



MINISTRY OF FINANCE PLANNING AND ECONOMIC DEVELOPMENT

ACCOUNTANT GENERAL'S OFFICE

GoU ASSET MANAGEMENT FRAMEWORK AND GUIDELINES

October 2020



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A. Acronyms

AAMP	Annual Asset management plan
AGO	Accountant General's Office
AMFG	Asset Management Framework and Guidelines
AO	Accounting Officer
BoS	Boards of Survey
CIP	Construction in Progress
DPs	Development Partners
EGP	Electronic Government Procurement
FAM	Fixed Assets Module
GFS	Government Finance Statistics
GoU	Government of Uganda
HoA/CFO	Head of Accounts/Chief Finance Officer
IA	Internal Auditor
IAG	Internal Auditor General
IFMS	Integrated Financial Management System
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
MALGs	Ministries Agencies and Local Government Governments
MoFPED	Ministry of Finance Planning and Economic Development
MoLHUD	Ministry of Land Housing and Urban Development
MoPs	Ministry of Public Service
MoWT	Ministry of Works and Transport
NDP III	Third National Development Plan
N/A	Not Applicable
OAG	Office of the Auditor General
OPM	Office of the Prime Minister
PDE	Procuring and Disposing Entity
PFMA 2015	Public Finance Management Act 2015
PIM	Public Investment Management
PPDA 2003	Public Procurement and Disposal of Public Assets Act 2003
PPE	Property, Plant, and Equipment
PPP	Public Private Partnership
PS	Permanent Secretary
PS/ST	Permanent Secretary/Secretary to the Treasury
STP	Straight Through Processing
TBD	To Be Decided
TSA	Treasury Single Account
UCF	Uganda Consolidated Fund
UGX	Uganda Shillings
WIP	Work in Progress

B. Glossary of Terms

Asset: are resources controlled by an entity as a result of past events and from which future economic benefit or service potential are expected to flow to the entity.

Assets disposal strategy: a plan for the disposal of public assets. This is to help identify those assets that are no longer needed so that they can be disposed of promptly in an orderly, effective and efficient manner.

Assets life cycle: the sequence of stages that an asset goes through during its lifespan. They include planning, acquisition, utilization, maintenance, upgrade, replacement and disposal.

Assets management: Asset management is a systematic process of planning, acquiring, developing, operating, maintaining, upgrading, and disposing of assets in the most cost-effective manner to deliver services (Including all costs, risks and performance attributes).

Asset management action plan: an action plan for the improvement of the management of assets of an entity. It provides the activities and resource requirements to implement the improvement.

AMFG: Where this is used, it shall refer to these Asset Management Framework and Guidelines.

Asset management plan: an annual plan derived from the Assets management strategic plan and prepared for a period of 12 months of the next financial year covering the entity plans for asset acquisition, maintenance, replacement and disposal/divestment.

Assets management strategic plan: a medium term (usually three years) plan that outlines the assets required by an entity to deliver services.

Assets of Strategic Nature: for the purpose of this framework and in the context of a vote means an asset critical for the vote in the delivery of services to achieve its mandate. For the avoidance of doubt, these include strategic assets as defined by S87 (1f) of the PPDA Act,

2003 and these are: land, a building, a ship, shares and any other asset so prescribed.

Asset register: a database or document containing specific information about the assets owned or controlled by an organization.

Cost: is defined by the International Public Sector Accounting Standards. It involves the amount of cash or cash equivalents paid or the fair value of other consideration give to acquire an asset at the time of acquisition or construction.

Depreciation: the systematic allocation of the depreciable amount of an asset over its useful life. Depreciable amount is the cost or value of an asset less its estimated residual value. Residual value means the amount to be realized from the assets at the time of its disposal or decommissioning.

Disposal/divestment: means the action of selling off of business or investments. This relates to public assets and investments held by GoU. Disposal has the same meaning as divestment.

Divestment plan for assets: the list of activities and costs associated with the disposal of assets.

Fair value: the amount for which an asset could be exchanged, or a liability settled between parties in an arm's length transaction. It is usually used in situations where the cost of an asset cannot be readily ascertained.

Finance lease: means a situation where ownership of an asset is obtained on acquisition of an asset but the payment for the asset is staggered over time. The asset will be included in the asset register of the buying institution.

Financial assets: are non-physical assets and include deposits, cheques, loans, accounts receivable and marketable securities including bonds, notes and shares.

Fixed asset (Non-current asset): an asset held with the intention of being used for the purpose of producing or providing goods or services and is not held for sale in the normal course of

business. It should have a lifespan of longer than one year.

Force account mechanism: means undertaking the works of a procuring and disposing entity using the personnel and equipment of the procuring and disposing entity or of another procuring and disposing entity.

Hire purchase: a situation where an institution is granted use of an asset through regular payments of installments with an option to acquire ownership of the asset upon the fulfillment of agreed conditions.

Immovable assets: are assets that cannot be physically moved from one place to another e.g. roads, buildings.

Impairment: loss of value of an asset due to exceptional circumstances that limit its use and service potential. Examples include damage to the asset, technological obsolescence etc.

Intangible asset: is an asset that is not physical in nature e.g. goodwill, brand recognition and intellectual property, such as patents, trademarks, and copyrights, are all intangible assets.

Inventory Management Officer: is primarily responsible for handling the material management responsibilities that include acquisition of the material, merchandise, items, etc, and its proper distribution.

Minister: refers to the Minister of Finance, Planning and Economic Development.

Movable assets: are assets that can be physically moved from one place to another e.g. motor vehicles, laptops, furniture, and office equipment.

Operating lease: is a situation where an entity is given a right to use an asset through payment of regular installments but the ownership and control of the asset is retained by the vendor/supplier. The installments by the user are expensed and not capitalized.

Public assets: are the resources that Government uses to deliver public services.

Public corporations: under S3 PFMA 2015 means "(a) an authority established by Act of Parliament other than a Local Government, which receives a contribution from public funds, or operations of which may, under the Act establishing it or any Act relating to it, impose or create a liability upon public funds; and (b) any public body which in a financial year receives any income from public funds".

State owned enterprise: means under S3 PFMA 2015 (a) a body corporate established under any Act other than the Companies Act or Local Government council; and (b) a company registered under the Companies Act in which the government or state enterprise is able to – (i) control the composition of the board of directors of the company; (ii) cast, or control the casting of more than fifty percent of the maximum number of votes that might be cast a general meeting of the company; or (iii) control more than fifty percent of the issued share capital of the company, excluding any part of the that issued share capital that carries no right to participate beyond a special amount in a distribution of either profits or capital".

Stores / inventories: are produced assets consisting of goods and services, which came into existence in the current period or in an earlier period, and that are held for sale, use in production, or other use at a later date.

Tangible assets: assets of a physical nature e.g. buildings, vehicles, equipment.

Teeming and lading: delaying recording of transactions in order to cover up some wrong doing. It is usually associated with fraud.

UNESCO: United Nations Educational, Scientific and Cultural Organization.

Useful life: the period over which an asset is expected to be available for use by an entity.

Vote: means an entity for which an appropriation is made by an Appropriation Act or a Supplementary Appropriation Act.

C. Statement from the Permanent Secretary and Secretary to the Treasury:

Good asset management is important in any business environment and particularly so in the public sector given the significant investment in infrastructure assets with long life spans and large capital outlay that are vital to providing a foundation for economic activity.

Over the years GoU has implemented public financial management (PFM) reforms that have improved the management and control of Government resources. The reforms have included reviewing PFM legal and regulatory framework; automation of PFM systems, processes and activities; introduction of programme-based budgeting; implementation of Treasury Single Account (TSA) and straight through processing (STP); introduction of electronic government procurement (EGP), among others. The above reforms have greatly improved financial management and spurred economic growth. Strengthening asset management is the next logical step to help deepen and sustain the achievements so far ushered in by the PFM reforms and to pave way for new reforms/demands such as the transition to accrual accounting.

In the last five years, GoU has invested heavily in infrastructure and significantly expanded and improved its portfolio of infrastructure assets. This is in line with the National Development Plan II & III which identified infrastructure as one of the country's priority investment areas. The investment in infrastructure and other major public assets is ongoing and will continue into the foreseeable future as this is crucial for rapid national economic growth and transformation.

The Government of Uganda (GoU) has therefore embarked on an exercise to strengthen its asset management by developing an asset management framework and guidelines (AMFG) to ensure sound and efficient management and control of its assets. This will enhance GoU public financial management and ultimately improve the provision of public services. The framework clearly spells out the roles and responsibilities of the various stakeholders involved in the management of Government assets.

In order to successfully implement this framework, it should be noted that there are areas that will need harmonization; the harmonization of the different legislation and regulations that relate to asset management; handling the risks associated with managing assets; asset management structures at all levels; harmonization of the roles and responsibilities for stakeholders in asset management; and others.

The Asset Management Framework and Guidelines (AMFG) provides a comprehensive overview of the key principles and operational activities involved in the planning, acquisition, safeguard, utilization, replacement, disposal and reporting. The AMFG covers financial and non-financial assets (tangible, intangible and inventories). The AMFG shall be used in conjunction with the Asset Management Accounting Guidelines which deals with the detailed accounting aspects of GoU assets.

The AMFG is anchored on the provisions of the Public Finance Management Act 2015 (as amended) and the supporting public financial management legislation including the Local Governments Act 1997, Public Procurement and Disposal of Public Assets Act 2003 (as amended). In addition the AMFG is consistent with International Public Sector Accounting Standards (IPSAS) and Government Finance Statistics (GFS).

This AMFG is to be used alongside other operational guidelines issued by Accounting Officers (AOs) of other Ministries, Agencies and Departments with respect to a specific class of assets like; Ministry of Public Service, Ministry of Works and Transport and other line ministries.

However, in case of a conflict, the AMFG takes precedence over other asset guidelines that will have been issued by the votes.

The Asset Management Framework and Guidelines is applicable to all GoU votes. Separate guidelines will be issued for use by State Owned Enterprises.

The Asset Management Framework and Guidelines is a living document and may be updated from time to time when need arises.

The AMFG is written in an easy to read and understand format to facilitate Accounting Officers to easily adopt and implement the principles and steps prescribed towards effective management of public assets while bridging the gaps in the planning and use of assets. Where clarification is required Accounting Officers shall contact this office through the Accountant General for further guidance at:

AGO@finance.go.ug; Servicedesk@finance.go.ug; TSC@finance.go.ug; AMD@finance.go.ug



Keith Muhakanizi

**Permanent Secretary/Secretary to the Treasury
Ministry of Finance, Planning and Economic Development.
October 2020**



Introduction

1.1 Current challenges in asset management

- 1.1.1 The role of asset management in the delivery of public services is not adequately appreciated and supported by stakeholders including AOs. As result, enforcement and compliance with the legal and regulatory framework for asset management remains a major challenge.
- 1.1.2 Operation and maintenance of procured assets – mis/non-use of procured assets, underutilization, lack of adequate funding for proper maintenance of assets, entities preoccupied with acquiring new assets with less interest in maintaining existing assets, poor condition & obsolesce , failure of Accounting Officers to fully appreciate the role of assets in public services delivery, existence of dual ownership of some assets posing legal & administrative challenges on maintenance, accountability & eventual disposal.
- 1.1.3 GoU laws and regulations are not underpinned by an asset management policy. The legal and regulatory framework is not harmonized and compliance with the laws and regulations is inadequate.
- 1.1.4 Delayed implementation of projects, delayed delivery/Non-Delivery of procured items, payments for incomplete work, poor workmanship, abandoned projects and acceptance of defective works/items.
- 1.1.5 Lack of monitoring and evaluation with respect to set performance standards as may be established for particular classes of assets; Industry standards, guidelines, best practice and contractual requirements.
- 1.1.6 Governance structures in GOU asset management are largely inadequate. Asset management has not been embedded into the overall strategic management of votes by Accounting Officers.
- 1.1.7 The current institutional framework for asset management in Uganda is fragmented and not well defined. The mandates, roles and responsibilities of the various institutions involved in asset management are not clearly spelt out.
- 1.1.8 There are gaps, duplication and lack of uniformity in the roles and responsibilities in asset management in the various votes.
- 1.1.9 The Government asset register(s) is incomplete, lacks key parameters such as asset values, location, ownership, and is not regularly updated.

1.2 Asset management initiatives

- 1.2.1 GOU has undertaken several initiatives to strengthen asset management by addressing the major weaknesses and challenges. The initiatives are listed in the paragraphs that follow:

1.2.2 Development of an Asset Management Framework which;

- i. Identifies and clarifies the legal and regulatory framework for the GoU assets and bridging any existing gaps for the better management of the assets. This will promote accountability and transparency in asset management within the government;
- ii. Spells out the mandate, roles and responsibilities of the various stakeholders in GoU assets management and empowering them to understand and successfully implement them;
- iii. Documents and makes explicit the processes and steps in planning, budgeting, acquisition, operation, maintenance and disposal of GoU assets. It links and aligns the vote and national planning and budgeting processes to ensure that GoU assets are optimally managed;
- iv. Harmonizes the classification of GoU assets that includes tangible, intangible and financial assets;
- v. Provides for periodic monitoring and evaluation of the performance of assets to effectively inform future management practices and laws for assets;
- vi. Establishes uniformity in asset reporting to ensure complete, accurate and timely information is provided for reporting purposes and decision Making: and
- vii. Provides for asset accounting guidelines that will facilitate the transition to the accrual IPSAS accounting framework.

1.2.3 Automation of Government Systems: Government has already implemented a Fixed Asset Module on the IFMS and Navision Accounting System used by GoU overseas missions, for the recording of government assets. Plans are underway to have in place a comprehensive and fully integrated asset management system to support the management of GOU assets throughout their lifecycle. This will ensure that as much as it practicable possible, all asset management functions, processes, forms and reports are processed through Government computerized asset management systems.

1.2.4 Compiling a comprehensive list of GoU officially recognized assets to help identify and document the list of GoU owned and controlled assets at each of the votes. This enables AOs to better manage their assets portfolio with adequate oversight. The ultimate objective is to maintain comprehensive and up-to-date asset registers to support the Accounting Officers in managing and controlling assets throughout their life cycle.

1.2.5 Asset Management Reports: Reporting on Public assets has been strengthening to ensure that comprehensive and timely asset reports are produced to enhance accountability and transparency in the use of public assets.

1.2.6 Enforcing compliance with the asset management laws and regulations through the automation of asset management processes, capacity building initiatives, Boards of Survey, Inspectorate and audit work.

1.3 Purpose and scope of this asset management framework and guidelines.

- 1.3.1 The purpose of this Asset Management Framework and Guidelines (AMFG) is to enable Government votes to create and maintain an appropriate mix of assets for effective delivery of services. The AMFG is a comprehensive document that assists Accounting Officers to fulfil their mandate to manage and control the public assets under their control throughout the asset life cycle.
- 1.3.2 The AMFG shall also be used for reference and training purposes.
- 1.3.3 The AMFG covers the entire lifecycle of an asset: planning, acquisition, safeguard, utilization, maintenance, replacement and disposal.
- 1.3.4 The AMFG applies to all GoU votes including externally financed projects. These comprise of ministries, agencies, departments, missions abroad, projects and local governments. For the avoidance of doubt, the AMFG shall apply to the lower local governments, health centres, and education institutions affiliated to the Local Governments.
- 1.3.5 The AMFG does not cover public corporations and state owned enterprises.

1.4 Benefits of the guidelines

- 1.4.1 Proper asset management will reduce the risks of misuse, pilferage and loss which will lead to optimal utilization; reduce excessive maintenance costs; and improve accountability and transparency which are crucial to public service delivery.
- 1.4.2 Greater economic sustainability: Accountability and Transparency of government enhanced leading to better communication with the public, increased trust and confidence which lowers the cost of service delivery. This results in improved public services delivery for: infrastructure, health and education.
- 1.4.3 Improved environmental sustainability resulting from long term solutions rather than short term affordability.
- 1.4.4 The public and other stakeholders demand better and more transparent accountability in the usage of resources. Improved balance sheets promote transparency & accountability
- 1.4.5 AMFG will guide AOs to know their assets through proper record keeping.
- 1.4.6 AOs will ascertain the condition and value of their assets.
- 1.4.7 AOs will monitor and evaluate the performance of assets under their charge.
- 1.4.8 The AOs will be in a position to ascertain when to service, replace or dispose of the assets and their cost implications for inclusion in the budgets of their votes.

- 1.4.9 Most of the valuable assets especially infrastructure have long lifespans and if they are not well operated and maintained they will deteriorate leading to shorter than expected life spans. Consequently, provision of public services will suffer and the assets turn out to be liabilities in the long run.
- 1.4.10 The AMFG creates awareness on the risk to assets that is posed by environmental factors like climate change and soil degradation. AOs shall take into account these factors in planning for the acquisition, maintenance, replacement and disposal of assets.
- 1.4.11 The AMFG addresses Gender and equity issues along the asset life cycle.

1.5 Effectiveness and Usage of AMFG

- 1.5.1 The AMFG is issued by the Secretary to the Treasury (ST) and comes into operation with effect from the date it is approved by the ST.
- 1.5.2 The AMFG is to be used in conjunction with the Asset Management Accounting Guidelines (AMAG) which deals with detailed accounting and reporting aspects of GoU assets.
- 1.5.3 All clarifications relating to or proposed corrections or improvements to the Asset Management Framework Guidelines shall be addressed to ST and copied to the Accountant General.

2.

Legal, regulatory and institutional framework for asset management.

2.1 Legal and regulatory framework.

2.1.1 The Asset Management Framework and Guidelines are based on the GoU legal and regulatory framework as indicated below.

2.1.2 Constitution of the Republic of Uganda, 1995:-

Chapter 9 of the Constitution contains provisions for the control and management of public funds.

2.1.3 Public Finance Management Act 2015 as amended:-

The Act provides for public financial management in Uganda as per S2 of PFMA 2015.

- i. S34 of the PFMA provides for asset management. It specifies the roles and responsibilities of the various Officers in that respect. The Section also defines what constitutes GoU assets.
- ii. Other sections specify the roles and responsibilities of the STS(11g), Accountant General S(34&36), and Accounting Officers in asset management.
- iii. S48 of the PFMA provides for the role of internal audit at a vote.

2.1.4 The Public Procurement and Disposal of Public Assets (PPDA) Act 2003:-

- i. Specifies the procedures for the procurement and disposal of assets.
- ii. Determines the arrangements and procedures for the procurement and disposal of items such as supplies/ goods, services or works.

2.1.5 National Audit Act 2008:-

Provides for the auditing of accounts of Central Government, Local Government councils, administrative units; public private organisations and bodies.

2.1.6 Condominium properties Act, 2001:-

Provides for the divisions of buildings into units and common property, their legal ownership and management

2.1.7 Public Finance Management Regulations 2016:-

Regulation 24 provides for maintenance of asset registers and Regulation 37 the conduct of the Boards of Survey.

2.1.8 Local Government Accounting and Financial Regulations:-

Part V111 expounds on what is contained in the Local Governments Act and specifies procedures for acquisition, ordering, safe custody, accounting, disposal and loss of assets.

2.1.9 The PPDA Regulations 2014:-

Provide details of conditions, rules and procedures for planning and effecting procurement and disposal of public assets in Central Government.

2.1.10 The Local Governments (Public Procurement and Disposal of Public Assets) Regulations 2006:-

Specify the conditions, rules and procedures for the procurement and disposal of assets in Local Governments.

2.1.11 Standing Orders 2010:

Provide for use, care and safeguard by Government Officers of public assets including motor vehicles.

2.1.12 Treasury Instructions 2017:

Provide for the management and accounting framework of non-current assets. This includes recognition, recording, use, maintenance, impairment, disposal etc. of non-current assets.

2.1.13 In addition to all the above; ST and Accountant General issue directives relating to asset management from time to time in form of circulars to operationalize and supplement the requirements of the financial legislation in relation to public assets.

2.1.14 Other legislation, policies, guidelines and standards issued by votes in line with their specific mandates.

These are supplementary to the above legal and operational framework for asset management and **Appendix 15** provides a consultation checklist and catalogue of references for asset management legislation, policies, guidelines and standards issued in line with specific entity mandates relating to a particular class of assets.

2.1.15 The guidelines have taken into consideration good practices and are in general agreement with International Public Sector Accounting Standards (IPSAS) and Government Finance Statistics (GFS).

2.2 Roles and responsibilities for asset management**2.2.1 Permanent Secretary/Secretary to the Treasury (ST)**

- i. Responsible for advising the Minister on economic, budgetary and financial matters. The detailed roles and responsibilities of the ST are stated in S11 PFMA 2015.
- ii. Specifically, for asset management S11(1)(c) PFMA 2015 states that ST shall promote and enforce transparent, efficient and effective management of assets (S11(c) PFMA 2015). This is achieved through ensuring that the assets are maintained in an optimal operating condition and are not wasted through neglect and disrepair as is evidenced in the BoS, OAG and IAG reports.
- iii. Issue directives and instructions to Accounting Officers with respect to assets of the vote S11 3 (a) PFMA 2015.
- iv. Set standards for the financial management systems and monitor the performance of PFM systems including asset management systems S11 2 (d) PFMA 2015.

- v. Through issuance of the budget call and execution circulars, ST shall ensure that AOs plan for proper assets management over the life cycle through the preparation of asset strategic plans and proper annual budgets.
- vi. Decline to re-appoint a person as an Accounting Officer where according to the report of the Internal Auditor General (IAG) or the Auditor General (AG), that person has not accounted for the public assets of the vote for a financial year as provided for in (S11(g) PFMA 2015).

2.2.2 Accountant General

- i. The Accountant General is the custodian of GoU funds i.e. receives and safeguards the funds; responsible for financial management systems; responsible for GoU financial records and prepares GoU financial reports, among others.
- ii. The roles and responsibilities of the Accountant General with respect to Asset Management are provided for under section 46 of PFMA 2015. Specifically, the Accountant General is mandated among others to:
 - Define what constitutes an asset through his mandate of specifying the basis of accounting S46(3)(d) & (6).
 - ensure accuracy of payments for acquisition of assets S46(3)(d).
 - Ensure that assets are properly recorded by prescribing the format of the asset registers to be maintained by the votes S34(2).
 - Safeguard Government assets through instituting appropriate internal controls S46(3)(c).
 - Verify the existence of the assets through appointment of a Team to carry out the annual BoS S34(4).
 - Issue guidelines for accounting for government assets and for recording and reporting of government assets as outlined in S34(8) and;
 - Prescribe a statement of assets to be submitted by an Accounting Officer to be included in the annual financial statements Schedule 5(2)(e) (See **Appendix 9** – Extract of assets in a balance sheet).
 - Submit to the Auditor General for audit a balance sheet that includes GoU consolidated assets Schedule 5(1).
 - Regularly inspect various MALGs to make sure that the above-mentioned management activities are being carried out - refer to S46(1)(b)&(c).
 - AGO shall also provide training and capacity building to those MALGs and Missions Abroad whose capacity for the management of assets is inadequate.
 - To prepare the consolidated asset strategic plan and annual asset management plans.

- To prepare statement of losses of public money and stores/assets in accordance with Schedule 5 (1) (k) (l) in the PFM Act, 2015.

2.2.3 Internal Auditor General

- The role and responsibilities are specified in S 47(2) of the PFMA 2015 and in accordance with S 47(2)(a) – (b) of the PFMA, the Internal Auditor General ensure that the following activities are considered in the development of the Internal Audit strategy and guidelines as they pertain to the management of GOU assets:
 - Internal Auditors regularly reviewing all assets and reports on the effectiveness and efficiency of the performance of the assets by developing a risk matrix and a set of key performance indicators for monitoring the performance of assets;
 - Internal audit review the asset performance evaluation reports produced by the vote; and
 - Support the development and review implementation progress of the Asset Management Action Plans of the respective votes.
- The Internal Auditor General shall review and consolidate the internal audit asset management reports from the votes and externally financed projects.

2.2.4 Accounting Officers

- S34(1) of the Public Finance Management Act (PFMA) 2015 entrusts Accounting Officers as Officers responsible for the management of the assets and inventories under their votes.
- Through harmonized participatory planning Accounting Officers shall ensure that they have adequate assets to enable them to deliver their mandate. They must therefore, through adequate consultations with the users and beneficiaries of the assets, identify and acquire the appropriate assets mix as a key resource in the delivery of the vote's mandate.
- Accounting Officers shall effectively and efficiently utilize assets under their control for delivery of public services. To be able to achieve this objective, Accounting Officers shall identify the assets under their control; prepare a medium/long term assets strategic plan to specify the assets required to carry out the mandate of their vote; and to ensure that they are well managed and maintained.
- Accounting Officers shall "put in place effective systems of risks management, internal control and internal audit," which are ideal for asset management in line with S45(2). It is important to closely monitor the usage of the assets to ensure that they are optimally utilized and maintained to avoid deterioration of the conditions of the assets that shorten the asset's useful life.
- Accounting Officers shall ensure that the public service beneficiaries are consulted and provide input into identification, acquisition, operation and

disposal of assets. This is desirable as it encourages buy-in and sense of ownership of the assets which enhances accountability and transparency to the assets' beneficiaries.

- vi. Accounting Officers shall take into consideration social, environmental factors in deciding the assets to acquire. This is to ensure sustainability (economy and environment) of the operation and use of the assets for their votes. For example assets should not be erected and positioned in wetlands of areas prone to flooding because this will lead to the damage or destruction of the assets.
- vii. Accounting Officers shall ensure that the management of assets throughout their lifecycle is gender and equity responsive so that assets are useful to all persons regardless of gender, age and disability.
- viii. Accounting Officers shall be prepared to handle emergencies and crises that will affect their operations e.g. floods, landslides and pandemics (Covid-19). AOs must proactively prepare to respond in such situations.
- ix. Specifically, Accounting Officers are responsible for the following:
 - Provide overall oversight for the management of assets under their control.
 - Planning for acquisition of the assets to be utilized by the vote. This shall be achieved through preparing a medium term (usually 3 years) asset strategic plan and an annual asset management plan to inform the annual estimates as required by ST refer to Sections 2.2.1(iii), 4.1.3 - 4.1.7 of the AMFG. For reference, a template is provided as **Appendix 4** and **Appendix 5** respectively. The strategic plans shall include acquisition, maintenance, replacement and disposal plans. These strategic plans shall be updated, implemented and reviewed every year before finalization of the budget process.
 - Ensure the proper implementation of strategic asset plans, annual asset management plans, assets management action plans and divestment plans.
 - Maintaining a comprehensive and up to date asset register with correct values, through regular updates using the IFMS/or any other approved IT system, in form of new assets acquired, assets boarded off, damaged or stolen assets for the vote in formats prescribed by the Accountant General in accordance with S34 (2) of the PFMA 2015. The details of the Asset Register are specified in Section 3.3 of the AMFG and a reference template provided in **Appendix 2**.
 - Preparing and submitting to the ST revenue estimates to be gotten from the revenue generating assets of the vote as specified in Chapter 10 of this AMFG.
 - Maintaining all assets in an optimal operating condition through conducting regular and scheduled maintenance of the assets and ensuring

that appropriate funds are planned and budgeted for all the assets as specified in Chapter 4 of the AMFG. The Accounting Officer shall put in place procedures and internal mechanisms for monitoring the use and condition of the assets.

- Establishing effective systems of risk management, internal control and internal audit in respect of assets as per S45(2) PFMA 2015 e.g. portable and attractive assets like laptops, cameras, which must be documented and their ownership and location monitored at all times.
- Ensuring that Officers assigned to carry out asset management duties have the requisite qualifications and skills and are effectively empowered. The Head of Administration and Head of Accounts shall support the AO coordinating financial activities relating to asset management at a vote.
- Getting assurance through the Internal Auditor (IA) that regular inspection of assets of the Vote have been carried out and reports produced on the general condition of the assets as per S34(3) of the PFMA 2015 (Appendix 8). The regularity of the inspections will depend on the risks involved e.g. assets sensitivity, age and environment. This will ensure that assets are safeguarded and protected against misuse, loss or theft.
- Ensuring the monitoring and evaluation of assets performance to inform improved management of assets.
- Ensure all assets are engraved.
- Preparing an assets divestment /disposal plan and submitting to ST through the Accountant General for consolidation as prescribed by S13(10)(vii) of the PFMA 2015. The divestment plan budget shall be submitted to the ST for inclusion in the annual budget as guided in this Section 2.2.3 (ix) above. The details of the divestment plan (**Appendix 6**) are provided in the Treasury Instructions 2017 Paragraph 4.17 and Paragraph 2 of Public Procurement and Disposal of Public Assets (Disposal of Public Assets) Regulations, 2014 No.13.
- Oversee the Implementation of the divestment/disposal plan of assets in accordance with PPDA laws and regulations. Accounting Officers shall ensure timely disposal of assets to reduce costs of handling, further depreciation/ loss in value and the dangers attributed to some items like intoxication in-case of sectors such as Health, Energy, etc.
- Seeking authority of the ST before acquiring an asset by lease or Hire purchase or acquiring a used asset as per S34(7) PFMA 2015.
- Seeking the permission of Parliament before pledging or otherwise encumbering land or any other asset of a Vote in accordance with S34(6) PFMA 2015.
- Preparing and submitting within 2 months of the end of the financial year accounts to the Auditor General and Accountant General as per S51 and Paragraph 2 of Schedule 5 PFMA 2015 a format of an extract of assets to be included in the balance sheet is given in **Appendix 9**.

- Preparing and submitting to the Accountant General a board of survey report as per s34 PFMA 2015.

2.2.5 The Head of Accounts (HoA)/Chief Finance Officer (CFO)

- i. The Head of Accounts/ Chief Finance Officer at each vote is responsible for supporting the vote in financial management matters.
- ii. The HoAs/CFO is responsible for overseeing and providing day-to-day financial information on the vote as per Paragraph 7.4 Treasury Instructions 2017. This includes maintaining an accurate asset register through regular updates of the IFMS or any other IT related system in place; providing schedules for maintenance generated by the system, advise on plans for the acquisition of assets guided by estimated useful life, operation maintenance, replacement and disposal of assets plans.
- iii. Assist in the prevention and management of loss of assets.
- iv. The HoAs/CFO shall manage, coordinate and facilitate the Boards of Survey exercise for the vote's assets; shall ensure that proper records for accounting and reporting on assets are maintained as guided by the asset accounting policy; and shall provide any other information relating to assets to the AO.

2.3 Institutional Framework for asset management

- 2.3.1 Asset management involves collaboration and coordination of efforts of different stakeholders in planning, acquisition, operation, replacement and disposal and reporting of assets. It is imperative to specify the mandate, roles and responsibilities of each of the stakeholders for effective asset management.
- 2.3.2 In Central and Local Governments some units have asset management roles relating to a specific class/group of assets and **MAY** issue operational guidelines to a section of users. For example, Ministry of Public Services specifies tools and assets that facilitate and supplement human resources operations like vehicles and the work environment; Ministry of Lands Housing and Urban Development provides policy, standards and coordination on land, housing and urban development; Ministry of Works and Transport handles building, construction and some aspects of fleet management. The Uganda Land Commission is the custodian of all Government Land purchased using resources from the Consolidated Fund.
- 2.3.3 This AMFG is the primary asset guideline and shall take precedence over other asset management guidelines issued by votes in case of any inconsistencies. Accounting Officers with specific mandates on asset management for a particular class of asset may issue operational guidelines to target a set of users during implementation of their work.
- 2.3.4 For purposes of effective oversight, all the guidelines to be issued after this AMFG shall be in consultation with the ST and Accountant General's Office to ensure harmony. Any existing guidelines shall be shared with ST and Accountant General for information and harmonization.

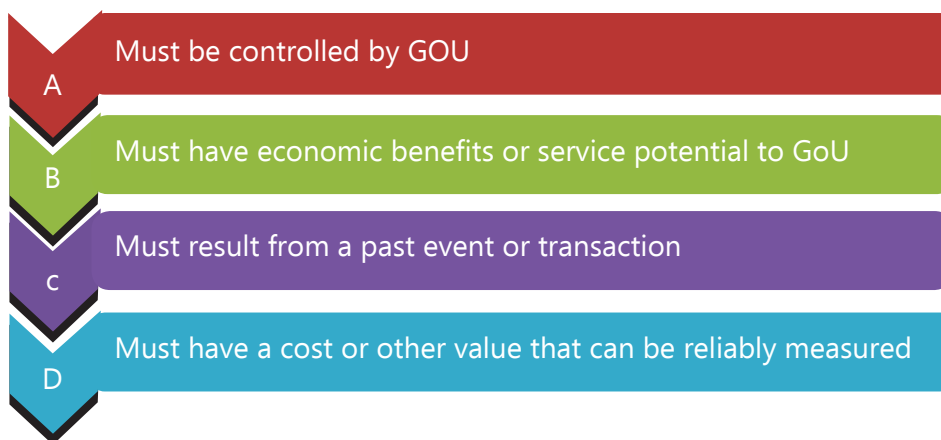
3.

Public Assets

3.1 What are public assets?

- 3.1.1 These are resources that are used by a vote to provide public services in line with its mandate.
- 3.1.2 For any item to qualify as a public asset, it must meet the asset recognition criteria in Figure 1 below;

Figure 1 – Asset recognition conditions



- 3.1.3 If an item does not fit the above criteria, then it shall not be classified or called an asset for purposes of this AMFG Further consultation shall be made with Accountant General for proper guidance in case of doubt.
- 3.1.4 For the avoidance of doubt, the cost of an asset shall comprise of:
- i. its purchase price, net of discounts and rebates, but including any import duties and non-refundable purchase taxes;
 - ii. any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
 - iii. the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located (measured at present value if the effect of discounting is material), to the extent that there is an obligation to incur these costs.

3.1.5 Examples of directly attributable costs include:-

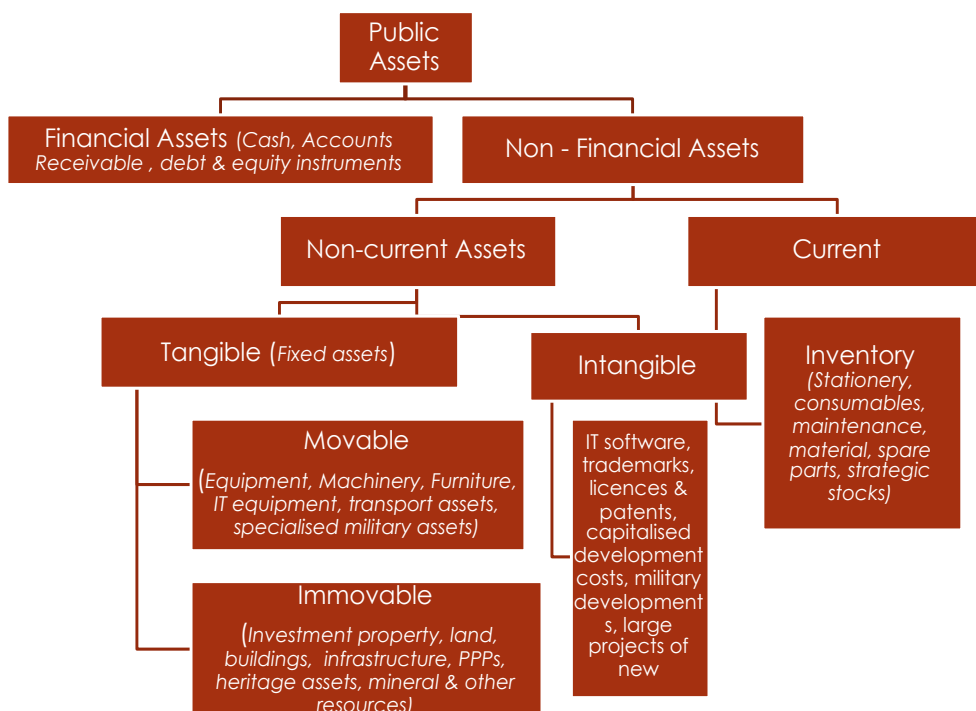
- i. costs of site preparation;
- ii. initial delivery and handling costs;
- iii. installation and assembly costs;
- iv. costs of testing whether the asset is functioning properly;
- v. borrowing costs that are directly attributable to acquisition, construction and production of assets;
- vi. professional fees such as legal fees for processing sale and transfer agreements; and
- vii. costs of employee benefits arising directly from the construction or acquisition of the item of PP&E;

3.1.6 Costs that are excluded from capitalization as an asset include:-

- i. costs of opening a new facility such as opening and completion ceremonies;
- ii. costs of introducing a new product or service (including costs of advertising and promotional activities);
- iii. administration and other general overhead costs such as internal labour incurred on construction.

3.1.7 The main classifications of the GoU assets are shown in Figure 2 below with **Appendix 1** providing a comprehensive list of the public assets.

Figure 2 – Classification of GoU Assets



3.2 Management of Assets

3.2.1 Management of assets refers to a set of coordinated activities and practices in planning, acquiring, operating, maintaining, replacing, disposing and reporting of assets. Management is continuous processes throughout the asset life cycle – see Figure 3 below.

Figure 3 - Asset Lifecycle



3.2.2 Asset management involves policies, processes, people and technology to provide public services and hence the focus of this guideline.

3.2.3 Accounting Officers are at the helm of asset management at the votes. They shall take lead and champion improvements in asset management. Their involvement and commitment in this endeavor is very critical in ensuring successful asset management.

3.3 Asset Register

3.3.1 An Asset Register is a comprehensive schedule of assets that are owned or controlled by a vote. The Asset Register includes all the assets owned by a vote. The register will have sections for tangible, intangible and financial assets refer to **Appendix 1** for a list of GoU assets.

3.3.2 Each Accounting Officer shall maintain an up-to-date Asset Register in a format prescribed by the Accountant General as per S34 (2) PFMA (See **Appendix 18**). Accounting Officers (Central and Local Governments) shall use the fixed assets module (FAM) on the IFMS or any other approved IT system prescribed by the Accountant General to maintain an updated Asset Register.

3.3.3 The asset register shall contain data on the identification, source, acquisition, location, performance and other relevant data for purposes of managing the asset. Figure 4 below shows some of the asset register data content.

Figure 4 – Asset Register information content

No	Key Asset Area	Minimum Required Information
1.	Planning/Budgeting	<ul style="list-style-type: none"> i. Asset item & description ii. Available units iii. Required units iv. Units to be acquired v. To be disposed vi. Timing for asset to be acquired vii. unit costs/disposal price
2.	Acquisition/ improvement	<ul style="list-style-type: none"> i. Date ii. Supplier/PPP iii. Reference (invoice/PV No.) iv. Procurement method v. Amount
3.	Identification	<ul style="list-style-type: none"> i. Description ii. Asset Make and Model iii. Manufacturer iv. Serial No. v. Unique Asset Number/Tag Number/Engrave code
4.	Accountability	<ul style="list-style-type: none"> i. Location ii. Programme iii. Entity /Department/Office/project iv. Funding source/Donor v. Custodian/User /Unallocated vi. Purpose of use vii. Restrictions/encumbrances viii. Heritage or cultural identifier
5.	Performance	<ul style="list-style-type: none"> i. Capacity ii. Condition iii. Details of warranty/guarantee iv. Support/Insurance details/insurance premiums v. Key details of maintenance agreement vi. History (fire, construction, major maintenance activities) vii. Rent income/expenditure viii. Property rates ix. Service charges x. Water /electricity charges xi. Maintenance and repair costs xii. Useful life xiii. Residual life
6.	Disposal	<ul style="list-style-type: none"> i. Disposal date ii. Disposal reference iii. Reason for disposal iv. Capacity v. Condition vi. Residual value vii. Costs/Proceeds from Disposal viii. Tag number/engraved code ix. Buyer/Highest bidder
7.	Accounting	<ul style="list-style-type: none"> i. Historical cost ii. General ledger /chart of Accounts code iii. Replacement value iv. Depreciation method v. Depreciation rate vi. Periodical depreciation charge vii. Accumulated depreciation viii. Net Book Value

- 3.3.4 Accounting Officers shall note that GOU has automated the fixed asset register on the IFMS i.e. Fixed Assets Module (FAM). Uganda's Missions Abroad use Microsoft Dynamics Navision system which is a stand-alone system with a fixed asset module to update their asset registers. Appropriate financial management systems shall also be implemented to cater for financial assets.
- 3.3.5 The FAM is a module on the IFMS that is used for recording the GoU fixed assets. All fixed assets acquired by a vote shall be uploaded onto the Fixed Assets Module (FAM) immediately the module is activated.
- 3.3.6 The asset register shall be prepared and processed through the IFMS, Microsoft Dynamics Navision and/or any other IT system approved by the Accountant General.
- 3.3.7 The Asset Register shall be validated and updated whenever there is movement in the assets. The HoAs/CFO shall ensure that the Asset Register is kept up to date through adding new assets acquisitions and removing assets that have been disposed of. Regular reviews of the Asset Registers shall be conducted to ensure that the registers are comprehensive and up-to-date with correct values.
- 3.3.8 Where assets are jointly owned (including those under the Public Private Partnership - PPP) the basis and nature of joint ownership shall be specified and documented in the Asset Register. For example, where land and buildings have different ownership the owner of the land shall hold the title to the land and the owner of the building shall acknowledge no claim to the land. An agreement shall be entered into stating the facts about the ownership of the land and the building and the obligations of each party to the assets involved including possible demolition of the asset at an appropriate time.
- 3.3.9 An example of details of assets included in the asset register is given in **Appendix 2**

4.

Planning for public assets to be acquired and used

- 4.1.1 A vote shall have assets as part of the resources that will be used to deliver its mandate in service delivery.
- 4.1.2 The planning processes shall cover all the GoU assets categories: tangible, intangible and financial.
- 4.1.3 In line with the NDP III and any associated development plans, each vote shall prepare an asset management strategic plan consistent with the relevant programme implementation action plans to deliver the vote's mandate. The asset strategic plan shall cover a minimum of 3 years and shall include details of the assets and their requirements in operations, maintenance, replacement and disposal of the assets. The strategic plan shall include rolling plans over the 3-year period.
- 4.1.4 Where a vote has assets with longer than 3-year lifespan the strategic plan will cover more than three years for the plan to be realistic. The assets strategic plan is one of the elements of a strategic plan for the vote and complements the other elements of the vote strategic plan: human resources, information technology and financial resources among others.
- 4.1.5 The assets strategic plan that shall be prepared on a rolling basis, shall follow the procedures below:
- Step 1: Ascertain the assets that will be required to deliver public services over the next 3 years.
 - Step 2: Review current stock of the assets as recorded in the Asset Register.
 - Step 3: Compare current asset register with assets required to enable the vote to provide services as per its mandate. This will provide the shortage or surplus of the assets at the vote.
 - o The surplus assets shall be disposed of through the Boards of Survey and PPDA procedures.
 - o The shortage of the assets will inform the details of the assets to be acquired. It is crucial that the AO get an appropriate mix of assets to deliver the public services for the vote.
 - Step 4: Prepare an asset acquisition plan. The plan shall provide details of the assets required and the timing of their acquisition over the 3-year period. It will also inform the asset management plan to be prepared each financial year costed and included in the annual estimates. The Asset Management Plan is covered in Sections 4.1.7 - 4.1.11 below and shall be a rolling plan to be updated each year.

Step 5: Prepare an asset maintenance plan. The plan shall cover the maintenance requirements for all the assets of the vote for the 3-year period. The plan will indicate the maintenance work to be carried out and the relevant costs over the 3 years.

Step 6: Produce an asset replacement plan over the 3 years.

Step 7: Produce an asset disposal plan over the 3-year period.

4.1.6 A template of an Asset Strategic Plan is given in **Appendix 4**.

4.1.7 Prepare an asset management plan. The plan shall cover the 12 months for the next financial year. It shall be derived from the 3-year assets strategic plan. The asset management plan shall be costed annually and included in the budget estimates.

4.1.8 The annual asset management plan (AAMP) shall cover the following:

- i. Assets acquisition.
- ii. Assets maintenance.
- iii. Assets replacement.
- iv. Assets disposal/divestment

4.1.9 The AAMP shall be submitted to ST by 15 November each year together with other information to be included in the budget estimates for the next financial year.

4.1.10 The AAMP shall be consistent with the annual procurement plan and cash flow projections for the vote among others.

4.1.11 Ensure that adequate planning is done for the acquisition of new assets and the associated costs for their operation and maintenance.

5. Assets Acquisition

5.1 GoU assets acquisition methods

5.1.1 GoU acquires assets in different ways. The methods include the following:

- i. Procurement;
- ii. Construction;
- iii. Donation;
- iv. Transfer;
- v. Discoveries and natural occurrences e.g. oil and minerals;
- vi. Gazetting e.g. heritage assets; and
- vii. Service Concession Arrangements and Public Private Partnerships (PPPs)

5.1.2 The Accounting Officer shall carry out due diligence to establish the true ownership of the assets before acquisition by confirming the proof of ownership (e.g. logbook, land title).

5.2 Procurement of an asset

5.2.1 Procurement of an asset shall be guided by the GoU laws, regulations and procedures relating to procurement of assets (refer to the PPDA Act 2003).

5.2.2 In situations where a used asset is being acquired authority shall be sought from the ST in accordance with S34(7) PFMA 2015.

5.2.3 To procure an asset please follow the steps below:

- Step 1: Ensure that the asset has been planned for and is included in the asset management plan mentioned in 4.1.7 above.
- Step 2: Ensure that sufficient funds have been budgeted to effect the procurement.
- Step 3: Ensure compliance with all the relevant policies, guidelines and standards issued in relation to procurement of specific assets or class of assets. For example, if you are procuring a vehicle ensure compliance with the specifications for the type of vehicle suitable for usage. For a list of entities to consult when procuring a particular asset **see Appendix 15.**
- Step 4: Proceed with the procurement in accordance with the relevant PPDA laws and regulations.
- Step 5: Acknowledge receipt of the asset.

Step 6: Engrave/tag the asset using the appropriate convention.

Step 7: Enter the asset into the Asset Register as guided in Section 3.3 above.

5.2.4 In the case of investments, the asset will be recorded in the books of the recipient vote in the year of acquisition. In the subsequent year the investment will be transferred to the Accountant General's books of accounts who is the custodian of all GoU certificates of titles of investments in conformity with S46(1)(d) of PFMA 2015. The transfer of the asset will follow the procedures provided in Section 5.5 of these guidelines.

5.2.5 When the procurement involves land, it is imperative that all the PPDA procedures (as stated in 5.2.1 above) are complied with. Additionally, the Uganda Land Commission shall be informed of the land acquisition so that their registers for GoU land are updated and to guide on the appropriate value and other parameters like the land use approval.

5.3 Construction of an asset

5.3.1 Some assets will be constructed and produced by a vote instead of being procured from external sources. Most infrastructure assets will be constructed through the Public Investment Management System (PIMS). Upon completion of the construction, the assets will be recognized and recorded as GOU assets in the asset register. See section 12.1 for assets under construction.

5.3.2 Irrespective of the source of funds, the steps below shall be followed in the construction of an asset:

Step 1: Ensure that the construction has been planned for and is authorized as guided by the assets strategic and procurement plans.

Step 2: For buildings and infrastructure ensure that the construction is carried out on land that belongs to GoU with proof of legal ownership or with the relevant entity in the process of acquiring the land title. If the land does not belong to GoU seek guidance from ST on how to proceed.

Step 3: Confirm that sufficient funds have been budgeted for the construction of the asset.

