None of the districts had captured procurement training in their current DFID budget. One of the districts captured in its previous budget.

None of the districts had a Procurement Unit and qualified professional procurement officers. This confirms the existing literature that most of the procurement entities do not have professional procurement officers. Though the districts have internal Audit, the Auditors do not have regular procurement training in place. It was further observed that, though the procurement of the districts flowed from their budgets there was no quality control mechanism to track contractors. Standard Tender Documents are scarce in the districts. All the districts make use of the Request for Quotation Method. However, they are not aware that approval must be sought from PPA before Restricted and Sole Sourcing methods are used as demanded by the Act.

Under the ***Contract management compliance area*** all the districts performed poorly. The districts do not demand work programs from their client especially under works procurement.

No Guarantees are demanded for advance payment made as specified by the Procurement Act. Project progress meetings are not organized to monitor and evaluate projects. Though all the districts have a list of items disposed, there was no Board of survey to oversee the disposal of such items as demanded by the Public Procurement Act 663 of 2003. No wonder the performance of the districts under this compliance area is the weakest

The poor performance by the districts under the contract management absolutely give credence to the literature exposition by researchers that poor contract management is one of the challenges of procurement management and the implementation of the Act 663 of 2003..

4.6 DISCUSSION OF THE COMPLIANCE LEVELS

The overall compliance level of 42.42 percent is quite disturbing. The huge compliance deficit of 57.58 percent needs improvement in the advent of the conduct of Public officers bill which seeks to enforce ,among others, the Public Procurement Act 663. This buttresses the revelation from Osei –Tutu’s study that *non-conformity to the Public procurement Act 663 of 2003 is very rife in the Municipal, Metropolitan and District Procurement entities.*

The current performance smacks of ‘misprocurement’ in modern procurement parlance. This further confirms the report from the Ministry of Education that 71 percent of district and Regional education offices have problems with procurement management.

This below average performance has dire implications on value for money. It connotes uncompetitiveness of procurement proceedings. **Section 25 of the Public procurement Act 663 of 2003** stipulates that “*Participation in procurement proceedings shall be on competitive basis*” . Uncompetitive procurement compromises on quality which ultimately translates into procurement of shoddy Goods, works and services. Similarly, this confirms the

literature that there is high inclination to use less competitive method than competitive method. Though performance under the **Procurement Process Compliance area** is quite commendable, it is still below average performance. The compliance gap of 54% implies that, all is not well with the District offices in their procurement process practices.

The fact that **Contract Management is the weakest Compliance area** is equally worrying. Arguably, contract management is pivotal in any procurement aimed at value for money. It therefore has negative implications on procurement management at the district offices. The sub-indicators used to measure such compliance area include project planning, mobilization, project implementation, supervision, inspection, inventory control and disposal.

Contract management activities are supposed to track both the supplier and the procurement entity to perform their responsibilities according to the contract agreement. Therefore for the district to perform abysmally under this area needs a critical attention. **The Caveat emptor under the sale of goods Act 1962**, which means *“buyer be beware”*, enjoins the procurement entity to beware in any contract. It is at the contract management stage of the procurement process where the entity can minimize and avoid risks associated with shoddy work, non-performance and delay. If the current performance of the districts under contract management is not improved upon, gross inefficiency will characterize procurement at these offices. It is gratifying and promising to note that appropriate use of **Request for Quotation method** is identified as one of the strengths of the districts. As demanded by **Section 42 (a) and (b) of the Procurement Act 663 of 2003**, this method is applicable to readily available goods and services that are not specially produced or provided to the particular specification of the procurement entity. It is also applicable to goods where there is established market if

the estimated value of the procurement contract is less than the amount in Schedule 3 of the Act. **Section 43 of the Act further stipulates the procedure. Among others, the procurement entity shall invite quotations from at least three sources.**

It is commendable for the districts to have complied with such a provision. Again, it is equally commendable for the districts to have notified the winners of their contracts in writing as demanded by the Act. Similarly, the workplans that precede their procurement is a good procurement management practice to forestall procurement cost and time overruns. These strengths need to be maintained by the districts. However, there is more room for improvement on account of the following identified weaknesses:

Lack of standard Procurement Plans is in breach of Section 21 of the Act. This section makes it mandatory, as a rule, for every procurement entity to prepare a procurement plan to support its approved programme. The Plan must show contract packages, estimated cost for each package, the procurement method and processing steps & times. **Sub-section 1(5)** further prohibits the entities from bulk-breaking to avoid application of a procedure in the Act. A breach of this rule has serious economic implications: Quantity and cash discounts associated with bulk purchases is forfeited. This does not ensure efficiency in procurement. There should be economy in the utilization of the scarce resources placed at the disposal of these districts. Putting items of similar nature together with accurate costs and appropriate procurement methods and clearly processing times, is of enormous economic benefit to the entity. A breach of this rule is a breach of efficiency.

Therefore, this weakness needs urgent attention.

Poor records of procurement proceedings are a serious infraction of the Procurement Act.

Section 28 of the Public Procurement Act makes it as a rule for every procurement entity to maintain a record of the procurement proceedings stating inter-alia, *a brief description of*

the goods, works and services; names and addresses of suppliers or contractors who submitted tenders, proposals or quotation ; information relating to the qualification or lack of qualification of these suppliers or contractors; the price or the basis of determining the price and a summary of the evaluation of the tenders, proposals or the quotation.

Though all the districts had minutes of procurement proceedings, they fall below the standards of the Act . This weakness **compromises transparency** which is regarded as one of the parameters of efficiency in procurement. Admittedly, Public notice of procurement awards is one of the transparency tools. **Section 31 of the Act** states that “a procurement entity shall promptly publish notice of procurement contract awards”. The alternative means of such information dissemination include Public procurement bulleting, Public procurement Authority website and the use Entity’s internal notice board. However, the districts did not make use of these means of procurement information dissemination. This situation is a recipe for unethical behaviour since award winners can unduly be changed to satisfy the parochial interests of officers.

Lack of project monitoring and evaluation identified as one of the weaknesses has negative repercussions. As one of the contract management activities, it is intended to track the measurable indicators of the project under procurement. Deviations are identified and corrected during the project implementation. The absence of such a best practice can lead to shoddy work, delay in project delivery, inefficiency and eventually value for money is compromised.

Again, the evaluation aspect is supposed take into account the key lessons learnt during the procurement process and the project cycle for modification in the subsequent cycle. It is actually part of the contract close-out report. The absence of such a mechanism therefore

does not ensure dynamism in the procurement process since there are no lessons to be learnt for improvement.

Inadequate use of Standard Tender Documents identified as a weakness is equally worthy of note. **Section 50(1) of the Act** states categorically that “*Procurement entities shall use the appropriate standard tender documents as stipulated in Schedule 4 with minimum changes acceptable to the Public Procurement Authority*”. These standard tender documents include standard tender documents for procurement of works, Standard Tender documents for procurement of works (smaller contracts) , Standard tender documents for procurements of Goods, Standard tender documents for procurement of Textbooks , standard tender documents for procurement of IT system and Sample format Request for Quotation.

For the districts to use their own documents and formats without recourse to these standard documents is a violation of Tendering procedure of **Part V section 50(1) of the Public Procurement Act 663 of 2003**. These standard documents are meant to standardize the tendering and evaluation procedure so as to reduce subjectivity in contract awards. Inadequate use of such documents by the districts therefore smacks of subjectivity in their award of contracts . This phenomenon has the potential of compromising value for money. It therefore needs urgent attention.

The inappropriate use of Restricted tendering and Single Sourcing cannot be glossed over. The use of these methods of procurement without due recourse to the provisions of the Act, in itself, is analogous to non-compliance. **According to section 38 of the Act**, a procurement entity may for reasons of economy and efficiency and subject to the approval of the Public Procurement Authority engage in procurement by restricted tendering on two conditions:

- ☐ If goods, works and services are available only from a limited number of suppliers or contractors.
- ☐ If the time and cost required examining and evaluating a large number of tenders is disproportionate to the value of the goods, works or services to be procured.

The procurement manual further explains that in using this method **the number of suppliers or contractors invited should be at least six**. However, this method has been misapplied by the districts. Instead of the mandatory minimum number of six suppliers or contractors to be invited, three is invited as if it were Request for Quotation method. Again, no approval is sought from Public Procurement Authority as demanded by the Act. **Section 39 (2) of the Act** further demands that in using this method notice of the selective-tendering award be published in the Public Procurement Bulletin. This provision is equally ignored. This situation does not instill competition in the tendering process which eventually translates into inefficiency thereby compromising value for money. This weakness, hence, needs immediate attention.

Likewise, the single sourcing method has suffered abuse. **Section 40** provides the basis of using this method of procurement. Prior approval must be sought from The PPA justifying the use of such a method. Among others, the following are the circumstances necessitating the use of single source method:

- ☐ Where goods, works and services are only available from a particular supplier or contractor
- ☐ Where a particular supplier or contractor has exclusive right in respect of the goods. Works and services and no reasonable alternative or Substitute exists.

- ❑ Where owing to a catastrophic event, there is an urgent need for the goods, works or technical services making it impractical to use other methods of procurement because of the time involved in using those methods.

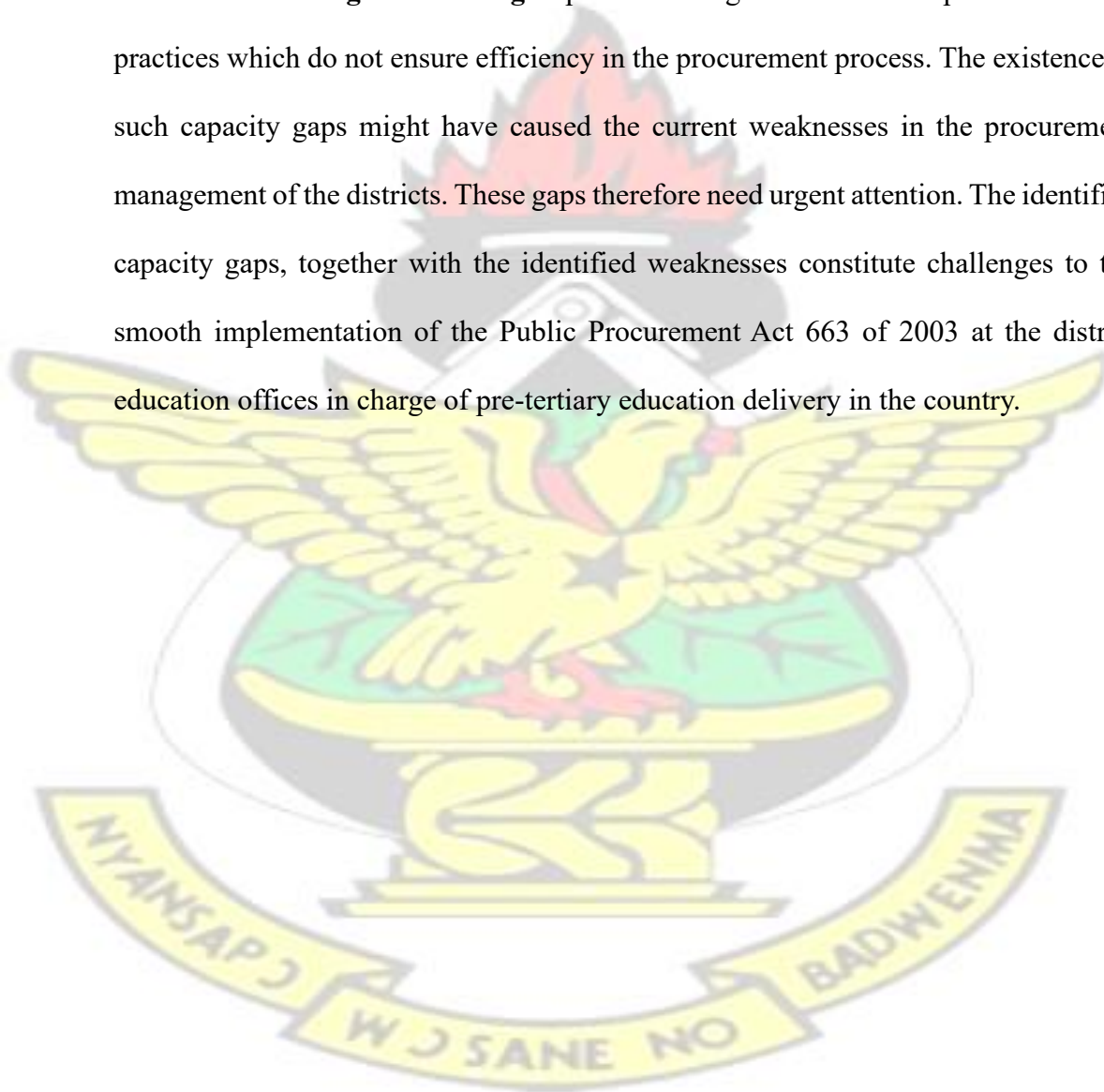
However, two of the districts visited requested for Quotation from one source disregarding the circumstances that warrant such a method. Worse still, no approval was sought from PPA. This development implies uncompetitive procurement which is in direct breach of **Section 35 of the Act** which state that *“a procurement entity shall procure goods, services or works by competitive tendering”* unless otherwise supported by circumstances clearly stated by the Act. This finding supports the existing body of knowledge from the literature review that there is inclination to use uncompetitive tendering by the procurement entities. This situation does not ensure cost-effectiveness and efficiency in procurement. It therefore needs critical attention.

The identified capacity development gaps equally need to be discussed:

The absence of the procurement Unit at the district offices is a source of worry. **Section 98 of the Act 663 of 2003** defines a procurement Unit as *“a unit in the procurement entity that is dedicated to providing technical procurement services for the tender committee”*. The absence of such a unit in all the district education offices visited implies that the offices lack the technical backstopping to provide the eventual value for money in the procurement process. The absence of professional procurement officers has similar implications. Procurement is a technical area which needs people trained in the area to spearhead the procurement process. From procurement planning, sourcing, contract award, contract management up to contract close-out need technical expertise.

Again, **inadequate training for the Auditors and the Procurement Committee members** is a recipe for unethical procurement practices. Periodic training for on procurement rules, ethics, principles, records keeping, among others , help the education officers to exhibit some degree of professionalism in the procurement management.

The absence of regular training in procurement gives rise to corrupt and unethical practices which do not ensure efficiency in the procurement process. The existence of such capacity gaps might have caused the current weaknesses in the procurement management of the districts. These gaps therefore need urgent attention. The identified capacity gaps, together with the identified weaknesses constitute challenges to the smooth implementation of the Public Procurement Act 663 of 2003 at the district education offices in charge of pre-tertiary education delivery in the country.



CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter captures a brief review of the objectives in the context of the broad aim which was to ascertain the extent of the adherence and the implementation challenges of the Public Procurement Act 663 of 2003. The major findings are equally highlighted. The recommendations for industry, which in this context, refers to the Ministry of Education, is expatiated for educational planners, Development Partners, NGOs and other Civil society organizations to help improve upon procurement management in district education offices.

