



MURANG'A UNIVERSITY COLLEGE

(A constituent College of Jomo Kenyatta University of Agriculture and Technology)

MAIN CAMPUS

ORDINARY UNIVERSITY EXAMINATIONS

2016/2017 ACADEMIC YEAR

THIRD YEAR SECOND SEMESTER EXAMINATIONS

FOR THE DEGREE

OF

BACHELOR OF PROCUREMENT AND SUPPLIES MANAGEMENT

COURSE CODE : HPS 2311

COURSE TITLE : PUBLIC FINANCE AND PURCHASE PRACTICES

DATE: 25TH APRIL 2016

TIME:2 HOURS

INSTRUCTIONS TO CANDIDATES

- Question ONE (1) is compulsory
- Answer ANY OTHER TWO questions

MRUC observes ZERO tolerance to examination irregularities

The paper consists of 2 Printed Pages. Please Turn Over

QUESTION ONE

- a) Describe public procurement? **(2 marks)**
- b) The Public Procurement and Disposal Act, 2005 established procedures useful in guiding the procurement process. How did the Act improve public procurement in Kenya?
(10 marks)
- c) Define public finance and explain its main components. **(13 marks)**

QUESTION TWO

- a) Describe factors that influence the choice of procurement procedures in Kenya?
(6.5 marks)
- b) Open and restricted procurement procedures are often used in the procurement process.
- i) Discuss the difference between the two procedures? **(4 marks)**
- ii) Explain the pros and cons of using the two procurement procedures mentioned above. **(12 marks)**

QUESTION THREE

1. Fraudulent procurement impacts the economy negatively.
- a) Explain the concept of fraudulent procurement **(3 marks)**.
- b) Critically evaluate the impacts and penalties linked to fraudulent procurement.
(19.5 marks)

QUESTION FOUR

Public finance and private finance depict certain similarities and differences.

- a) Identify and explain the similarities between the two forms of finance **(11 marks)**
- b) