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**AN EVALUATION OF PUBLIC FINANCIAL MANAGEMENT SYSTEMS AND
PRACTICES OF HIGHER LOCAL GOVERNMENTS IN UGANDA: A CASE OF ABIM
DISTRICT LOCAL GOVERNMENT**

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ABSTRACT

The study examined Public Financial Management (PFM) systems, and practices of higher Local Governments in Uganda taking Abim district Local Government as the case study. This was in light of the fact that Local Governments in Uganda are not functioning according to the relevant laws that govern them. Using a cross-sectional case study design, data was collected from a sample of 29 staff at Abim district Local Government, MoFPED, MoLG, OAG using self administered questionnaires and interviews.

The study found out that the PFM system is able to monitor and manage in-year changes to the budget and the district uses the cash basis of accounting. It was also found out that no appropriation of funds in the district can be made unless approved in a budget by its council, the Local Government Council maintains the relevant books of accounts as prescribed in the accounting manual 2007 and that all transactions are processed through the commitment control systems.

Study findings also indicated that, the district is unable to raise enough revenue to finance its recurrent and development expenditure .It was recommended that key stakeholders are brought on board during the formulation of budgets; district officials should lobby for funds quite earlier in time in order to be able to finance its operations besides sensitizing the local community. The procurement committee should carry out their procurement functions in accordance with the PPDA Act in order to realize value for money.

PAC should meet regularly and the District Chairperson should at least once a year account to council on the implementation of LGPAC recommendation and the study concluded that staffing gaps in both numbers and skill should be addressed if the PFMS & P is to be carried out as envisaged by the relevant legal and institutional frame work