5.2 REVIEW OF THE OBJECTIVES

All the objectives of the study have been achieved. With respect to the first objective, which is the level of compliance, the Statistical Method established a compliance level of 42.42 percent. This compliance level is low since it implies a compliance deficit of 57.58 percent. Reliability co-efficient of 0.99 further implies that, the data is valid and therefore the compliance level can be relied upon for decision making and recommendation.

The second objective highlights the strengths of the education offices in the implementation of the Act. These were identified as the ability of the districts to appropriately use the Request for Quotation method, ability of the districts to notify the winners of contract and preparation of budget before procurement. A critical look at these strengths point to the fact that, the district education offices have the potential of achieving value for money in procurement.

The third objective deals with the weaknesses. These were identified as lack of standard

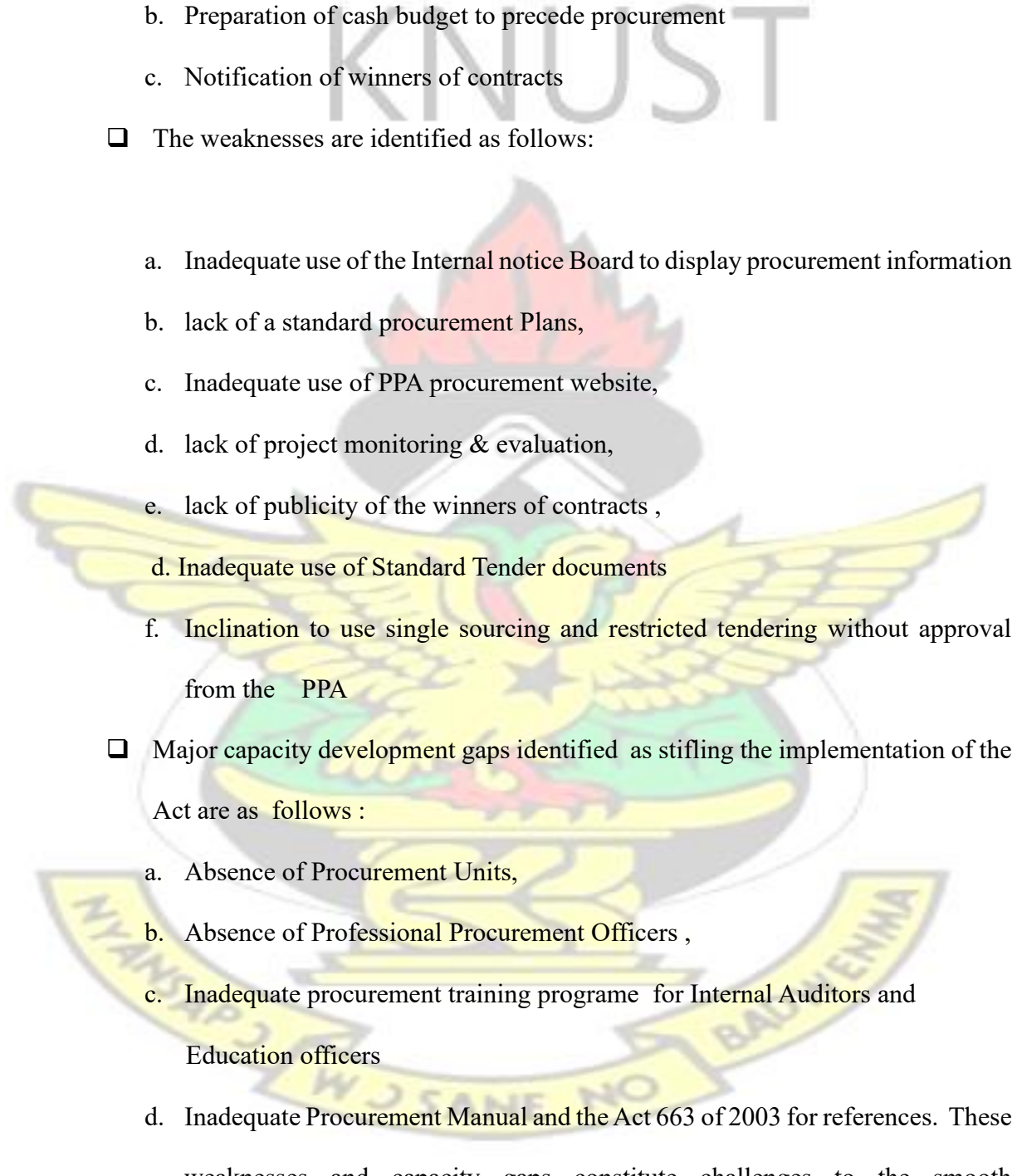
procurement plans, inadequate use of the internal notice board to display procurement information to ensure transparency, inadequate use of Standard Tender Documents, poor contract management practices, among others. The fourth objective identified the capacity gaps as lack of procurement Units, lack of professional procurement officers and inadequate procurement capacity training programme for the procurement officers.

Lastly, the fifth objective throws light on appropriate recommendations to improve upon the current compliance level. Establishment of Procurement Units, Study sponsorship of education officers to update their knowledge in Procurement Management , Collaboration between Ministry of Education and Department of Building Technology to train District and Regional Directors of Education in Procurement Management are some of the recommendations made to address the identified weaknesses and capacity gaps.

5.3 SUMMARY OF THE FINDINGS & CONCLUSION

From the analysis, the following findings were revealed:

- ☐ The overall compliance level of the selected districts is 212 out of a total score of 480 . This translates into 42.42 percent.
- ☐ The Procurement process is the compliance area with the highest performance. It is the strongest area of performance by the districts.
- ☐ Contract management has the lowest performance. The districts are very weak in this compliance area with the lowest mean score of 27.6 out of 120. This portrays a huge compliance deficit.
- ☐ The following are the specific strengths of the Districts:

- 
- a. Appropriate use of Request for Quotation Method,
 - b. Preparation of cash budget to precede procurement
 - c. Notification of winners of contracts
- ☐ The weaknesses are identified as follows:
- a. Inadequate use of the Internal notice Board to display procurement information
 - b. lack of a standard procurement Plans,
 - c. Inadequate use of PPA procurement website,
 - d. lack of project monitoring & evaluation,
 - e. lack of publicity of the winners of contracts ,
 - d. Inadequate use of Standard Tender documents
 - f. Inclination to use single sourcing and restricted tendering without approval from the PPA
- ☐ Major capacity development gaps identified as stifling the implementation of the Act are as follows :
- a. Absence of Procurement Units,
 - b. Absence of Professional Procurement Officers ,
 - c. Inadequate procurement training programe for Internal Auditors and Education officers
 - d. Inadequate Procurement Manual and the Act 663 of 2003 for references. These weaknesses and capacity gaps constitute challenges to the smooth implementation of the Public Procurement Act 663 at the district Education

Offices. They buttress the existing literature that procurement management in public procurement entities is characterized by challenges including inclination to use the wrong procurement method.

On the basis of the Organization of Economic Co-operation and Development (OECD)/ World Bank four compliance areas, the overall performance of the five selected District education offices in Ashanti region is 212.1 out of a total standard score of 480. This translates as 42.42 percent.

With a co-efficient variation of 0.09 and Reliability co-efficient of 0.99, the study scientifically concludes that there is low compliance level of the Public Procurement Act 663 by the district education offices

5.4 RECOMMENDATIONS FOR MINISTRY OF EDUCATION

As a matter of urgency, **procurement Units** needs to be created at district education offices. **As buttressed by section 98 of the Act, such a unit provides expertise and technical** backstopping the procurement entity. This will strengthen the procurement system by eliminating unethical conduct in the procurement process. This unit handled by qualified procurement officers has the potential of addressing unprofessional conduct identified in the form of poor records of procurement proceedings, inappropriate use of procurement methods, Poor procurement plans, among others.

Again, Ghana Education service must extend its study leave with pay policy to cover Procurement Management at the post Graduate level. Such a sponsorship has the benefit of getting more procurement officers to spearhead procurement management at the district education offices. Currently, none of the offices visited has professional procurement officers.

The absence of such professionals might have been the cause of the identified weaknesses.

As a Rapid Response strategy,

GES should recruit professional procurement officers with the requisite skills to manage procurement activities at the district education offices. As a precaution, after sponsoring and recruiting these professional they must be given adequate remuneration to reduce their attrition rate to other sectors.

Similarly, **District and Regional Directors of Education and their deputies need to undergo procurement training.** By GES policy, these directors are the spending officers at the decentralized units of education delivery at the district and regional education offices. As entity heads, they need to have adequate knowledge on procurement management so as to track the system. In the advent of the conduct of public office holders bill which aims at enforcing the Public Procurement Act 663 of 2003, among others, these entity heads need to be refreshed on the Act. This will forestall an unpleasant situation where most of these directors will fall foul to the Act on account of lack of knowledge. All the five directors visited appear not to have adequate knowledge about the Act and procurement process. This phenomenon is one of the causes of the identified weaknesses.

To address this situation, **Ministry of Education should collaborate with Public Procurement Authority (PPA) and Department of Building Technology, KNUST,** to organize short courses periodically for the directors at a negotiated fee. Such knowledge in procurement principles, procurement ethics, procurement rules, Procurement Risk and Quality management skills, Procurement Planning, among others, will put these entity heads in a good shape to manage and track procurement activities at their various district education offices.

In the advent of educational decentralization, a lot of procurement responsibilities would be placed on the educational directors of education. There is therefore the need to build their capacities in procurement management.

Another dimension of such collaboration is the Training of district education Internal Auditors. The internal Audit Agency Act 2003 mandates internal auditors to monitor financial management at district offices including resources expended on procurement of goods, works and services. These auditors need to have mastery of the Procurement Act 663 so as to be effective in their monitoring activities. The data gathered suggest that these auditors do not have regular training on procurement management. Lack of mastery of the procurement Act by these Auditors is a contributory factor to the weaknesses identified with special reference to inadequate use of **Standard Tender Documents as mandated by the Schedule four of the Act 663.**

To respond to this situation, the short courses must be extended to cover the district Internal Auditors who exercise oversight responsibility in procurement management at the district and regional levels of education.

Admittedly, regular procurement training for the personnel at the various district education offices has a potential benefit of enlightening the officers on Public procurement. On this premise, as a matter of policy, Ministry of Education should prevail upon the Metropolitan, Municipal and District Education offices to capture procurement training as a compulsory Benchmark activities in their **District Education Operational Plans (ADEOP)**. This intervention, coupled with the short courses, will eliminate any ignorance on the Public Procurement Act 663. Directors, procurement committee members and other junior officers will constantly be abreast of the basic rudiments of good procurement management in the

context of the Act. **Contract management activities right from kick start meetings to contract close-out** must form the core of the training modules since these offices are weak in this compliance area according to the analysis. Eventually, this capacity building exercise will translate into high compliance level of the Act.

Additionally, **the on-going review of the Act must capture the composition of the procurement and Tender committee members at the district education offices.** Currently, **Schedule 1 of the Procurement Act 663 stipulates the composition of the entity Tender Committees at the secondary and Tertiary levels of education.**

Conspicuously missing from the list is that of the district education offices in charge of pretertiary education delivery. This is a serious omission considering the fact that these offices undertake substantial procurement.

With reference to the trend analysis of procurement undertaken by the offices over the years at Table 5, it is realized that though the procurement values are not very high, the items procured have direct bearing on quality education. Lack of transparency in the procurement process can compromise on the quality of these educational teaching and learning items. .Consequently, quality teaching and learning will be negatively affected. Schedule 3 of Act mandates the head of the entity and entity Tender committees of the decentralized procurement entities to undertake procurement within a limited Threshold. The current review exercise must therefore clearly specify the composition of the Tender committees of the education offices. This will instill transparency in the procurement process with its attendant benefits of efficiency and value for money.

The defunct monitoring and evaluation Unit at the District education offices must be reconstituted and strengthened to augment the work of the internal auditors. The Monitoring and evaluation Units should be made to prepare indicators taking into

consideration the four compliance areas. These indicators should be periodically monitored and evaluated to ensure compliance. **Sub-indicators covering procurement plans, procurement minutes, appropriate use of procurement methods**, among, others, must be emphasized in the monitoring and evaluation plan. It is anticipated that these recommendations, if vigorously pursued, will go a long way in improving the current low compliance levels of the Public Procurement Act 663 of 2003 in district education offices in the country.

5.5 RECOMMENDATION FOR FURTHER RESEARCH

The researcher would like to take the current study at a higher level where the current selected districts would be scaled up from 5 to cover the other 25 districts in Ashanti Region.

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APPENDIX

QUESTIONNAIRE

A Survey on Compliance and Implementation Challenges of Act 663 of 2003 in District Education Offices.

A case Study of Ashanti Region.

INTRODUCTION

Dear respondent,

This set of Questionnaire is an instrument used to capture data on procurement management at your district office. The findings and recommendations are to be used as a scientific basis to strengthen procurement system in Ghana Education Service in the advent of educational decentralization.

Your responses will be kept confidential.

The questionnaire is made up of *two* parts namely:

Part A: Institutional profile & particulars of respondents

Part B: Compliance Level & Challenges of Act 663 in the context of the four OECD

Compliance Areas namely :

- I. Procurement management systems
- II. Procurement Information & communication
- III. Procurement Processes
- IV. Procurement Contract Management

Frank Asare Addo ,

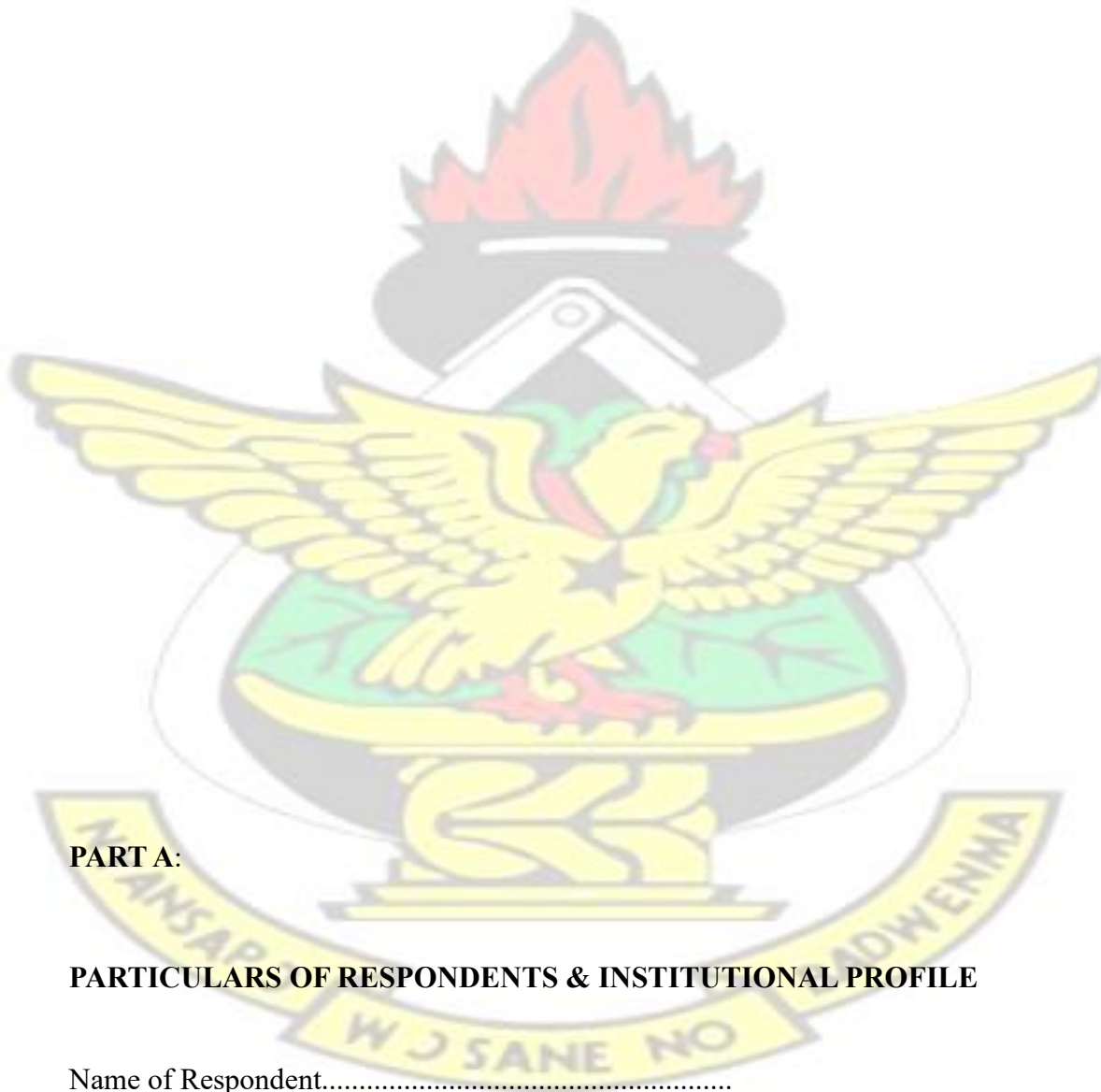
Student

Dept. of Building Technology, KNUST.

Prof E. Badu ,

Provost , College of Planning & Architecture, KNUST.

Supervisor



PART A:

PARTICULARS OF RESPONDENTS & INSTITUTIONAL PROFILE

Name of Respondent.....

Position.....

Rank.....

Number of years in Service.....

Age

Name of institution.....

Year of establishment.....

The vision of the institution.....

.....

.....

Contact no.....Date of interview.....

Scoring criteria:

The adapted Likert scale			
<i>score</i>	<i>Meaning</i>	<i>Interpretation</i>	<i>Compliance implication</i>
0	<i>Very weak</i>	Information is <i>not</i> available	Non-compliance
1	<i>Weak</i>	Information is available <i>but</i> does not satisfy indicator	Partial compliance

2	<i>Strong</i>	Information available <i>partly</i> satisfy indicator	Compliance
3	<i>Very strong</i>	Information available <i>satisfy</i> indicator	Absolute Compliance

Part B: COMPLIANCE LEVEL & CHALLENGES OF ACT 663

[Strengths, Weaknesses & Capacity gaps]

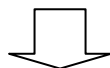
COMPLIANCE AREA :

Procurement Management Systems



Indicators

effectiveness of leadership ,Human Resource Development, Monitoring & Control System, compliance with ethics & Regulatory Framework.



Measurable sub-indicators

Good Record Keeping

1. which of the following documents do you have ?

(a) contract file [] (b) Procurement minutes [] (c)Project files [] none []

Keeping records for all phases of procurement activities

2. What is the nature of the procurement filing system of the entity

(a) One file for all the transactions []

(b) Separate files for every transaction []

(c) none []

Capacity Development Strategy

3. which of the following does the entity do to manage procurement operations?

(a) Entity has a training programme [] (b) Entity implements training programme []

(c) Entity evaluates training programme []

Professional Procurement Qualification

4. Do you have a procurement officer?

Yes [] No []

If yes what is the qualification.....

5. Do you have procurement Unit ?

Yes [] No []

Auditors trained in procurement processes to monitor compliance

6.Does the entity has internal Audit.

YES [] NO []

7..which of the following is done to build the procurement capacity of the Unit.

(a) Auditors have been trained in Public Procurement Act 663[]

(b) Regular procurement training in place for the Auditors []

(c) others/ specify.....

(d) None []

Capturing procurement transaction in cash Budget

8.(a) Does your procurement flow from your cash budget?

Yes [] No []

If yes provide the budget allocation details.

YEAR	2011	2012	2013	TOTAL
GOODS				
SERVICE				

WORKS				
TOTAL				

Quality control mechanisms for contracts

9. Is there any quality control measure to track the performance of contractors?

Yes [] No []

If yes, explain.....

.....

.....

.....

Use of contract documents

10 Do you have contract documents?

YES [] No []

[Use of standard Tender Documents (STD) and Manuals]

11. List the standard tender documents you use in procurement.

- a)
- b)
- c)

d)

Use of right procurement Methods

12 . (a)What procurement method(s) do you use ?

(a).....

(b).....

(c).....

13. Under what circumstances were these methods used ?

(a).....

(b).....

(c).....

14. which of the following documents does the entity have ?

(a) Procurement Plan []

(b)Copies of Adverts for tenders []

(C)Letters of invitation []

(d) None []

Seeking approval from PPA for the use of Selective & Single source procurement methods

15. Has the entity undertaken Sole sourcing and/or Restrictive Tendering before ?

Yes [] No []

16. Under what circumstances ?

.....
.....

17. Was approval sought from PPA ?

Yes [] No []

Putting Anti-corruption measures in place

18. Do you have any anti-corruption measure to detect fraud in procurement? YES []

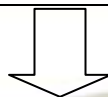
NO []

If yes describe it.....

COMPLIANCE AREA
Information & communication



Indicators
Procurement Information searching & Dissemination
and Interaction with the market place



Measurable sub-indicators

Awareness and use of procurement website 19 .Are you aware of

procurement website of PPA ?

YES[] NO []

If yes, state it.....

20 .What information do you obtain from the website?

.....

.....

.....

Awareness of the availability of support provided by PPA

21. What technical support do you receive from PPA?

(a) Draft rules [] (b)Manuals[] (c) Training workshops []

Use of Information Dissemination System

22.Which of the following media does the entity use to disseminate information on procurement?

(a)Use of PPA website []

(b)Use of Entity's own website []

(c) Use of Procurement Bulletin []

(d) Use of Newspapers []

(e) Others /specify..... (f) None []

Having knowledge of and interacting with the market place 23

. (a) Do you have a profile of your clientele?

Yes [] No []

(b) if yes, list them

.....

.....

.....

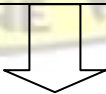
COMPLIANCE AREA :

Procurement Processes



Indicators

Procurement planning ,publicity and Award of Contract



Measurable sub-indicators

Having an adequately defined procurement plan

24. Do you have a procurement plan?

YES [☐] NO [☐]

25. Do you post the Plan on the PPA website ?

Yes [☐] NO [☐]

Well defined Procurement Plan linked to the Budget

26. Has your entity ever experienced under budgeting of the procurement plan?

Yes [☐] No [☐]

27 . How does the entity budget process cater for the procurement plan to forestall under budgeting and cost overruns?

.....

.....

.....

Advertising tender invitations

28 Do you advertise your tender ?

YES [☐] NO [☐]

Using internal notice board to display procurement information

29 .Do you paste procurement information on your notice board?

Yes [☐] No [☐]

30 If yes what kind of information?.....

Application of fair and transparent rules for the selection of tenders

Which of the following do you apply to ensure fair and transparent selection ?

(a) Invitation to Tender [☐]

(b) Prequalification [☐]

(c) Request for Quotation [☐]

(d) Request for proposal [☐]

Notifying winners of bids

31 Do you notify winners of your contract?

YES [☐] NO [☐]

Publicizing Contract Awards

32. Do you make public contract awards?

YES [☐] NO [☐]

33. if yes how?.....

Notifying losers of bid

34. Do you notify losers of bids?

YES[☐] NO [☐]

35. If Yes how ?.....

.....
.....

COMPLIANCE AREA

Contract management



Indicators

Project Planning & mobilization , Project implementation & Supervision, Inspection & Supervision ,Inspection & Inventory Control and Disposal.



Measurable sub-indicators

Taking work programs from executers

36. Do you demand work programme from clients ?

YES [☐] NO [☐]

Taking advance payment Guarantees for advance payments

37. Do you attach conditions to advance payments?

YES [☐] NO [☐]

38. If yes , what are the conditions?

.....

.....

Preparation of project monitoring Report

39. Do you have Project monitoring Reports?

YES [☐] NO [☐]

Organization of project progress meetings

40. Do you organize meetings to track progress of projects?

YES [☐] NO [☐]

41. If yes do you have minutes on the meetings ?

YES [☐] NO [☐]

Comparing & Analyzing planned progress against actual

42. How do you track the progress of your projects?

a)
.....

b)
.....

c)
.....

Preparation of handing over certificate

43. How do you take delivery of procurement from your clients?

.....
.....

Preparation of completion or delivery report

44. How do you close-up a particular contract?

.....

.....

.....

Use of appropriate stock control record system

45. How do you track the inflow and outflow of inventory ?

.....

.....

Forming the required membership of Board of Survey

46. Do you have a board of Survey?

YES [☐] NO [☐]

47. if yes , list the composition.

.....

.....

.....

.....

.....

Keeping minutes of meetings of Board of Survey

48. Does the Board of Survey have minutes?

Yes [] No []

Keeping Records of items disposed

49. Do you have a record book or file of items disposed of ?

Yes [] No []

50 . What support do you need to strengthen procurement management at your district office .

.....
.....

THANK YOU

