

SET TWO.

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) Public procuring entities include all the government organs and related public entities. Highlight any ten public procuring entities that spend public funds on financing their procurement expenditures (10 Marks).
- (b) 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 budget. Explain the benefits of a public procuring entity preparing and successfully implementing a procurement plan (10 Marks).
- (c) While evaluating the submitted tenders, evaluation and comparison shall be thoroughly 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 analysis with respect to the technical capabilities of the bidder (10 Marks).

QUESTION TWO.

- (a) One of the commonest procurement methods used in the public sector to identify potential supply sources in the market is open tendering. Enumerate the demerits of sourcing for the right supply sources in the market through open tendering (10 Marks).
- (b) Inspection and acceptance report is one of the accountable documents used in public procurement following successful receipt of the deliveries. Highlight critical pieces of information that must be captured in a valid inspection and acceptance report as an accountable document (10 Marks)

QUESTION THREE.

- (a) The public procurement and asset disposal system in Kenya has evolved to an orderly and legally regulated system governed by Public Procurement and Asset Disposal Act, 2015 and National Treasury Regulations. Discuss the reforms or transformations that the Government of Kenya has so far implemented to improve efficiency and effectiveness in public procurement and asset disposal processes, procedures and proceedings (10 Marks).
- (b) Accounting officer shall approve disposal of non-value adding assets on need be basis. Explain why it is important and imperative for each public entity to dispose of its non-value adding assets when need arises (10 Marks).

QUESTION FOUR.

- (a) A public procuring entity may only be justified to follow direct procurement process in supplier sourcing as long as the purpose is not to avoid competition and must therefore satisfy some specific mandatory conditions. Discuss such mandatory conditions (10 Marks).
- (b) A public procuring entity may require that tender security or bid bond be provided with tenders at the time of submitting such tenders, subject to some specified requirements or limits as may be described in the tender documents. Examine the circumstances under which a public procuring entity may immediately release the tender security or bid bond to the bidder who has submitted tender (10 Marks).

QUESTION FIVE.

- (a) A supply source is only eligible to bid for an available purchase offer if only such a supply source satisfies some specified minimum requirements in the Act. Discuss these minimum requirements (10 Marks)
- (b) Analyze the main procurement areas on which the National Government of Kenya spends highest percentage of its received revenues (10 Marks).