



MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

**FOURTH YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR
BACHELOR OF COMMERCE (PROCUREMENT & SUPPLY CHAIN MANAGEMENT
OPTION)**

BMS426: PUBLIC PROCUREMENT

DATE: 24/7/2019

TIME: 2:00 – 4:00 PM

INSTRUCTIONS

Answer Question One and Any Two Questions.

QUESTION ONE

Weaver Government Agency

Weaver Government Agency provides procurement and asset disposal services on behalf of all the state organs and public procuring entities except Parliament, Judiciary and Kenya Defense Forces (KDF). These services include both local and foreign. The Agency employs staff with the right technical competences in matters pertaining to procurement and asset disposal. The Agency is so efficient and effective that it gets top priority in handling most of the specialized and complex procurement requirements for its clients including the imports.

Weaver Government Agency is under strict standing contractual obligation to handling all the procurement and asset disposal proceedings and processes in full compliance with the Public

Procurement and Asset Disposal Act of 2015, Constitution of Kenya (2010), Public Finance Management Act of 2012, Leadership and Integrity Act of 2012, Regulations from National Treasury, Guidelines from Public Procurement Regulatory Authority and the general best practices.

To maintain continuous improvement and get value for money, Weaver Government Agency as all the state organs and public procuring entities have installed Integrated Financial Management Information System (IFMIS) through the National Treasury. The National Treasury has taken upon itself to develop the capacity and capability of the users of the Integrated Financial Management Information System so as to enhance efficiency and effectiveness in procurement and asset disposal.

Required.

- a) Weaver Government Agency is obliged to comply fully with the provisions of the Public Procurement and Asset Disposal Act of 2015 and other legislations. Highlight the purpose of this obligation (6 marks)
- b) Explain the additional costs that state organs and public procuring entities engaging the services of this Agency will incur by buying from foreign markets (6 marks)
- c) Highlight the challenges that the Weaver Government Agency users of the procurement module inbuilt in the Integrated Financial Management Information System (IFMIS) are likely to encounter (6 marks)
- d) Highlight the aspects that the agency should ensure when undertaking international open tenders. (6 marks)
- e) Highlight the areas of conflict between the PP&ADA 2015 and other Acts or agreements that the agency should be familiar with. (6 marks)

QUESTION TWO

- a) Explain five functions of the Public Procurement Regulatory Authority in the process of regulating public procurement in the country. (10 marks)
- b) Public procurement may vary or be similar in some aspects from one country to another. Discuss the similarities between Kenyan procurement law and the procurement law of another country of your choice. (10 marks)

QUESTION THREE

- a) Just like any other organization, public entities are expected to manage procurement costs. Explain the ways in which such costs can be managed. (10 marks)
- b) For the purpose of managing complex and specialized procurement contracts the Public Procurement & Asset disposal act 2015 requires that Contract Implementation Team be established. Highlight the role of this team in contract implementation. (10 marks)

QUESTION FOUR

- a) There are specific requirements which should be included when describing a procuring entity's technical requirements with respect to the goods, works or services being procured. Explain five such requirements (10 marks)
- b) Highlight the Prohibitions and offences that a procurement officer is supposed to be aware of while discharging his/her procurement duties. (10 marks)

QUESTION FIVE

- a) Describe the procedure that may be followed by public entities when disposing unserviceable equipment by use of public tender (10 marks)
- b) Explain the circumstances that may favour the use of restricted tendering method of procurement in a public entity. (10 marks)