Step 4: Consult the relevant entity for technical input with respect to a particular class of asset e.g. Ministry of Works and Transport/Uganda National Roads Authority and other relevant bodies that deal with health, safety and environmental issues, to ensure compliance with the necessary construction policies and regulations.

Step 5: If the construction is to be handled in-house e.g. using the force account mechanism (as specified in S 95A PPDA) ensure that there are sufficient resources to do the work and adequate supervision of the construction is carried out.

Step 6: If the construction is outsourced ensure proper procurement of suppliers/contractors has been carried out in accordance with the PPDA laws and regulations.

- Step 7: Ensure adequate monitoring and supervision of the contractors.
- Step 8: Upon completion of the construction, the asset shall be certified (by an approved authority) to confirm that the required standards have been met in accordance with the contract before final payment is made to the contractors.
- Step 9: Engrave or assign a unique identifier to the asset and update the Asset Register. FAM cumulative costs will already be on the system awaiting posting (refer to Construction in Progress (CIP) functionality of the module). Hence the AO shall post the entries and the Asset Register shall be updated accordingly.

5.4 Donation of an asset

- 5.4.1 When a vote receives an asset donation, the asset shall be entered into the asset register of the vote. The value of the asset to be entered in the register will be as stated in the agreement between the donor and the vote. In the absence of any agreement or appropriate documentation, the Accounting Officer shall estimate the fair value of the asset in accordance with the Asset Management Accounting Guidelines.
- 5.4.2 Receipt of an asset in form of a donation by a vote , shall follow the steps below:
 - Step 1: Confirm that the donor is the legitimate owner of the asset by examining the ownership supporting documents e.g. land title for land, logbook for vehicles.
 - Step 2: Check the condition of the asset to ensure that it is in good working condition. It may be necessary to obtain expert advice in case of a specialized asset.
 - Step 3: Carry out a due diligence check to confirm that the asset will not be a burden to the vote or breach GoU policies, regulations and guidelines including health, safety and environmental standards. The asset shall be useful and relevant to the operations of the vote
 - Step 4: Once the asset is accepted the AO shall ensure that the donor transfers and/or hands over the necessary documents to back up this transaction. Such documentation includes the relevant titles or proof of ownership. For example, in the case of a motor vehicle the logbook shall be handed over to the receiving vote or the land title in case of land, etc. In case the donor does not have a land title the Accounting Officer shall take all the necessary steps to obtain the land title in favor of GoU. For land the Uganda Land Commission shall be informed of the donation so that their registers are updated accordingly.
 - Step 5: When the asset is received, AO shall first engrave/tag the asset and then update the Asset Register and thereafter proceed with other administrative actions such as allocation to relevant office/officer for use, maintenance mainstreaming of costs, etc.

Step 6: The AO shall inform the ST in writing in case the asset is a donation in kind and it is necessary to be included in the next supplementary budget (as per Paragraph 10.19.3 Treasury Instructions 2017) to be presented to Parliament for approval.

5.4.3 The receiving vote shall fill in an assets received form (**see Appendix 10**) and post the asset to its Asset Register after engraving it. Administrative procedures shall then follow e.g. allocation to user department.

5.4.4 The vote donating an asset shall treat it as an asset disposal which is covered in Chapter 8 of this AMFG.

5.5 Transfer of an asset

5.5.1 Occasionally assets get transferred from one vote to another.

5.5.2 The Accounting Officer of the transferring vote shall authorize the transfer and fill in an assets transfer authorization form (**see Appendix 11**).

5.5.3 The transferring vote shall treat the transfer as a disposal of its assets and remove the transferred asset from the Asset Register. The asset shall be reflected in the divestment/disposal plan for the year under review. Proper documentation such as authority and reasons for transfer shall be well kept outside the system for proper audit trail. The asset for disposal must have been provided for in the divestment / disposal plan at the planning stage or else the AO shall amend the plan to accommodate any in-year adjustments.

5.5.4 The asset will be recorded in the asset register of the receiving vote at book value or at a disposal value that will be appropriately determined by the transferring vote.

5.5.5 Assets may also be transferred within the same vote i.e. from one location to another or from one Officer to another (cars, computers) etc. In such situations there will be no effect on the asset register except for a few details relating to location, responsible officer, etc. This movement shall be tracked within the asset register.

5.6 Lease/hire purchase of an asset

5.6.1 The AO may wish to use an asset for a fee without acquiring it outright under any of the following circumstances:

- i. may not be economical to maintain;
- ii. asset may be required for a short period of time than its estimated useful life;
- iii. Insufficient funds to purchase the asset. Later on the situation may change and the AO decides to take ownership of the asset; and
- iv. For any other reason as may be reasonably justified.

Where circumstances change, the AO may take ownership of the asset.

- 5.6.2 The arrangement where an asset is hired to be used for a fee is what is known as a hire purchase or leasing.
- 5.6.3 There are two types of leases: financing lease and operating lease. In a financing lease the ownership of the asset is passed on to the lessee on acquisition of the asset. With an operating lease the buyer uses an asset and pays fees for the duration of the use of the asset but the ownership remains with the vendor/supplier. The vote will not own the property in an operating lease and the hire fees shall be expensed and not capitalized.
- 5.6.4 In a financing lease an asset becomes GoU property on acquisition of the asset. In this situation the asset shall be engraved and recorded in the Asset Register. A schedule of assets acquired on lease shall be prepared using the form provided under **Appendix 20**.
- 5.6.5 For operating leases, the ownership of the asset remains with the supplier. In this case the asset shall not be recorded in the Asset Register of the vote.
- 5.6.6 The AO shall seek the authority of the ST to acquire an asset by lease as per S34 (7) PFMA 2015.

5.7 Discovery of an asset

- 5.7.1 When a discovery is made of an asset e.g. new mineral or oil deposits. When the discovery is made it shall be reflected in the list of assets for the vote.
- 5.7.2 At this initial stage the asset quantities and the value to attach to the asset may not be easily determined, hence the asset register for the vote shall indicate facts about the discovery. These will include asset class and asset subclass (**see Appendix 1** for the list of assets); description; location; estimated quantity; estimated value; date of discovery etc. The register shall be improved as the asset progresses to mining/ extraction stage.

5.8 Gazetting of an asset

- 5.8.1 An existing or new asset may be accorded some unique status due to some historical, cultural, geographical, environmental, or some other form of significance. Occasionally UNESCO grants World Heritage status area, landmark or buildings which are then given legal protection. Another example could be discovery of an item with unique historical significance like rock paintings.
- 5.8.2 The status accorded to the item will be gazetted. The new asset shall be captured in the asset register if it meets the criteria of the assets listed in **Appendix 1** The asset register entry for the gazette asset will include class and subclass of the asset; description of the asset; date of gazetting; location; quantity; value (if available); any other facts of significance for identification of the asset.

5.9 Assets acquired through service concessions and PPPs

- 5.9.1 The management of public assets acquired through the service concession arrangements/PPPs, shall follow the PPP Act and any attendant regulations and guidelines.

- 5.9.2 Subject to the provisions of any agreements in place, a vote shall recognize an asset as a service concession asset and therefore include it in the asset register if the following conditions are met:
- i. The vote controls or regulates what services the operator shall provide with the asset, to whom it must provide them, and at what price;
 - ii. The vote controls through ownership, beneficial entitlement or otherwise any significant residual interest in the asset at the end of the term of the arrangement; and
 - iii. If the conditions for asset recognition of the PPEs and intangible assets are also met in line with the Asset Management Accounting Guidelines.

6. Operation of Assets

6.1 Physical management of assets

- 6.1.1 GoU assets shall be safeguarded and secured at all times. This is the primary responsibility of the Accounting Officer as per S34(1) PFMA 2015. The Accounting Officer shall ensure that assets are well maintained and safeguarded to avoid the damage, loss or theft.
- 6.1.2 AOs shall monitor and track the use and movement of assets to avoid unauthorized transfers, damage, loss, theft or destruction of assets under their votes. Assets shall be handled carefully and stored securely to safeguard them against misuse, pilferage, abuse, negligence, destruction (especially highly volatile and toxic substances) etc. Special attention must be given to small attractive items such as mobile electronic items (laptops, phones, i-pads, etc.), electrical installations among others as they are easy to lose sight of.
- 6.1.3 AOs shall ensure that competent Officers are assigned the roles for asset management in an appropriate manner and with requisite skills to perform their roles and responsibilities effectively. The Accounting Officer shall closely supervise and guide the Officers.
- 6.1.4 AOs in line with S45(2) of PFMA 2015 shall put in place appropriate internal controls to safeguard the assets including documenting all acquired assets; handing over assets to the responsible officer; recording all issuance of assets and stores; assigning assets to specific locations for ease of tracking; recording in the system all acquisitions, movement, loss or disposal of assets, etc. to facilitate maintenance of an updated asset register at all times. Additionally assets that are stored awaiting repairs shall be adequately safeguarded against pilferage and cannibalization.
- 6.1.5 The AO shall ensure that the internal auditor regularly reviews all assets and reports on the effectiveness and efficiency of the performance of the assets. Internal Audit shall develop a set of key performance indicators for monitoring the performance of assets.
- 6.1.6 All Assets shall be engraved/tagged for ease of identification and tracking. All assets shall be tagged in as much as possible according to a tagging convention developed and approved by Accountant General from time to time, (refer to template in **Appendix 3**). Where codes/tags are lost or damaged, the replacement code/tag shall contain the same information as the original one for consistency.
- 6.1.7 Any Officer issued with a movable valuable item such as cameras, laptops, etc. shall complete an asset custodian form (**see Appendix 16**) and return to the inventory management officers with copies to the head of department and HoAs/CFO.
- 6.1.8 Movable assets such as vehicles, tractors, motorcycles, motor boats, shall have manuals that record vehicle movements. The logs record activities that include the following in the case of a motor vehicle: asset identification, user department, name of responsible office, date, kilometer reading start/end, total distance, time taken

left/arrived, purpose of trip, places visited, authorized by, driver's name and fuel added. Other assets will have similar manuals. The manuals shall be checked by a senior officer to ensure that vehicle usage is not abused.

- 6.1.9 Intangible and financial assets require monitoring to ensure that they perform as expected otherwise they could be a burden to the vote. If Government invests in an enterprise, the Accounting Officer through the Responsible Minister must ensure that the Vote is represented at the Board of Directors meeting to secure Government interests. The AO is expected to receive returns from the investment and to be satisfied that the return on investment return is reasonable. If the investment is performing poorly and improvement in performance is not likely in the foreseeable future, then the investment should be reviewed for withdrawal.
- 6.1.10 All assets shall be returned and handed over to the AO upon expiry, obsolescence or cessation of use by the relevant officers. A handover form as provided under **Appendix 10** shall be duly completed for all assets handed over.
- 6.1.11 Accounting Officers shall sanction officers that abuse, misuse, damage, steal or lose public assets, in accordance with the law including but not limited to; PFMA 2015, Standing Orders.

6.2 Insurance of public assets

- 6.2.1 Assets shall be insured from risk of damage, loss or theft. Insurance shall be contracted for assets of:
- i. a strategic nature;
 - ii. where there is need to meet industry standards;
 - iii. there is a legal obligation to insure the assets like aircrafts and
 - iv. assets under the financing arrangements with Development Partners (DPs).

In the case of strategic assets and the need to meet industry standards, the permission of the ST shall be sought to insure the assets.

- 6.2.2 In insuring public assets, Accounting Officers shall take into consideration the following:
- i. Assets of a strategic nature shall be those that are critical in enabling the vote to deliver more efficiently and effectively on its mandate;
 - ii. All relevant data shall be maintained to effectively support the cost benefit analysis, risk assessment and management in respect of the insurance of public assets under the control of the vote;
 - iii. Insure assets based on a risk assessment and only when it is deemed economical in terms of cost effectiveness and value for money. This notwithstanding and subject to the provisions of the Insurance Act, 2017, the following category of assets shall not be insured:

- Land
 - Transport infrastructure (except bridges)
 - Furniture and fittings
 - Naturally occurring assets
 - Financial assets
 - Biological assets
- iv. Assets beyond their useful life or life span shall not be insured;
- v. Ensure that adequate risk management arrangements are in place to enable the vote to obtain favorable terms and conditions for any assets insured.
- vi. Insurance requests requiring the prior approval of the ST shall provide justification in light of the requirements under 6.2.2 (i) – (v).

6.3 Monitoring and evaluation of performance of assets

- 6.3.1 Accounting Officers shall constantly monitor and evaluate the performance of their assets against set outputs and targets to ensure optimal performance of the assets. The outputs and targets shall be set for the major categories of assets and monitoring and evaluation reports produced. The reports shall be availed to internal auditors who will incorporate them into their annual internal audit programmes.
- 6.3.2 For the better management and performance of assets under the control of a vote, Accounting Officers shall develop and implement Asset Management Action Plans (AMAP). The action plans shall involve evaluating an entity's current asset management knowledge, practices and documentation against good asset management practices and identifying gaps and specific actions to close the gaps.
- 6.3.3 The AMAP to be updated annually with a copy submitted to the Accountant General and Internal Auditor General, shall consider the following;
- i. Adequacy, effectiveness and efficiency of the asset management practices, guidelines and procedures;
 - ii. Identification of stakeholders in managing assets and setting performance goals;
 - iii. Review current methods and systems used to manage the assets;
 - iv. BoS and audit recommendations;
 - v. Identification of areas including capacity building that can be improved to meet performance goals; and
 - vi. Formulation and implementation of actions to improve the performance and management of assets.

- 6.3.4 The development and implementation of the AMAP shall constitute an integral part of the annual internal audit programmes for every vote.

6.4 Maintenance and repair of assets

- 6.4.1 Repairs and maintenance are essential for all assets and shall be carried out by competent officers or suppliers to keep the assets in good working condition. AOs must review the long-run implications and the cost of deferred maintenance (postponed repairs and maintenance) so as not to compromise the condition and service of the asset/ investment.
- 6.4.2 All equipment shall be maintained on a regular basis to ensure maximum performance and efficiency. This is because maintenance prevents and/or minimizes the risks of unplanned and expensive breakdowns.
- 6.4.3 AOs shall prepare an annual maintenance plan covering all assets in operation to ensure that assets are kept in their optimum operating conditions and be able to mitigate the risks of non-availability of the asset at any one time. New equipment shall follow the suppliers scheduled maintenance plan. The relevant health, safety and environmental certificates shall be obtained in line with the applicable policies, regulations and environmental standards.
- 6.4.4 AOs shall prepare a schedule to regularly maintain the assets (**see Assets Maintenance Form in Appendix 12**). The schedule shall indicate which assets will be maintained and whether the work will be done internally or outsourced. Where the asset is to be repaired externally an internal assessment shall be made by a relevant expert to indicate the works to be done to avoid inflating the repair costs. The schedule shall indicate the service provider where applicable e.g. when asset is under warranty etc. The information in the schedule shall form part of the budget estimates for the vote that will be submitted to ST as part of the budget documents by 15 November of each year. The maintenance is to ensure that the assets do not pose any health, safety and environmental risks to the users and other stakeholders. The relevant health, safety and environmental certificates must be obtained in line with the applicable policies, regulations and environmental safety standards.
- 6.4.5 All Accounting Officers with assets shall prepare a maintenance budget each year in accordance with Paragraph 16.9.1 of Treasury Instructions. This budget will be informed by the vote assets strategic plan and maintenance plan prepared by the Accounting Officers. The budget shall indicate the maintenance activities to be carried out, their timing and costs. The budget shall be realistic and take into consideration the condition and age of the asset.
- 6.4.6 Emergency maintenance will be experienced despite preventive measures and plans in place to handle routine / scheduled maintenance and repairs, because assets will occasionally be damaged or will break down. The responsible officer shall therefore be able to handle such situations with minimum disruption to service delivery and at minimum cost as much as possible.
- 6.4.7 In accordance with the PPDA Act, AOs must ensure that Procurement of maintenance work and contracts shall be carefully sourced to suppliers with requisite competence and reputation to avoid under performance of assets due to shoddy work.

6.4.8 In cases where there are improvement costs such as repair or maintenance costs that will extend the useful life of an asset those costs shall be capitalized i.e. added to the initial cost of the asset. Works of routine nature shall be expensed and not capitalized. Therefore, good record keeping by the AO is very important to justify the treatment of maintenance costs. Maintenance costs will also guide management on the cost effectiveness of keeping certain assets on the vote's balance sheet. Asset maintenance shall be used to improve the operation of assets. Innovations in assets operations shall be taken advantage of to make the assets more effective and efficient.

6.5 Impairment of an asset

6.5.1 Impairment means loss in value of an asset due to exceptional circumstances that limit its use and service potential.

6.5.2 Assets get impaired through wear and tear. Impairment has an impact on the utility and life of an asset. It is therefore important to recognize and record impairment in the usage of assets.

6.5.3 The Accounting Officer shall carry out asset's impairment reviews at least annually and can be confirmed during the annual BoS. Indicators of impairment include physical damage, technological obsolescence, decline in usage or performance, loss of value, etc.

6.5.4 Assets shall be tested for Impairment during regular inspections but may also be reported on during Board of Survey activity as prescribed under Chapters 8&9 of this AMFG.

6.5.5 The Accounting Officer shall detect impairment of assets immediately and record them in the books of account for the Vote.

6.5.6 The determination of the value of impairment and its recording and reporting is detailed in the Asset Management Accounting Guidelines.

6.5.7 The Accounting Officer shall maintain a log of all impairments that have affected assets under their control.

6.5.8 The impairment and its treatment shall be reported immediately to the Accountant General as guided in the Asset Management Accounting Guidelines.

7.

Loss or theft of Assets

- 7.1 Officers issued with assets shall ensure that assets in their possession are handled with care to avoid loss, malfunction, theft and misuse. However, in case an asset is lost or damaged the incident shall immediately be reported to the Accounting Officer.
- 7.2 An asset may be lost in various ways such as being stolen, damaged beyond repair, misplaced, no longer in existence etc. Each of the scenarios above will require different treatment and reporting by the Accounting Officer as guided below.
- 7.3 Assets that have been lost shall be removed from the asset register because they are physically not available but shall be maintained in the financial records i.e. balance sheet until the write-off procedure is completed. Memorandum records of assets removed from the asset register but not written off from the balance sheet of the vote shall be maintained for reconciliation purposes.
- 7.4 The Officer in charge of the asset shall write a loss report clearly explaining the circumstances under which the asset has been lost. Thereafter the Accounting Officer shall decide the next course of action including but not limited to, taking disciplinary action against the officer as guided in S80 PFMA 2015 and Paragraph 2.10.2(o) of Treasury Instructions 2017. **Appendix 7** gives the Form for loss of assets.
- 7.5 If an asset is stolen, the responsible Officer shall write a report to the AO and a case file shall be opened for investigations with Police. This is a process that takes a long time to conclude and therefore the AO shall provide regular updates through BoS reports to ST and the Accountant General on progress of the Police case.
- 7.6 When the police case is concluded and the loss confirmed the Accounting Officer shall report the loss to the ST and copy to the Accountant General's Office. The loss shall be included in the financial statements using Form TF 39 of the Treasury Instructions 2017.
- 7.7 The Treasury Instructions provides limits (assets less than UGX 10m) of what can be written off by the AO otherwise losses of any nature above the threshold of UGX 10m must be reported immediately by the AO to the Minister for Finance (with a copy to ST and Accountant General) who then shall present them to Parliament for authority to write off and or further management.
- 7.8 At the end of the reporting period, AO shall prepare a report for the lost or stolen assets in form of a Memorandum Statement which shall form part of the Financial Statements submitted at year end, to the Accountant General for consolidation and follow-up on actions therein.
- 7.9 A copy of the reporting template is provided in the Appendix A of the Treasury Instructions 2017 and BoS guidelines (**See Appendix 7**).
- 7.10 Once the above process has been followed and an asset is cleared for write-off, then the Asset Register and all the financial records (i.e. the balance sheet) shall be adjusted accordingly.

8.

Disposal of Assets

8.1 Assets disposal process

- 8.1.1 Section 3 of the PPDA Act defines a disposal to mean the divestiture of public assets including intellectual and proprietary rights and goodwill, and any other rights of a procuring and disposing entity by any means, including sale, rental, lease, auction or any other combination however classified other than regulated by the Public Enterprise Reform and Divestiture Statute, 1993.
- 8.1.2 Disposal of an asset happens when an asset is no longer available for use or when an asset has outlived its useful life and it is uneconomical to keep using it. An asset's useful life or usage comes to an end through age, loss/theft, technological changes, donation, decommissioning or destruction.
- 8.1.3 The decision to dispose of an asset is usually taken as a result of the recommendation from the Annual Board of Survey or an Ad-hoc Board of Survey convened for this purpose.
- 8.1.4 Accounting Officers may appoint Ad-hoc boards from time to time to ascertain reserve values for assets that are no longer in use at a vote. Ad-hoc boards of survey are mostly for disposal purposes. The Ad-hoc team shall include a representative from the Accountant General's Office, relevant vote, the Chief Government Valuer and the Chief Mechanical Engineer depending on type of asset.
- 8.1.5 Assets for disposal shall be specified in the divestment/disposal plan after carrying out an Ad-hoc BoS. The details of the disposal processes for assets to be disposed of are elaborated in Paragraph 16.2 and 16.10 of Treasury Instructions 2017. The importance of the disposal plan is to inform the planning and budgeting process e.g. costs for disposal, timing and disposal method.
- 8.1.6 The proposed disposal method shall be indicated in the disposal /divestment plan subject to approval as guided under PPDA Act, 2003. Any changes in the method shall be updated prior to commencement of the disposal procedure.
- 8.1.7 The Accounting Officer shall ensure that the plan for divesture/disposal of Government assets is included in the Programme Budget Framework Paper and vote Budget estimates for the next financial year. An Accounting Officer shall ensure that no disposal or divestment of a Government asset takes place if it is not included in the disposal plan approved as part of the annual budget documentation. The plan shall be revised like any work-plan in case of any justifiable change.
- 8.1.8 The disposal/divestment shall be done in a timely manner to maximize disposal proceeds, create room for other assets, prevent deterioration or damage and to avoid risks associated with lack of proper storage facilities.
- 8.1.9 S87 (1c) PPDA requires that disposal of a strategic asset shall be approved by the Minister. S87 (1f) PPDA defines strategic assets as land, a building, a ship, shares

and any other asset so prescribed. These are assets whose existence is critical for public service delivery and are therefore substantial and material.

8.1.10 The proceeds from disposal of Government assets shall be banked intact onto the Uganda Consolidated Fund account (UCF account). The Accounting treatment of disposal costs, losses and gains on disposal are covered in the Assets Management Accounting Guidelines

8.1.11 An asset that is disposed of shall be removed from the Asset Register of the relevant vote. If the same category of asset is replaced this shall be treated as a fresh acquisition and Chapter 5 of the AMFG shall be applied.

8.1.12 The asset disposal processes mentioned here apply equally to tangible, intangible and financial assets.

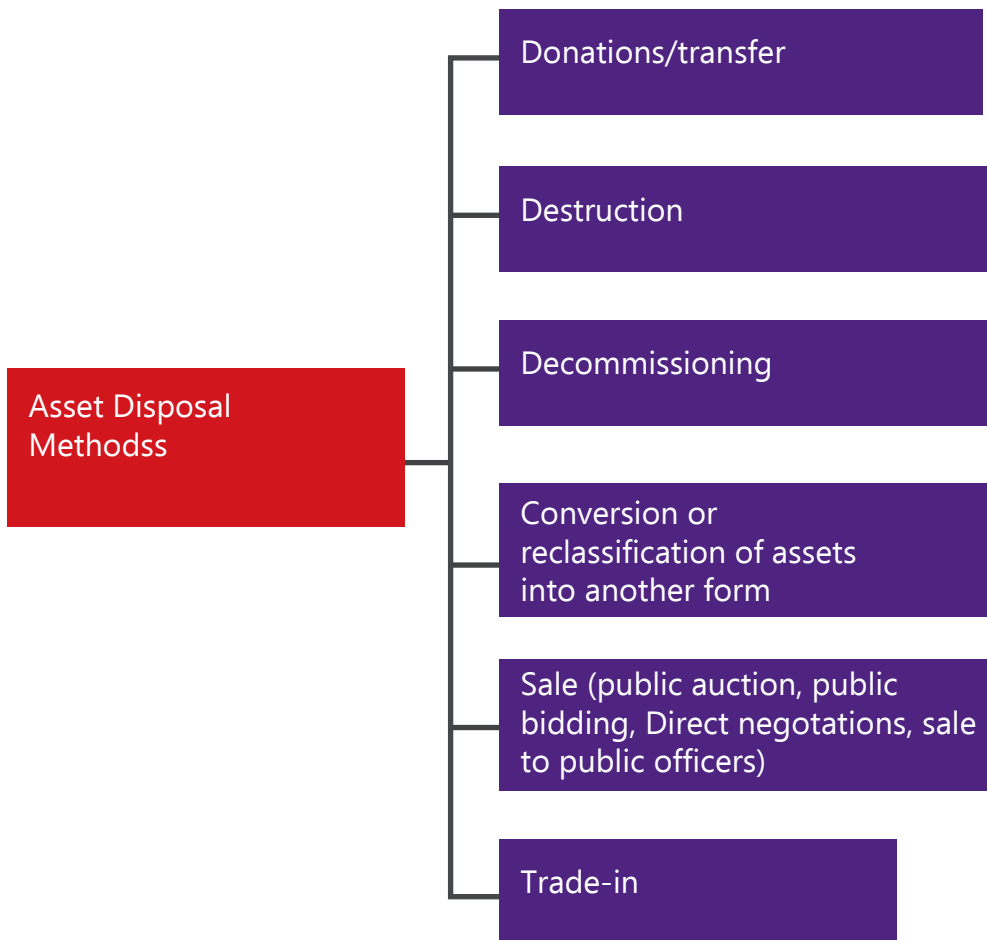
8.2 Methods of Disposal

8.2.1 Selection of disposal method

The Accounting Officer shall ensure that the vote chooses a disposal method from those prescribed by law. The common disposal methods are listed in S87 PPDA 2003. They include (as shown in Figure 5);

- i. Public auction;
- ii. Public bidding;
- iii. Direct negotiations;
- iv. Sale to Public Officers;
- v. Destruction of assets;
- vi. Conversion or reclassification of assets into another form;
- vii. Trade-in;
- viii. Transfer to another procuring and disposal vote; and
- ix. Donation;

Figure 5 – Methods of asset disposal



8.2.2 Disposal by sale

- i. Where an asset is to be disposed of by sale the steps below shall be followed:
 - Step 1: The AO shall determine the method of sale and follow the steps in accordance with the PPDA laws as stated in 8.2.18.2.1 of this AMFG.
 - Step 2: Remove the asset from the Asset Register and remove the asset identification tag from the asset.
- ii. The Government Chief Valuer shall determine the reserve value of the land before any disposal.
- iii. If the sale involves land, the Uganda Land Commission shall be consulted before the sale is made. This is necessary because the Commission is the custodian of GoU land.

8.2.3 Disposal by donation of an asset

- i. There are certain assets that may not be of value for one institution but are needed by another depending on the use, e.g. computers. There are also Development Partners who hold assets on condition that these assets shall be surrendered to Government on completion of the project. Such assets shall be

treated as a donation by one institution to another and this may not necessarily be government to government. A Ministry may donate motor vehicles, office desks, chairs, computers to schools, etc. In this case the donor vote is disposing of and the recipient is acquiring an asset. The spirit of this transaction shall not be 'dumping'.

- ii. The AO shall ensure that the donated asset is removed from the Asset Register and the Financial Statements adjusted accordingly. The asset identification tags shall also be removed from the asset. If it is a motor vehicle, the number plate is removed and the registration process handled by the recipient.

8.2.4 Disposal by transfer of an asset

- i. In this situation the asset is being transferred from one GoU vote to another. The transfer shall be approved by the Accounting Officer (**see Appendix 11**).
- ii. The transferring vote shall surrender all documentation of ownership to the receiving vote.
- iii. The receiving vote of the transferred asset shall acknowledge receipt of the asset and update the Asset Register. The administrative processes shall then follow as earlier guided under acquisition e.g. engrave/tag the asset, allocate to user department or Officer. (**see Appendix 10**).
- iv. The transferring vote shall remove the asset from its asset register, Financial Statements and remove the identification tag from the asset.

8.2.5 Disposal by destruction of an asset

- i. An asset shall be destroyed if it cannot be disposed of through any of the above methods. This usually happens if the asset is obsolete and cannot be used by any other individuals or institutions. In most cases, such assets are hazardous, toxic, or classified. This is common with the Health sector, Energy sector, Defence/Security, etc.
- ii. The AO shall refer to the supplier's contract guidance on disposal, if not available AO shall obtain an expert's recommendation/certificate advising on the above method before commencing with the procedure to avoid subjectivity and there must be proper documentation.
- iii. The AO shall seek ST's **NO Objection** in addition to the above documentation.
- iv. The AO shall ensure that the disposal conforms with industrial practices, safety, security and environmental regulations. The destruction shall be appropriately supervised by a responsible person.
- v. The AO shall remove the asset from the Asset Register and remove the asset identification tag from the asset.

8.3 Decommissioning of assets

- 8.3.1 An asset may on occasions no longer be useful to a vote. This could be caused by several factors e.g. damage to the asset or appearance of a more efficient asset. In that situation the asset will be withdrawn from the service of the vote. The AO will formally certify that the asset is no longer required by the vote after obtaining expert advice where necessary.
- 8.3.2 The decommissioned asset shall be included in the list of assets that will be covered by the ad-hoc board of survey. Thereafter the asset shall be removed from the asset register.

8.4 Lease of Government Land

- 8.4.1 The selection of the disposal method and lease of Government land shall be subject to the provisions of the PPDA Act and attendant regulations and any other guidelines that may be issued by the Uganda Land Commission in accordance with Article 238 of the Constitution.
- 8.4.2 Without prejudice to Section 8.4.1 above, the lease of Government land shall involve the following:
- i. The vote shall obtain a valuation of the asset from the Chief Government Valuer prior to commencement of any disposal proceedings;
 - ii. Approval to commence disposal proceedings shall be by the Contracts Committee on the written recommendation of the procurement and disposal unit;
 - iii. The above shall be followed by an evaluation process and the Recommendations of the Evaluation Committee shall be communicated to the Contracts Committee through the Accounting Officer; and
 - iv. Contract placement shall be by issue of a lease agreement.
- 8.4.3 In accordance with Section 87(1e) of the PPDA Act, 2003, the leasing of Government land shall require the prior approval of the Minister responsible for finance.
- 8.4.4 A schedule of land or any other asset disposed of through a lease arrangement shall be maintained following the format provided under **Appendix 20**.

9.

Verification of Assets

- 9.1 Accounting Officers shall know the assets under their charge if they are to manage them effectively. There is need therefore to take stock of assets and inventories including cash balances. The verification of stock is carried out at the end of the financial year through the annual Board of Survey (BoS) instituted by the Accountant General. This annual exercise is mandatory/statutory as per S34 PFMA 2015
- 9.2 A team shall be appointed by Accountant General to carry out the annual BoS and where Accountant General is not able to appoint/field a team; the Accountant General shall delegate his authority in writing to the AOs to appoint a team on his behalf to carry out the BoS within the same timelines following the steps below in Section 9.4 of this AMFG.
- 9.3 The Annual Board of Survey shall take place before 31 August each year in accordance with Regulation 7 Public Finance Management Regulations 2016.
- 9.4 The Board of Survey activity shall be conducted by the appointed team supported by a responsible officer at the vote through the following steps:
 - Step 1: AO shall print the updated Asset Register from the Fixed Assets Module of the IFMS, Navision or any other recognized IT system including the legacy register in an excel sheet and avails this register to the team conducting the exercise.
 - Step 2. The annual BoS Team shall physically identify the existence of all the assets in the Asset Register by location, allocation, registration, tagging, etc. The objective of verifying all the detailed fields is to avoid teeming and lading of the assets.
 - Step 3: The annual BoS Team shall reconcile the printed register with the actual count and Identify missing or surplus items and compile the assets list accordingly and document the findings.
 - Step 4: Ascertain the state and condition of the assets and also refer to the Ad-hoc board of surveys that may have been carried out in the course of the year (see 8.1.3) above as this will inform the reconciliation of the asset register, divestment plan and maintenance budget.
 - Step 5: Follow up and prepare a statement of actions taken on the previous recommendations and make new recommendations/observations for the year under review.
 - Step 6: Prepare a schedule of assets recommended for boarding off in the format prescribed by Accountant General as per S46(2) PFMA 2015 and guided in Appendix D of the Treasury Instructions 2017 and in Section 8.1.4 of this AMFG.

- Step 7: At the end of this exercise, the AO shall certify by signing off the BoS forms together with the team that conducted the exercise stating that this is the true state of affairs in as far as the assets of the vote are concerned as at 30th June of the year under review (Refer to template of BoS forms in **Appendix 14**).
- 9.5 AO shall ensure usage of the BoS templates as issued by Accountant General so as to facilitate consolidation across entities possible.
- 9.6 The consolidated annual BoS for the whole of GoU shall be completed and submitted to the ST with a copy to Auditor General and Internal Auditor General by 31 October each year.
- 9.7 Every AO shall be issued with a copy of the consolidated BoS report and shall take action on the recommendations therein.
- 9.8 The AO shall ensure that the BoS report is submitted on time and in the format prescribed as part of the annual financial statements, otherwise S11(g) PFMA 2015 shall be invoked by ST for non-compliance with PFMA.

10. Assets Revenue Management

- 10.1 Some public assets are a source of revenue. AOs are expected to go through the list of assets in their vote and identify those assets that generate revenue. This applies to all assets (tangible, intangible and financial) as listed in **Appendix 1**. For example, MoWT will account for revenues generated through operation of ferries and local governments will account for fees from the markets.
- 10.2 AOs shall include estimated revenues from assets in their budget estimates that are submitted to the ST as outlined in Chapter 4 of this AMFG. The estimated revenue shall be realistic. The current practice is that all revenue collections are remitted intact to the Uganda Consolidated Fund. ST advances funds to a vote based on the expectation that the vote will refund the advance through revenue collections. If the vote fails to fully refund the advance the shortage will be deducted from the appropriations of the vote.
- 10.3 AOs shall include the revenue collections of their votes in the annual financial statements that are submitted to the Accountant General as specified in Chapter 11 of this AMFG.

11. Assets Reports

- 11.1 Preparation of reports on assets is part of the responsibilities of an Accounting Officers in the course of managing the assets of their votes. There are generally two types of reports on assets i.e. management and statutory reports.
- 11.2 The management reports will inform the accounting officer about the status and performance of an asset. The Accounting Officer will usually determine the frequency and detail of what the report shall contain. The report for example can be about how a particular asset is performing in relation to what was expected.
- 11.3 Statutory Reports are required by law and include; the annual Board of survey report, the annual financial statements and the budget reports,
- 11.4 Board of Survey report is a product of the annual verification of the assets' exercise undertaken by Accountant General for every vote. This is covered in Section 9 of this AMFG.
- 11.5 The annual financial statements will include a balance sheet that includes all the assets (tangible, intangible and financial) of the vote. The Accounting Officer will within two months of the end of a financial year prepare a balance sheet that will be submitted to the Auditor General and the Accountant General. An extract of a balance sheet containing the assets of a vote is given in **Appendix 11**.
- 11.6 The budget reports relate to the budget estimates that will be submitted to the ST as part of the budget preparation process. A budget call circular and ministerial policy statement will provide formats of the required assets reports. The reports include a vehicle utilization report and an asset register in the format issued by the Accountant General (S13(14)(i) PFMA 2015.

12 Special Classes of Assets

12.1 Assets under Construction

- 12.1.1 Assets under construction refers to assets that are in the process of being erected, installed, assembled, expanded, improved or replaced; they will not have reached the stage of completion where they are recognized as assets in their own right.
- 12.1.2 Construction shall be recognized as work in progress (WIP) and shall not be depreciated.
- 12.1.3 On completion of construction WIP shall be transferred to the relevant class of assets. This shall also apply where there is partial completion of the asset with sectional handover of completed parts or components.

12.2 Intangible Assets

- 12.2.1 An intangible asset is "an identifiable non-monetary asset without physical substance." GoU has intangible fixed assets that are of value and therefore shall be safeguarded by Accounting Officers.
- 12.2.2 Intangible assets include, amongst others, the purchased computer software, service concessions, licenses that have been issued out to individuals and companies to exploit or utilize GoU resources or services e.g. aircraft landing rights, radio operation licenses.
- 12.2.3 Accounting Officers are required to capture and report on all intangible assets that are under their charge. The intangible assets shall be included in the Asset Register. Each class and subclass of intangible assets shall be recorded separately in the register. At a minimum the register shall include the following: class; subclass; description; code; date acquired; quantity; location; expected life span; special features.

12.3 Information assets

- 12.3.1 A vote may create or receive information that is a valuable asset in the efficient and effective delivery of public services. As with other public assets, the management of information assets shall follow a life-cycle approach involving creation, distribution, maintenance, retention and disposal of the information.
- 12.3.2 Any information assets of a vote, paper-based or electronic, shall be managed in accordance with the National Records and Archives Act, 2001 and attendant regulations; the Access to Information Act, 2005; the copyright and neighbouring Act, 2006; the Standing Orders; and the Treasury Instructions, 2017.
- 12.3.3 Where information is acquired at a definite measurable cost or it is possible to ascertain its value in case of internally- generated information, a vote shall record such information in the asset register as an intangible asset provided the potential economic benefits and /or service value from its use or sale are expected to last more than 1 year.

12.3.4 Any information assets recorded in the asset register shall be removed from the register when the information becomes out of -date, obsolete or no longer available for use by the vote.

12.4 Heritage Assets

12.4.1 Heritage assets refer to assets of a historical, environment or cultural nature. Examples include historical sites, nature reserves, museums, historical paintings, historical buildings, monuments etc. The assets are valued because of their unique features and are not usually held for sale.

It is not usually necessary to attach a value to them because they do not have a market and some of them are irreplaceable. It is however, important that these assets are recorded and kept track of by GoU.

12.4.2 The AO shall include heritage assets in the asset register. As a minimum the register shall include the following details on the heritage asset: class; subclass, description; code; date recognized; location; estimated lifespan; special characteristics.

12.5 Libraries

12.5.1 GoU has several libraries where a collection of books and manuscripts are kept for research, educational and training services. Several municipalities have public libraries which are open for use to the general public. Libraries hold important and valuable assets that shall be recognized, safeguarded and reported by GoU.

12.5.2 The buildings that house libraries will be reported separately as buildings. The books, manuscripts, and other form items held in the library are valuable assets but because of their large numbers, it is not practicable to value each individual book or item. The books and items will be reported in their relevant groups in the asset register. The register shall include the following details in respect of library items: class; subclass; description; code; quantity. The details to be provided will depend on the type of items that a library houses. The categorization shall be of a nature that the identity of the different items is provided and it will make it easy to keep track and safeguard the items against loss or theft. Libraries employ specially trained library staff who can help the AO to put in place a robust catalogue that will be used to identify and safeguard the library items. The Accounting Officer shall review the stock from time to time to ensure that the books are safeguarded.

12.6 Biological Assets

12.6.1 Biological assets refer to those assets of a biological nature like animals and plants. GoU owns several biological assets that include ranches, police dogs, fish farms and forests. GoU needs to account for these assets for reporting and management purposes. A typical asset register for a biological asset will have details for the following: class; asset code; subclass; description; date of acquisition; location; expected life span. A template for a police dog is given in **Appendix 17**.

12.6.2 The recording and reporting of biological assets is included in the Asset Management Accounting Guidelines.

12.7 Natural Resources

- 12.7.1 Natural resources refer to those GoU assets that are of a natural nature e.g. oil, minerals and other perishable assets of a non- biological nature. They are important to GoU and need to be accounted for. When natural resources are identified they ought to be recorded and reported in the books of a vote.
- 12.7.2 Natural resources like any other asset shall be recorded in an asset register. The details of the natural resource shall include the following: class; subclass; description; code; date recognized; quantity/volume; location and any other detail of significance.

12.8 Borrowed Assets

- 12.8.1 Occasionally some MALGs obtain assets that are lent to them for use and to be returned afterwards. Such assets are not owned by the vote. An example could be a building that is provided for use free of charge to a local government by a religious organization.
- 12.8.2 Such assets shall not be included in the asset register for the vote. However, it is recommended that a memorandum record shall be kept by the Accounting Officer for borrowed assets.
- 12.8.3 The Accounting Officer shall document the details of conditions and obligations pertaining to the borrowed assets in a memorandum of statement. In case there are costs associated with the borrowed asset they shall be written off. Care must be taken to ensure that those assets do not create a liability for the vote in case of damage or loss.
- 12.8.4 This arrangement is for accountability purposes.

12.9 Assets of a classified nature

- 12.9.1 Assets of a classified nature shall be managed in accordance with guidelines specifically issued for the management of such assets.
- 12.9.2 When assets are declassified, the AMFG shall immediately be applicable.

Appendix 1 - Classes of Assets

GoU assets are classified according to similarity in nature or functions. The aggregated value for each group shall appear as a single line in the financial statements. For more detailed monitoring and reporting, sub-classes can be introduced.

GoU has issued a list of asset classes and their sub-classes as shown below. The classes have been included in the chart of accounts.

Classes and Sub-classes of assets

S/N	CLASS	SUB-CLASS	SUB-SUB-CLASS	Capitaliza- tion Value	Use- ful Life (Years)
1	LAND	<ul style="list-style-type: none"> • Freehold • Leasehold • Customary 	<ul style="list-style-type: none"> • Agricultural Land • Industrial Land • Mining Land • Recreation Land • Taxi Parks • Landing Sites • Dumping Sites • Market • Unoccupied/Vacant Land • Office land • Untitled • Land Reclamation • Valley Dams • Land Contouring • Other 	Nil Nil Ni	N/A 5-50 50
2	SUB SOIL ASSETS	<ul style="list-style-type: none"> • Minerals • Rocks • Oil • Natural Gas • Energy Resources • Other 		Nil	TBD
3	OTHER NATURALLY OCCURRING ASSETS (Non- cultivated biological resources)	<ul style="list-style-type: none"> • Animals • Plants • Water Resources • Airspace • Other 		Nil	TBD
4	INTANGIBLE NON- PRODUCED ASSETS	<ul style="list-style-type: none"> • Contracts • Software • Leases • Licenses • Concessions • Patents • Copy rights • Trademarks • information • Goodwill • Other 		Nil	TBD

S/N	CLASS	SUB-CLASS	SUB-SUB-CLASS	Capitalization Value	Useful Life (Years)
5	BUILDINGS	<ul style="list-style-type: none"> • Non-Residential Buildings (Office buildings, Schools, Hospitals, Warehouse and Industrial Buildings, Disaster Recovery, Commercial Buildings, Hotels and restaurants, Archives, Libraries, Barracks, Silos, specialized buildings, storage facilities, Other) • Residential buildings (State lodges, Barracks, Mobile Homes, House Boats, Caravans, specialized buildings, storage facilities, and other Principal residences) • Other 		Nil	50-100
6	ROADS & BRIDGES	<ul style="list-style-type: none"> • Highways • Streets • Roads • Bridges • Elevated Highways • Airfield Runways • Railways • Subways • Other 		Nil	5-40
7	OTHER STRUCTURES	<ul style="list-style-type: none"> • Sewers • Waterways • Harbors • Dams • Water networks • Boreholes • Communication Lines, Power Lines, Pipelines, Fiber Optic Cables • Telecommunications masts • CCTV Cameras • Outdoor Sports and Recreation Facilities. • Telecommunications masts • CCTV Cameras • Outdoor Sports and Recreation Facilities. • Flood barriers, Fish Farms. • Other 		Nil	5-40

S/N	CLASS	SUB-CLASS	SUB-SUB-CLASS	Capitalization Value	Useful Life (Years)
8	TRANSPORT EQUIPMENT	<ul style="list-style-type: none"> • Cycles (Motorcycles, Tri Cycles) • Light Vehicles (Cars, Pick Ups, Station Wagons, Omni Buses) • Heavy Vehicles (Buses, Trucks, Trailers, Semi-Trailers, Tractors, Graders, Compactors, Loaders, Ferries, Bull Dozers, Ships, Railway locomotives, Graders, Military Vehicles) • Aircrafts • Other 		Nil	5 5 10 10-40 15
9	MACHINERY & EQUIPMENT	<ul style="list-style-type: none"> • Generators • Cranes • Excavators • Tractors • Graders • Bulldozers • Streetlights • Water pumps • Sprayers • Irrigation systems • Drones • Geological, Seismological and laboratory equipment. • Petroleum Oil and Gas Equipment. • Nuclear Technological and Atomic Research Equipment. • Any other Special Purpose Machinery • Other 		Nil	5-40
10	FURNITURE & FITTINGS	<ul style="list-style-type: none"> • All office and residential furniture. • Paintings, Sculptures, and other works of art or antiques. • All other collections of considerable value owned and displayed by government museums • Air Conditioners • Other 		1.5m	5-20
11	CLASSIFIED ASSETS	<ul style="list-style-type: none"> • All classified assets 		N/A	N/A

S/N	CLASS	SUB-CLASS	SUB-SUB-CLASS	Capitalization Value	Useful Life (Years)
12	OFFICE EQUIPMENT	<ul style="list-style-type: none"> • Fax Machines • Photo Copiers • Printers • Scanners • Telephones • Binding Machines • Paper Shredders • Fridges • Seal • Typewriter • Laminator • Television • Camera • Other 		1.5m	5
13	MEDICAL, LABORATORY & RESEARCH	<ul style="list-style-type: none"> • All equipment of considerable value used to render medical services • All items of considerable value used in laboratory operations • Other 		1.5m	3-10
14	ICT EQUIPMENT	<ul style="list-style-type: none"> • Computers • Desktops • Servers • Monitor • UPS' • Router • Laptop • Network switch • Other 		1.5m	5
15	CULTIVATED ASSETS	<ul style="list-style-type: none"> • Animals (Breeding stock, Dairy, Beef, Wool Production, Transport, Racing other) • Plants (Food, Commercial, Conservation) • Other 		Nil	TBD
16	FINANCIAL ASSETS	<ul style="list-style-type: none"> • Currency and Deposits • Cheques • Loans • Accounts Receivable • Marketable Securities • Special Drawing Rights • Investment Fund Shares • Debt Securities 		Nil	N/A
17	INVENTORIES & STORES				

Appendix 2 - Examples of types of Asset Registers

Government Vehicles - information required to identify and account for the ownership and use of government vehicles shall include, but not limited to:

- Chassis number
- Type of Vehicle;
- Log Book Number;
- Model;
- Plate Number ;
- Engine Type;
- Engine No;
- User Name & Title ;
- Asset Number;
- Mileage travelled between dates;
- Fuel consumption; and
- Journey details

Government Buildings and properties – Accounting Officers shall maintain detailed information required to identify and account for Government buildings and properties including, but not limited to:

- District
- County/Sub-County, etc
- Main Road
- Owner
- User (If any)
- Plot No
- No of Blocks
- Coordinates
- Plot Size/Dimensions
- % of built up land
- Date of valuation
- Zoning (Urban/Rural)
- Current structure value
- Land value
- Current condition

Government owned land- Accounting Officers shall maintain detailed information required to identify and account for Government buildings and properties including, but not limited to:

- Legal description
- Acquisition information
- Number of acres, hectares etc.
- Value per acre/hectare etc.
- Fair market value
- Geographic Information, Location (latitude and longitude)
- Title Deeds details

Government Furniture & Fittings, ICT Equipment, Machinery, Office Equipment, Medical Equipment information required to identify and account for the ownership and use of assets in these categories shall include, but not limited to:

- Description
- Tag Number/Engraved code
- Location
- Cost
- Date of
- Purchase
- Condition
- User Name
- User Title

Appendix 3 - Engraving / Tagging Convention

ENGRAVED CODES/ TAG NUMBERS

This is a unique identifier of an asset hence the need not to be repeated for easy identification

FORMAT

VOTE/VOTE COST CENTRE/ITEM CODE/SERIAL NUMBER

DETAILS	ENGRAVED CODES
Legacy system & Oracle assets on IFMS	MOF/HQT/CB/0001 MOF/FMS/CB/0001 OPM/HQT/CB/0001 NAD/HQT/CB/0001
Local Governments (currently)	MDLG/TBL/01 (Mukono DLG) MDLG/TBL/01 (Mubende DLG) MDLG /FF/01 (Mbarara DLG)
Proposed code	008/HQT/CB/0001 (MoFPED) 003/HQT/CB/0001 (OPM) 542/HQT/CB/0001 (Mukono DLG) 541/HQT/CB/0001 (Mubende DLG) 537/HQT/CB/0001 (Mbarara DLG)

Appendix 4 - Assets Strategic Plan Template

S/N	Asset Description	Required (Units)	Available (Units)	To be acquired (Units)	To be disposed of (Units)	Date of Acquisition	Mode of acquisition	Cost Estimate UGX	Justification
1	Motor Vehicle	5	43	3	2	1-May-2020	Direct Procurement	250m	Pickup for field inspections

The table above shall have an explanation and justification of the figures provided in the table

The assets to be acquired will be incorporated into the assets acquisition plan.

