

Name: _____ Index No. _____

2903/202
3309

Candidate's Signature: _____

**PUBLIC PROCUREMENT AND
FINANCE; III**
November 2015
Time: 3 hours

Date: _____



THE KENYA NATIONAL EXAMINATIONS COUNCIL
DIPLOMA IN SUPPLY CHAIN MANAGEMENT
MODULE II

**BUSINESS EDUCATION SINGLE AND GROUP CERTIFICATE
EXAMINATIONS**

PUBLIC PROCUREMENT AND FINANCE; III

3 hours

INSTRUCTIONS TO CANDIDATES

Write your name and index number in the spaces provided above.
Sign and write the date of the examination in the spaces provided above.
This paper consists of SEVEN questions.
Answer any FIVE questions in the spaces provided in this question paper.
Candidates should answer the questions in English.

For Examiner's Use Only

Questions	1	2	3	4	5	6	7	TOTAL SCORE
Candidate's Score								

This paper consists of 16 printed pages

Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.

1. (a) Public sector organizations have an option of either a centralized or decentralized structure in their procurement operations. Explain the factors that may be considered in deciding on which structure to adopt. (10 marks)
- (b) Explain the role of the Directorate of Public Procurement in Kenya. (10 marks)
2. (a) Taxation is very important for any country to achieve its developmental objectives. Explain the rationale behind taxation in a country. (10 marks)
- (b) The Central Bank of Kenya (CBK) plays a critical role in the economic development of the country. Highlight the role played by the bank in the management and control of the financial sector in the country. (10 marks)
3. (a) Explain the role of procurement department in development of materials specifications in an Organization. (10 marks)
- (b) One of the objectives of public procurement is the attainment of Value For Money (VFM). Explain the ways in which such an objective may be achieved. (10 marks)
4. (a) Explain the role of the accounting officer in procurement operations in a public entity. (10 marks)
- (b) Public procurement professionals are required to conduct themselves in an ethical manner during evaluation of tenders. Explain the ways in which such a requirement may be achieved. (10 marks)
5. (a) Request for quotation as an alternative procurement method requires to be used only in certain circumstances in the public sector. Highlight such circumstances. (10 marks)
- (b) Explain the shortcomings of adopting e-procurement system in the public sector. (10 marks)
6. (a) The Ministry of Health has decided to lease some of its medical equipment for use in the ministry. Explain the reasons that may have influenced such a decision. (10 marks)
- (b) Highlight the factors that may be considered for effective implementation of an Enterprise Resource Planning (ERP) system in a government ministry. (10 marks)
7. (a) Explain the measures that the government may put in place to increase revenue from taxation in a country. (10 marks)
- (b) The Auditor General is a key pillar in public finance management. Outline the role of the Auditor General in public procurement. (10 marks)