

3309

2903/202

**PUBLIC PROCUREMENT AND FINANCE**

November 2021

Time: 3 hours



**THE KENYA NATIONAL EXAMINATIONS COUNCIL**

**BUSINESS EDUCATION SINGLE AND GROUP CERTIFICATE EXAMINATION**

**STAGE III**

**DIPLOMA IN SUPPLY CHAIN MANAGEMENT**

**MODULE II**

**PUBLIC PROCUREMENT AND FINANCE**

**3 hours**

**INSTRUCTIONS TO CANDIDATES**

*This paper consists of SEVEN questions.*

*Answer any FIVE questions in the answer booklet provided.*

*All questions carry equal marks.*

*Candidates should answer the questions in English.*

**This paper consists of 2 printed pages.**

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

- 1/ (a) It is necessary to have a close liaison between the procurement and finance departments in the public procurement system. Explain five reasons for such a liaison. (10 marks)  
*✓ Budget ✓ Role of money ✓*
- (b) The finances disbursed to counties in Kenya are governed by the Division of Revenue Bill. Outline the factors that parliament may consider in passing the bill. (10 marks)  
*✓ Budget ✓ Role of money ✓ Plan ✓*
- 2/ (a) Outline five roles of the Inspection and Acceptance committee in the public procurement process. (10 marks)  
*✓ ensure quality ✓ ensure good delivery ✓ check on supplier ✓ verify goods ✓*
- (b) Explain five factors that a public entity should consider when selecting a procurement method to adopt. (10 marks)  
*✓ capability ✓ time required ✓ cost - minimal ✓ security (confidentiality) ✓*
- 3/ (a) Explain five challenges that may be faced by the Controller of budget in discharging his duties in the country. (10 marks)
- (b) Outline five reasons that may necessitate the revision of classification of procuring entities by the Public Procurement Regulatory Authority (PPRA). (10 marks)
- 4/ (a) One of the sources of Public Finance is  fines and forfeitures. Explain five ways in which the government may increase finances collected through this source. (10 marks)
- (b) Explain the circumstances under which a public organisation may use the restricted tendering method in their procurement operations. (10 marks)
- 5/ (a) A certain county, intends to automate its procurement operations. Explain the challenges that the authority may face when carrying out the exercise. (10 marks)  
*Security skilled labour widely spread expensive Biased information*
- (b) Explain five ways in which value for money in public procurement operations may be achieved. (10 marks)
- 6/ (a) Outline five types of e-sourcing tools that may be used in the procurement function. (10 marks)
- (b) Explain five factors that may lead to debarment of a contractor by the Public Procurement Regulatory Authority (PPRA). (10 marks)  
*fraud bribery collusion conspiracy false information*
- 7/ (a) Explain five challenges that may be faced by the Public Procurement Regulatory Authority (PPRA) in carrying out its mandate. (10 marks)
- (b) Outline five measures that a government may put in place to bridge the deficit in the National Budget. (10 marks)

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*2-43*  
*managing goods & services*  
*online purchase*