The surplus assets will feed into the disposal/divestment plan.

The strategic plan shall state the period it covers.

Appendix 5 – Assets Management Plan

Assets - Class

S/N	Asset Sub-class	Balance (Units) (1 July)	Acquisition (Units)	Disposals (Units)	Balance (Units) 30 June	O&M Costs (UGX)	Disposal Proceeds (UGX)	Cost Acquisition (UGX)	Comments
01	Tractor	7	2	1	8	2.6m	0.6m	130m	Fully depreciated and lack of spare parts

Appendix 6 – Divestment Plan

S/N	Asset Class	Asset-Subclass	Original asset value UGX	Method of disposal	Location of Asset	Quantity	Reserve price UGX	Date of approval by AO	Comments
001	Transport equipment	Light vehicles (station wagon)	250m	auction	MoFPED headquarters	1 unit	60m	30thAug 2019	Frequent breakdowns uneconomical to repair

Appendix 7 – Assets Loss Template

S/N	Asset Class	Asset-sub-class	Asset Description	Asset code	Serial Number	Date Loss Occurred	Value UGX	User Department/ Responsible Officer	Action Taken/ Remarks
001	Machinery & Equipment	Generator	Ministry power back up	001/01/0006/ LT 081	10161955XZe	20th Feb 2020	82m	Finance & Administration	Reported to Police case file CID/04/2020

Please attach relevant documents in accordance with Regulation 34 as per PFMR 2016

Date.....

Accounting Officer (Signature).....

Member (Name & Signature).....

Chairperson (Name & Signature).....

Appendix 8 – Assets Monitoring and Inspection Report

S/N	Asset class	Asset-subclass	Asset Description	Asset Code	Location	Date of Acquisition	Inspection Date	Condition	Next Inspection Date	Comments
008	Machinery & Equipment	Excavator	LG road-works	24111982	Kasese LG	April 2018	May 2020	Good	May 2021	Needs minor repairs

Appendix 9 – Extract of assets in a balance sheet

Category/ Description	Opening balance 1 July 2019 (Units)	Additions during the year 30 June 2020 (Units)	Disposals during the year 30 June 2020 (Units)	Cumulative 30 June 2020 (Units)
Land				
Buildings & Structures				
Non Residential buildings				
Residential buildings				
Roads and bridges				
Other structures				
Transport equipment				
Motor Vehicles				
Trailers/ Semi-trailers				
Ships and other marine vessels				
Railway locomotives				
Aircrafts				
Motor cycles and Bicycles				
Other transport equipment				
Machinery and equipment				
Office equipment				
Medical equipment				
ICT Equipment				
Laboratory and research equipt				
Other Machinery & equipment				
Other Physical Assets				
Furniture and fittings				
Classified Assets				
Cultivated Assets				
Others				
Non-Physical Assets				
Cultivated Assets				
Other Natura Occurring Assets				
Intangible-Non-Produced Asset				
Other Assets				
Classified Assets				
Cultivated Assets				
Total Units				

Accounting Officer [Names & Signature]

Appendix 10 – Assets Hand-over/ Receipt Form

S/N	Asset	Asset subclass	Asset Description	Asset code	Serial No	Date of Receipt	Re-ceived from/ Handed over to	Supporting documents	Date entered in assets register	Date asset engraved	Comments
005	ICT Equipment	Computer Laptop	Dell 2019	01051984R	456894Z	May 2020	From MoFPED	Warranty Certificate	May 2020	May 2020	Good working condition

Receiving Officer [Names & Signature]

Handover Officer [Names & Signature]

Appendix 11 – Assets Transfer Authorization Form

S/N	Asset Class	Asset subclass	Asset De- scription	Asset Code.	Serial No.	Date of transfer	Ownership documents hand over	Date removed from Assets Register	Transfer destination	Comments
0556	Furniture and Fittings	Sculpture	Uganda Court of Arms	06071985J	1962F	April 2020	AO note	April 2020	MOFPED Registry	In good condition

Accounting Officer [Names & Signature]

Appendix 12 – Assets Maintenance Form

S/N	Asset Class	Asset Subclass	Asset Description	Asset Code	Serial No.	Date acquired	Date last maintained	Maintenance Details	Next maintenance date	Comments
078	Transport Equipment	Omnibus	Staff Van	01051987N	48762G	June 2017	February 2020	Routine	June 2020	Very good condition

Accounting Officer [Names & Signature]

Appendix 13 – Assets Loss Form – TF 39

Appendix 14 – Set of BoS forms

- TF 44 - Follow-up on Previous Board of survey recommendations
- TF 46 - Report on board of survey on stores, inventories and assets.
- TF 47 - Board of survey check list stores
- TF 48 - List of verified Biological assets

Appendix 15 - Consultation checklist and catalogue of references for asset management legislation, policies, guidelines and standards issued in line with specific entity mandates

Consultation checklist and catalogue of references for asset management legislation, policies, guidelines and standards issued in line with specific entity mandates				
Asset	Legislation, policies, guidelines and standards	Brief description	Issuing and or Implementing Authority/ Entity	Key Roles/responsibilities
Motor Vehicles	Public Service Standing Orders 2010, Circular Standing Instructions and Establishment Notices issued from time to time	Specify the roles, obligations and conduct of a Public officer in the use, care and management of Government Fleet	Ministry of Public Service	<ul style="list-style-type: none"> • All Government Motor Vehicles to be registered in the UG number plate series by the Ministry of Works and Transport under the respective MDALGs. • MoPS clearance to be obtained by votes for any acquisition and replacement of official vehicles to ensure consistency with approved guidelines and staff establishment controls. • Inspection report required from the Chief Mechanical Engineer before clearance is sought for the disposal of Government motor vehicle in line with the Public Procurement and Disposal of Assets Act 2003 as amended. • From time to time, the Minister of Public Service to issue guidelines and engine specifications to guide procurement, leasing, hire and replacement of vehicles for entitled and eligible officer • All MDALGs to provide an annual report on the status of their fleet. • a centralized Fleet Management System to be in place to track and monitor all vehicles. • MDALGs to provide vehicles that address special needs based on health and physical needs to address gender and equity requirements
	The Uganda Public Service Official Vehicle Use and Management Policy and Operating Procedures	details the Public Service conditions of use and responsibilities for users of Government owned vehicles; cover the Management of Government Motor Vehicle fleet from acquisition, ownership, operation, maintenance, disposal and replacement across Government.		
	Guidelines issued through the Mechanical Engineering Services Department	Provide for the inspection of vehicles, maintaining records of government vehicles, evaluation of vehicles for procurement, arbitration and disposal purposes	Ministry of Works and Transport	<p>Chief Mechanical Engineer key role and responsibilities include:</p> <ul style="list-style-type: none"> • Offer advice of mechanical engineering nature to MDALGs upon request • Review and approval of specifications of vehicles prior to purchase by MDAs by the CME • Participate in the bid evaluation process to assist in the interpretation of specifications offered by the bidders. • Inspection of used vehicles by the CME before purchase. • Valuation of Government vehicles to involve the CME. • Conduct driving competence testing and issue report on suitability of candidates to drive Government vehicles. • Undertake pre and post repair inspection of Government Vehicles. • Inspect garages where Government vehicles are repaired; Specify requirements for private garages/workshop that repair government vehicles. • Carry out pre-inspection delivery upon Government vehicles. • Undertake mandatory annual inspection of government vehicles and prepare and issue an inspection report of each vehicle with recommendations as its future usage. • Review and approval of vehicle utilization data on Government vehicles and submit reports to the Accountant General on appropriateness of level of utilization of Government Vehicles with recommendations as to future usage. • As custodian, manage the use of the Government protocol fleet • Conduct Government vehicle census • Advise on standards for models/makes of vehicles for Government use • Manage and monitor the operations and management of MV Kalangala and other delegated ferries

Consultation checklist and catalogue of references for asset management legislation, policies, guidelines and standards issued in line with specific entity mandates				
Asset	Legislation, policies, guidelines and standards	Brief description	Issuing and or Implementing Authority/ Entity	Key Roles/responsibilities
Plant, Equipment & Machinery	Guidelines issued through the Mechanical Engineering Services Department	Provide for the inspection of Plant & Equipment (P&E), maintaining records of P&E, evaluation of P&E for procurement, arbitration and disposal purposes. This includes guidelines for private workshops that repair government P&E	Ministry of Works and Transport	See roles and responsibilities of the Chief Mechanical Engineer (CME) above in relation to Government vehicles and these equally apply to the management of Government plant, equipment and machinery.
	Guidelines for use of specialized zonal equipment for force accounts road works, disaster/rescue operations	Guidelines for the Ministry of Works and Transport to offer technical guidance to the MDALGs on the use specialized zonal equipment for force account units	Ministry of Works and Transport	<ul style="list-style-type: none"> MDALGs to make requests to MoWT that will provide the required equipment and if not available to make appropriate recommendations of hiring the equipment which shall follow the PPDA regulations. CME to monitor equipment utilization and maintenance. CME to advise and coordinate use of specialized equipment for disaster and rescue operations.
	Guidelines for the oversight, monitoring and supervision of district equipment	Provide guidance on the arrangements for oversight, monitoring and supervision of equipment in Local Governments including the management of marine vessels under MoWT.	Ministry of Works and Transport	<ul style="list-style-type: none"> Provision of maritime services Operate regional mechanical workshops which are maintenance centers for road equipment operating in LGs and zonal centers under force account arrangement.
Land	The National Land Use Policy	The policy is aimed at achieving sustainable and equitable socio-economic development through optimal land management and utilization. In relation to the Government land, policy provides for strategies to promote better management and use of land.	Ministry of Lands, Urban Planning and Development	<p>The policy creates the following obligations on government;</p> <ul style="list-style-type: none"> Take stock of government land, undertake surveys and title all Government land Carry out evaluation of use of Government Land and review use every 10 years Put in place measures to regularly administer and police all Government land.
	Land Acquisition Act	Provides for the compulsory acquisition of land by government for public purposes.	Ministry of Lands, Urban Planning and Development	<ul style="list-style-type: none"> Minister responsible for Lands makes declaration through the issue of a statutory instrument for land needed for public purpose. The Minister may also withdraw the acquisition by revoking the statutory instrument. Land acquired vested in the Uganda Land Commission.
	Procedure for leasing land held or controlled under Uganda Land Commission	Provides procedures on the application process, granting lease offers and issuance of titles for Government land leased by the ULC for development.	Uganda Land Commission (ULC)	<ul style="list-style-type: none"> Approval of application by ULC and grants lease offers Where government land is in use by a vote, consent of the responsible Accounting Officer to be provided. Chief Government Valuer determines the terms of the grant i.e.; the Premium and the Ground Rent Signing of Lease agreement by ULC Issue of certificate of title by Commissioner Land Registration.
	Procedure for land purchase under the land fund program	Specifies procedures to be followed when a person is interested in offering land to the ULC for compensation.		<ul style="list-style-type: none"> Approval of applications by ULC and sanctions the valuation of the land Chief Government Valuer issues comprehensive report indicating the value for purchase. Acceptance letter to applicant issued by ULC Authorization of payment by the Land Fund Committee. Accounting Officer effects payment to applicant upon approval by ULC.
	Procedure for regularization of land ownership of occupants	Specifies process for the regularization and issuance of titles to occupants on Government land		<ul style="list-style-type: none"> Registration of land occupants by ULC Follow up and issuance of certificates of titles to the respective owners at a Government ceremony by ULC.

Consultation checklist and catalogue of references for asset management legislation, policies, guidelines and standards issued in line with specific entity mandates				
Asset	Legislation, policies, guidelines and standards	Brief description	Issuing and or Implementing Authority/ Entity	Key Roles/responsibilities
Land	Procedures for lease extension	Provides for procedures to be followed for lease extension for Government land.	Uganda Land Commission (ULC)	<ul style="list-style-type: none"> Approval of application for lease extension by ULC Chief Government Valuer determines revision to be made to the Ground Rent Registration of the lease extension by Commissioner Land Registration.
	Procedure for lease variation	Procedures for the variation of the lease term		<ul style="list-style-type: none"> Approval of application for lease variation by ULC upon the recommendation of the Commissioner Physical Planning. Chief Government Valuer determines the terms following the lease variation i.e new premium and ground rent. Preparation of deed of variation by the Commissioner Land Registration Signing of variation deed by ULC Titling of the variation deed by Commissioner Land Registration.
	Procedure for renewal of lease	Procedures for the renewal of lease of Government land	Uganda Land Commission	<ul style="list-style-type: none"> Approval of application for renewal of lease by ULC upon recommendation of the Commissioner Physical Planning. Chief Government Valuer determines fresh terms upon renewal i.e.; the Premium and the Ground Rent Lease offer and signing of Lease agreement by ULC Issue of certificate of title by Commissioner Land Registration
	Procedure for consent to mortgage property	Guidelines for the application to mortgage Government land.	Uganda Land Commission	<ul style="list-style-type: none"> ULC seeks a no objection to consent to mortgage the property from the Accounting Officer of the responsible MDA, upon which application is approved.
	Procedure for sub-division	Procedures for the sub-division of Government land	Uganda Land Commission	<ul style="list-style-type: none"> All applications to be approved by ULC with the ground rent apportioned by the Chief Government valuer upon undertaking sub-division surveys by the Commissioner surveys and mapping Commissioner Land Registration to issue separate titles for the created parcels after the sub-division surveys.
	Procedure for change of user	Procedure to change user of Government land	Uganda Land Commission	<ul style="list-style-type: none"> Applications approved by the ULC upon guidance from the Commissioner Physical Planning Commissioner Land Registration issues title upon receiving a signed Variation Deed from ULC
	Procedure for consent to transfer	Procedures for the transfer of property		<ul style="list-style-type: none"> Applications approved by ULC with the transferor and transferee signing the transfer forms. Determination of stamp duty by the Chief Government valuer Transfer effected on the certificate of title by the Commissioner Land Registration.

