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**GARISSA UNIVERSITY**

**UNIVERSITY EXAMINATION 2020/2021 ACADEMIC YEAR THREE**

**SECOND SEMESTER EXAMINATION**

**SCHOOL OF BUSINESS AND ECONOMICS**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 343**

**COURSE TITLE: PUBLIC PROCUREMENT**

**EXAMINATION DURATION: 2 HOURS**

**DATE: 20/08/2021 TIME: 09.00-11.00 AM**

**INSTRUCTION TO CANDIDATES**

* **The examination has FIVE (5) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other TWO (2) questions from the remaining FOUR (4) questions**
* **Use sketch diagrams to illustrate your answer whenever necessary**
* **Do not carry mobile phones or any other written materials in examination room**
* **Do not write on this paper**

**This paper consists of TWO (2) printed pages *please turn over***

**QUESTION ONE (COMPULSORY)**

**Public procurement** in [Kenya](https://en.wikipedia.org/wiki/Kenya) is governed by the Public Procurement and Asset Disposal Act 2015, whose full title is "An Act of [Parliament](https://en.wikipedia.org/wiki/Kenyan_Parliament) to give effect to Article 227 of the [Constitution](https://en.wikipedia.org/wiki/Constitution_of_Kenya); to provide procedures for efficient public procurement and for assets disposal by public entities; and for connected purposes". This legislation came into effect on 7 January 2016, repealing the previous Public Procurement and Disposal Act of 2005,

All state organs and public entities within Kenya are required to comply with this law in regard to planning and undertaking procurement, [inventory management](https://en.wikipedia.org/wiki/Inventory_management), asset disposal and contract management, except where the provisions of the Public Private Partnership Act, 2013 already apply to procurement and disposal of assets, or where procurement and disposal of assets takes place under bilateral or multilateral agreements between the Government of Kenya and any other foreign government or multilateral agency.

**Required:**

1. From the discussion above, explain the objectives of procurement reform system undertaken by the Government **[10 marks]**
2. In light of the statements above, discuss the key principles and values of good Public Procurement Ethical Standards. **[10 marks]**
3. From the discussion above, discuss the guiding principles of public procurement system **[10 marks]**

**QUESTION TWO**

1. A procuring entity may use direct procurement as allowed by the ACT as long as the purpose is not to avoid competition. Discuss five instances when Direct Procurement may be used. **[10 Marks]**
2. According to the PPADA 2015, fraudulent practice includes a misrepresentation of a fact in order to influence a procurement or disposal process. Describe fraudulent activities that would lead to disqualification of a supplier from procurement proceedings. **[10 marks]**

**QUESTION THREE**

1. Discuss the procedures of open tendering Process, from initiation of the procurement needs to the signing of the contract. **[15 marks]**
2. Explain the circumstances that would lead to contract termination **[5 marks]**

**QUESTION FOUR**

1. Describe the various bodies that regulate Public procurement by illustrating the functions, Responsibilities and qualifications of its various constitutes. **[15 Marks]**
2. Describe functions Procurement Unit **[5 Marks]**

**QUESTION FIVE**

1. Discuss Importance of ethics in management of procurement **[10 marks]**
2. Discuss the circumstance under which procurement entity can Transfer its authority as it stipulated in PPDA. **[10 marks]**