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3309

PUBLIC PROCUREMENT AND FINANCE

November 2022

Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

**DIPLOMA IN SUPPLY CHAIN MANAGEMENT
MODULE II**

**BUSINESS EDUCATION SINGLE AND GROUP CERTIFICATE EXAMINATION
STAGE III**

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) The public procurement officers are expected to establish close liaison between public procurement and finance operations in an entity. Explain **five** ways in which such liaison would improve efficiency in the public procurement operations. (10 marks)
- (b) The Public Procurement and Assets Disposal Act, 2015 recommends that formation of Adhoc committees at various stages of the procurement cycle. Explain **five** factors that may be considered when selecting members to such committees. (10 marks)
2. (a) Outline **five** details that a procurement officer should include in the Terms of Reference Section of a Request For Proposal (RFP). (10 marks)
- (b) A proposed Finance Bill (Amendment) with regard to enhancing revenue collection in a country is before parliament for consideration. Outline **five** proposals that may be included in such a bill. (10 marks)
3. (a) The public procurement officers are required to use the public procurement and assets disposal general manual when performing their duties. Explain **five** advantages of using the manual. (10 marks)
- (b) The exchequer in some instances makes late disbursement of funds to procuring entities in the public sector. Outline **five** measures that the exchequer may put in place to minimize such incidents. (10 marks)
4. (a) Outline **five** challenges that a procuring entity may face in the adoption of e-procurement system in its procurement operations. (10 marks)
- (b) Explain **five** benefits to a public organisation of using the open tender method in the public procurement process. (10 marks)
5. (a) The agency mandated with revenue collection in the country has in the recent past come up with measures to improve its performance. Outline **five** such measures. (10 marks)
- (b) Outline **five** differences between the public sector procurement practices and the private sector procurement practices. (10 marks)
6. (a) Explain **five** ways in which procuring entities may enhance efficiency of auditing activity as a tool for controlling public expenditure in a country. (10 marks)
- (b) Public entities in Kenya are increasingly adopting the Integrated Financial Management System (IFMIS) in their procurement operations. Explain **five** benefits that may accrue to the entities from such a system. (10 marks)
7. (a) Outline **five** reasons that make it necessary for a public organisation to maintain a tender opening register in its procurement operations. (10 marks)
- (b) A procurement award decision arrived at by a public entity has been referred to the Public Procurement Administrative Review Board (PPARB) by a disgruntled supplier. Outline **five** grounds that the supplier may rely upon in seeking for the review. (10 marks)