



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2016/2017

**THIRD YEAR FIRST SEMESTER EXAMINATIONS FOR THE
DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION WITH
INFORMATION TECHNOLOGY**

CITY CAMPUS

ABA 337: PUBLIC PROCUREMENT MANAGEMENT

Date: 14th June, 2017

Time: 5.30 - 8.30 pm

INSTRUCTIONS:

- Answer question ONE and any other THREE questions.
- Marks allocated are shown at the end of each question.

Question One - (Compulsory)

CASE STUDY

The following is a brief excerpt from BUSINESS DAILY of March 1, 2017 (page 6) related to procurement in the public sector. Read it carefully then answer the questions that follow.

IEBC CANCELS ANOTHER TENDER.....

The polls agency says it will issue a fresh tendering for digital platform which incorporates voter listing, identification and relay of results as it cancelled an on-going procurement following court fights. The Independent Electoral and Boundaries Commission (IEBC) yesterday opted for a fresh tender after a number of bidders contested the procurement process amid fears the delayed tendering could hurt preparations for the August polls.

IEBC chairman was quoted saying, "We shall not accept to be held captive by firms or individuals pursuing 'tender wars' to the detriment of credible, free and fair elections". He said the new tender process would be fast-tracked and completed by end of March as it explores avenues in the procurement law like "direct procurement" or "restricted tendering".

The poll agency last week decided to seek a new firm to print ballot paper and not appeal a court verdict that cancelled its Ksh2.5billion contract with a Dubai-based firm..... A total of 10 companies were competing to supply the platform after the tender was advertised on December 16, 2016. One firm challenged the tendering at the Public Procurement Regulatory Authority on December 28, 2016 but withdrew the appeal on January 20, 2017. The IEBC was rocked with yet another challenge last Thursday, prompting the cancellation of the tender.....

Required:

- (i) Define the term 'tendering' (2 Marks)
- (ii) State the benefits of tendering to the polls agency and the country at large (2 Marks)
- (iii) Under what circumstances would bidders contest an awarded tender? (2 Marks)
- (iv) Examine what constitutes Procurement Law in Kenya (2 Marks)
- (v) Suppose IEBC Chairman consults with you as the procurement officer, describe what you would propose to him as the most effective tendering process. (3 Marks)
- (vi) Explain the difference between 'direct procurement' and 'restricted procurement' (4 Marks)
- (vii) Describe the circumstances under which the methods mentioned in (vi) above would be preferable. (5 Marks)
- (viii) State the functions of the Public Procurement and Regulatory Authority (5 Marks)

Question Two

- a) Define the following terms:
 - (i) Public Procurement [2 Marks]
 - (ii) Procurement Entity [2 Marks]
- b) Evaluate the objectives of Public Procurement [5 Marks]
- c) Examine how Public Procurement Management creates Value For Money [6 Marks]

Question Three

- a) Briefly explain the principles governing Public Procurement Practice in Kenya [5 Marks]
- b) Describe the developments and reforms that have been realized in Public Procurement practice in Kenya since independence [5 Marks]
- c) Assess the challenges you are likely to face as a procurement professionals working at IEBC [5 Marks]

Question Four

- a) List any five categories of bodies included under the definition of "Public Entity" [5 Marks]
- b) Outline the purposes of the Public Procurement and Asset Disposal Act 2015 [5 Marks]
- c) Examine the responsibilities of the following in Public Procurement practice in Kenya:
 - (i) Accounting Officer [2 Marks]
 - (ii) Head of Procuring Unit [3 Marks]

Question 5

- a) Explain the meaning of Contract Administration in Public Procurement [4 Marks]
- b) "In order to award a contract to a bidder, a Procuring Entity needs to verify that the bidder is qualified". State any five elements constituting "Qualification" [5 Marks]
- c) Discuss any TWO Public Assets Disposal Methods [6 Marks]