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**PUBLIC PROCUREMENT
AND FINANCE**

July 2017

Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

DIPLOMA IN SUPPLY CHAIN MANAGEMENT

MODULE II

**BUSINESS EDUCATION SINGLE AND GROUP CERTIFICATE
EXAMINATIONS**

PUBLIC PROCUREMENT AND FINANCE

3 hours

INSTRUCTIONS TO CANDIDATES

This paper consists of SEVEN questions.

Answer any FIVE questions in the answer booklet.

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) Outline the services that the procurement department provides to user departments in an organisation. (10 marks)
- (b) Outline the responsibilities of the Public Procurement Regulatory Authority (PPRA) in the public procurement system in Kenya. (10 marks)
2. (a) There has been a marked increase in cases of procurement irregularities in the public sector in the recent past. Explain the measures that should be taken to minimise such irregularities.
 Do not let the contractor violate from performing or packing any procurement process
 (10 marks)
- (b) Explain the ways in which accounting officers may enhance adherence to the public procurement rules and regulations in the public entities. (10 marks)
3. (a) A certain government agency has decided to source for its supplies from the international market. Outline the benefits that may accrue to the agency from this decision. (10 marks)
- (b) Outline the ways in which the procurement department may facilitate an organisation to acquire quality goods. (10 marks)
4. (a) The Government of Kenya has directed all public sector departments including procurement to embrace Information and Communication Technology (ICT) in their operations. Outline the reasons that may account for this directive. (10 marks)
- (b) Explain the problems that may be experienced by a public entity when buying goods from a monopoly market. (10 marks)
5. (a) Explain the problems that may be encountered from the use of Public Private Partnerships (PPP) in financing public sector projects. (10 marks)
- (b) Outline the principles that should be observed in designing an e-tendering system for public procurement. (10 marks)
6. (a) Auditors play an important role in public procurement. Highlight the qualities that an auditor should possess in order to carry out procurement audit effectively. (10 marks)
- (b) Outline the factors that a government may consider when selecting the financing model for its development projects. (10 marks)
7. (a) Public procurement officers are mandated to write down a professional opinion before the award of any contract. Highlight the nature of information that may be contained in the professional opinion document. (10 marks)
- (b) Outline the reasons that may account for a procurement budget variance in a county. (10 marks)

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