

SET ONE



TECHNICAL UNIVERSITY OF MOMBASA.

School of Business

DEPARTMENT OF MANAGEMENT SCIENCE.

UNIVERSITY EXAMINATION FOR THE DIPLOMA IN:

PROCUREMENT AND MATERIAL MANAGEMENT (Y2 SEM.2)

BPC 2204: PUBLIC PROCUREMENT.

END OF SEMESTER EXAMINATION

SERIES: DECEMBER 2016

TIME: 2 HOURS.

INSTRUCTIONS TO CANDIDATES.

- This question paper consists of FIVE questions.
- Attempt question ONE(COMPULSORY) and any other TWO questions.
- Maximum marks for each part of a question are as shown.

QUESTION ONE(COMPULSORY)

- (a) Analyze the key characteristics of procurement and asset disposal in the public sector (10 Marks).
- (b) All the procurement and asset disposal activities in the public sector are regulated and controlled by Public Procurement and Asset Disposal Act, 2015. Explain the objectives that Public Procurement and Asset Disposal Act, 2015 was tailored to achieve (10 Marks)
- (c) The Accounting Officer shall approve disposal of non-value adding assets on need basis. Discuss the available disposal methods that a public entity may use in disposing of the approved non-value adding assets (10 Marks).

QUESTION TWO.

- (a) A County Treasury shall be the government organ or public entity responsible for the implementation of public procurement and asset disposal policy in each of the forty seven counties in Kenya. Analyze the functions of the County Treasury (10 Marks).
- (b) Examine the dire consequences of a public entity failing to pay its supply sources or creditors promptly (10 Marks)

QUESTION THREE.

- (a) Upon the request of the procurement management unit, the accounting officer of a procuring entity may approve the termination of a contract. Examine the finer details that such a contract termination report must clearly state (10 Marks).
- (b) A supply source is eligible to bid for a procurement contract or asset being disposed of in the public sector if such a bidder satisfies some minimum requirements. Enumerate such minimum requirements or qualifications (10 Marks).

QUESTION FOUR.

- (a) Each and every procuring entity in the public sector shall be obliged to prepare a procurement plan for each financial year in full compliance with the approved annual budget. Highlight the main contents of a standard procurement plan (10 Marks).
- (b) An accounting officer of a public procuring entity may require that tender security or bid bond be provided alongside the submitted tenders, subject to such requirements or limits as may be described. Examine the circumstances under which tender security or bid bond may be forfeited by the bidder who has submitted the tender (10 Marks).

QUESTION FIVE.

- (a) One of the commonest procurement methods used in the public sector to identify potential supply sources in the market is tendering. Discuss the conditions that may warrant a public entity to use restricted tendering process in identifying the right supply sources in the market (10 Marks).

- (b) While evaluating the submitted bids, evaluation and comparison shall be carried out strictly on the basis of the procedures and criteria set out in the tender documents. Evaluate the aspects that will be subjected to thorough scrutiny with respect to the financial stability of the bidder (10 Marks).