Consultation checklist and catalogue of references for asset management legislation, policies, guidelines and standards issued in line with specific entity mandates				
Asset	Legislation, policies, guidelines and standards	Brief description	Issuing and or Implementing Authority/ Entity	Key Roles/responsibilities
Buildings and Public Structures	The Land Acquisition Act, section 9	Provides for the acquisition of land which relates to a part only of a house, manufactory, or other building,	MoLHUD	Minister responsible for land to extend the declaration to include the whole of the house, manufactory or building if requested to do so by the registered proprietor or the occupier of the house. In case of any disputes, Attorney General to refer to court for decision.
	National Physical Planning Act, 2020	An Act that provides for among others, the approval of physical development plans and for the applications for development permission; and for related matter	MoLHUD/Physical Planning Board	MDALGs to ensure full compliance with the provisions of the Act as they may pertain for the better administration and management of government buildings to ensure an orderly development and a well-planned clean and healthy environment.
	The National Environment Management Act, Cap 153:	The Act outlines all relevant environmental management mandates of National Environment Management Authority (NEMA) in collaboration with the Government and Local Governments. It stipulates land use planning and forest resource management as well as integration of environmental concerns in overall national planning through coordination with the relevant Ministries, Departments and Agencies of Government. It further subjects all projects to undergo an Environment Impact Assessment (EIA). Therefore, acquisition, maintenance and disposal of Government buildings and Public Structures must relate to this Act by incorporating environmental concerns.	National Environment Management Authority	<ul style="list-style-type: none"> NEMA to issue an Environment Impact Assessment (EIA) for all projects.
	Public Health Act, Cap 281:	Provides for the preservation of health. The Act forms the basis to enforce building regulations in any planning area.	Ministry of Health	<ul style="list-style-type: none"> MDALGs to ensure compliance with the rules and regulations regarding public health issues in respect of infectious diseases, vector control, buildings of various types and uses, as well as drainage and sanitation. MDALGs also to comply with the building standards under Section 13 which apply to municipalities and towns, planning areas declared under the Physical Planning Act, urban councils, town boards, factories, public buildings, stores and schools.
	The Building Control Act, 2014:	The Act consolidates, harmonizes and amends the law relating to the erection of buildings; it provides for building standards; establishes a National Building Review Board and Building Committees; it also promotes and ensures planned, decent and safe building structures that are developed in harmony with the environment; and for other related matters.	National Building Review Board & Building Committees	<ul style="list-style-type: none"> Approval of building committees required for building plans. Building committees to issue building permits and occupation permits. The committees also to ensure that the design and construction of buildings and utilities to which the public is to have access cater for persons with disabilities.
	National Urban Policy	The Goal of the Policy is to promote livable urban areas that are organized, inclusive, productive and sustainable. Government investments in buildings and structure must therefore be cognizant of the requirements of the policy.	Ministry of Lands, Housing and Urban Development	MDALGs to ensure compliance with the requirements of the National Urban Policy in the acquisition and maintenance of public buildings and structure
	Guidelines and standards for the construction and maintenance of Government buildings and public structures	Provide for the management of public works and standards for the construction of Government buildings and public structures	Ministry of Works and Transport	It is mandatory for all MDAs to seek clearance from the Commissioner Public Structures – MoWT before commencement the design and construction of any public building.
	Guidance on office accommodation in terms of renting/construction	Provides parameters for clearance of MDAs to acquire lettable/rented office accommodation and or construct own office accommodation	Office of the President	Under Cabinet decision: Minute Extract CT (2017) 152 of 23rd October 2017, Office of the President (OP) has the oversight role for office accommodation and prior approval of OP is required for MDAs to acquire lettable/rented office accommodation and or construct own office accommodation.

Consultation checklist and catalogue of references for asset management legislation, policies, guidelines and standards issued in line with specific entity mandates				
Asset	Legislation, policies, guidelines and standards	Brief description	Issuing and or Implementing Authority/ Entity	Key Roles/responsibilities
Roads	The Roads Act, 2019	The Act reforms the law relating to planning, construction, management and maintenance of public roads, bridges and ferry landings.	Ministry of Works and Transport	<ul style="list-style-type: none"> Minister of Works and Transport in consultation with the Minister of Finance, Planning and Economic Development to declare toll roads and prescribe tolls payable in respect of these roads by a statutory instrument the Act designates road authorities responsible for construction, alteration, rehabilitation, maintenance, protection and supervision of roads falling within their jurisdiction; Uganda National Roads Authority (UNRA) responsible for national roads, local government councils for district and community access roads, urban councils for urban roads and city authorities for city roads; Kampala City Council Authority (KCCA) responsible for roads within Kampala provides for prompt acquisition of land, excavation and taking of materials required for road construction provides for control, location and design of access roads and introduces service roads, which run parallel to a highway and provide access to property bordering these roads, for purposes of limiting the number of access roads. offences are created including destroying roads, obstruction and interference on roads such as improper erection of bill boards, clogging drains by depositing sewage, refuse or garbage, nuisance on roads and offences relating to toll roads among others.
	The Uganda National Roads Authority Act	Establishes the National Roads Authority with a mandate to develop and maintain the national roads network, advise Government on General Policy decisions and contributing to addressing of transport concerns	Uganda National Riads Authority (UNRA)	<p>UNRA functions include:</p> <ul style="list-style-type: none"> Responsible for the management of the national roads network Maintain and develop the national roads network including the maintenance of the national database for the roads network.
Education related assets	Guidelines for the maintenance of school facilities	Procedures to provide guidance to education institutions towards the proper management and maintenance of the school facilities that have been provided to the different Government education institutions in a bid to have quality education service delivery	Ministry of Education and Sports	<ul style="list-style-type: none"> Head Teacher and Board of Governors/ School Management Committees and school staff to ensure maintenance procedures are observed Students /pupils to treat school property with respect and report any defect immediately. District and Local leaders to support decisions regarding the use and maintenance of school facilities and to contribute financially and to the decision-making process related to the maintenance of school buildings when requested. Ministry of Education and Sports through the Construction Management Unit to support the maintenance program by allocating funds for maintenance activities, carry out quality management of the maintenance processes and intervene in cases of incidental maintenance.
Security related assets/ Assets of a classified nature	The Uganda Peoples' Defence Forces Act	Provides for the regulation of the Uganda Peoples' Defence Forces.	Ministry of Defence	Creates offences relating to vessels, aircraft, vehicles
	Classified expenditure guidelines	Procedures that provide guidance on the management of assets acquired from classified expenditure for defense and national security purposes.	Ministry of Defense Ministry of Internal Affairs	<ul style="list-style-type: none"> Responsibilities and procedures for the control and management of assets of classified nature.
Libraries	The Makerere University (Deposit Library) Act/Deposit Library and Documentation Centre Act	Provide for the deposit and preservation of copies of books printed and published in Uganda	Makerere University Uganda Management Institute	<ul style="list-style-type: none"> Administration of books, publications and other related material deposited and kept.

Education Institutions' school facilities include but not limited to: - Classrooms, computer & science laboratories, libraries, administration blocks, teachers' houses, workshops, dormitories, kitchens, multi-purpose halls/ dining halls, dispensary and sanitary facilities. Sanitation ranges from incinerators, hand washing facilities, urinals, wash rooms, toilet / latrine stances and damping pits.

Consultation checklist and catalogue of references for asset management legislation, policies, guidelines and standards issued in line with specific entity mandates				
Asset	Legislation, policies, guidelines and standards	Brief description	Issuing and or Implementing Authority/ Entity	Key Roles/responsibilities
Natural Assets and Biological Assets	The National Forestry and Tree planting Act.	Consolidate the laws relating to forest sector and trade in forest produce.	NFA MoWE MOTWA	<ul style="list-style-type: none"> Declaration of Central and Local Forest Reserves Amendment of Orders declaring forest reserves Transfer of management of Forest reserves Classification and re classification of forest reserves Regulation of access to forest genetic resources Reservation of protected tree species Issuance of Licences. Issuance of exemption to persons staying in forests
	The Rivers Act	Relating to rivers	MoWE (MOTWA)	<ul style="list-style-type: none"> Issuance of licence to dredge Issuance of streamer licences Classification and gazzating of rivers Issuance of guidelines for the management of the environment of lakes and rivers
	The Uganda Wildlife Act	Sustainable Management of Wildlife.	Uganda Wildlife Authority	<ul style="list-style-type: none"> Protection of rare, endangered and endemic species of wild plants and animals Declaration of wildlife conservation areas Issuance of permits for use of resources in wildlife protected areas Establishment of guidelines for access by neighboring communities. Declaration of protected species. Creation, issuance, addition and revocation of wildlife use rights Issuance of professional hunters licence Issuance of Import, export or re-export permits.
	The Water Act	Use, protection and management of water resources and supply	MoWE	<ul style="list-style-type: none"> Issuance, revision, and cancellation of water and waste discharge permits
	National Oil And Gas Policy	Guide for Oil & Gas aimed at create lasting value to society.	MEMD	<ul style="list-style-type: none"> Issuance of exploration and production permits
	The Petroleum Act	Guide for Oil & Gas		<ul style="list-style-type: none"> Declaration of areas open for petroleum activities
	The National Environment Act.	Use, protection and management of Rivers and Lake banks and wetlands	MoWE, NEMA	<ul style="list-style-type: none"> Management of the use Rivers and Lake banks and wetlands
	Mining Act	Vesting the ownership and control of all minerals in Uganda	MEMD	<ul style="list-style-type: none"> Issuance of Mineral agreements, prospective, exploration, retention and mining licences
Intangible Assets	The Copyright and Neighbouring Rights Act., Section 6	Makes provision for copyright	URSB MoJCA	<ul style="list-style-type: none"> Issuance of licences Appointment of Registrar of Copyrights Issue certified copy of the amendment Issuance of regulations
Information Assets	The Access to Information Act	Provides for rights of access to information and prescription of classes of information	MoES	<ul style="list-style-type: none"> Issuance of regulation
	National Records and Archives Act	National Records Centre and Archives	MoES	<ul style="list-style-type: none"> Declaration of public records Issue licences
Heritage Assets	The National Flag And Armorial Ensigns Act. The Historical Monuments Act	Protection thereof against disrespect and misuse Monuments and objects of archaeological, palaeontological, ethnographical and traditional interest.	MoGLSD MoTWA	<ul style="list-style-type: none"> Declaration of the national flag and armorial ensigns. Declaration of preserved objects
ICT	Guidelines and standards for acquisition of information technology hardware and software for MDAs.	Provides minimum specifications to be used in the procurement of IT Products (hardware and Software) across different MDAs for sustainable and manageable IT development in Government	National information Technology – Uganda (NITA U)	<ul style="list-style-type: none"> MDAs to fully comply with the guidelines in the preparation of minimum specifications for procurement/purchase of new IT hardware and software Products NITA – U to develop and update the minimum specifications, of all categories of equipment on a regular basis MDA IT department to be involved in the technical evaluations and inspection processes for procurement of IT assets End-users to take care of any IT equipment allocated to them.

Note: This appendix provides a catalogue that emphasizes the need for MDALGs to ensure that they comply observe and fulfill all requirements at different stages in the Asset's lifecycle for the different Assets Categories covered by the AMFG, and the specific legal mandate for particular MALGs listed here and those implied.

Appendix 16 – Assets Custodian Form

S/N	Asset Class	Asset Subclass	Asset Description	Date of Acquisition	Date of Return
0675	Office Equipment	Camera	Office camera	17 May 2020	26 May 2020

Appendix 17 – Biological Assets – Treasury Form 48

Asset Number	Description	Name	Gender	Weight	Origin	Date of Purchase	Cost (UGX)	Condition	Location
234455	Dog	Reena	Female	50kg	South Africa	July 2018	15m	Healthy	Masaka

Appendix 18 – Format of Asset Register

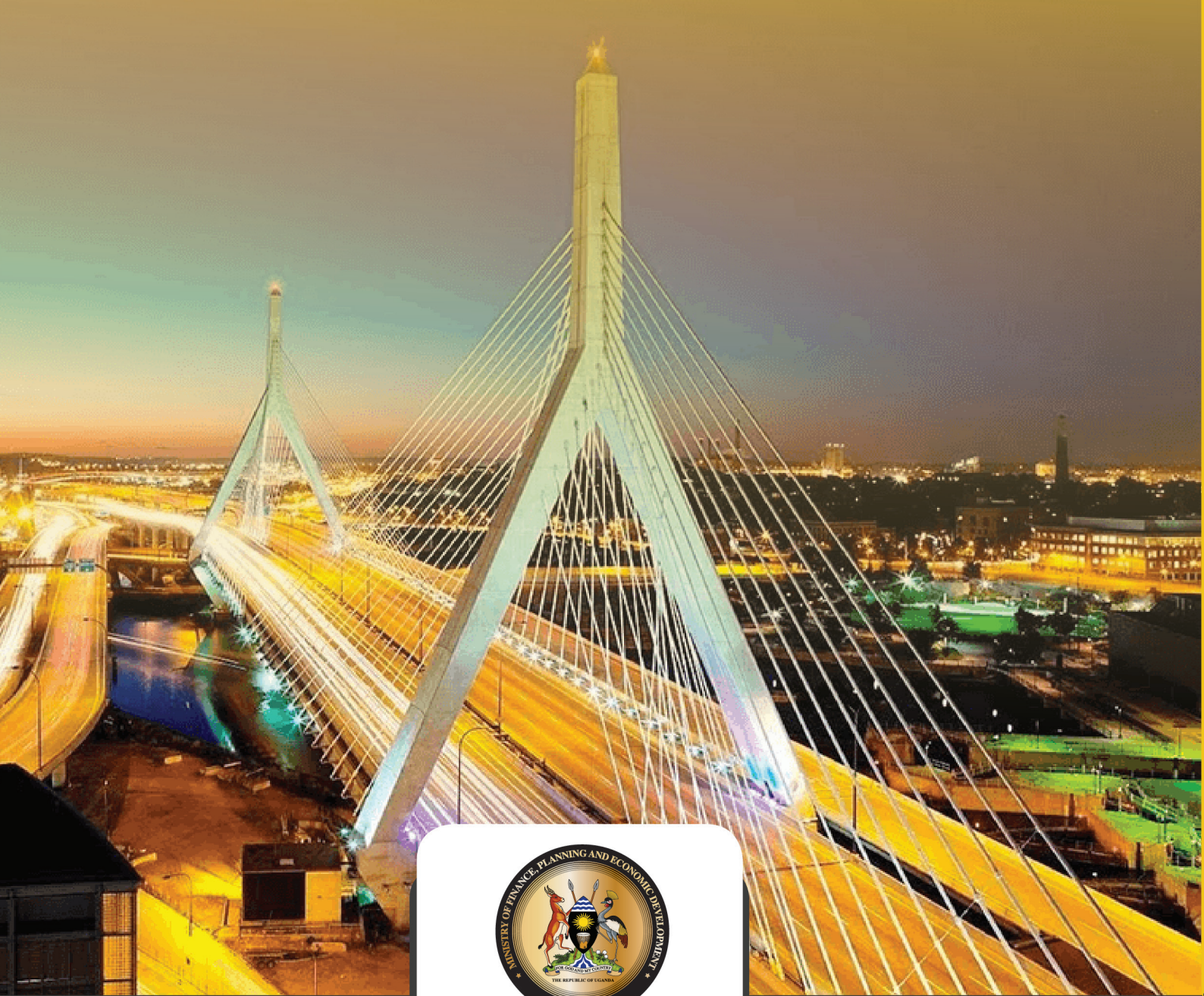
S/N	Class	Subclass	Description	Code	Acquisition Mode	Location	Condition	Purchase Date	User Title	Initial Cost (UGX)
0040	Transport Equipment	Car	Toyota V8	161055	PPP	MOFPED HQ	Excellent	May 2019	EBM	200m

Appendix 19 – Public Financial Management laws

- Local Governments Act 1997
- Kampala City Council Authority Amended Act 2020

Appendix 20 – Format of schedule of assets disposed/acquired by lease.

Vote/ Entity	Description	Location	Acre/H	Lease (Yrs)	Lease date	Balance (Yrs)	Develop- ment	Status	Lessor*	Lessee*
Ministry of Works and Transport	Land & Building Block XLVIII/46	Kampala	1.728A	79	11/01/1965	25	Ware- house	Rented Out	XYZ Ltd	XYZ Ltd



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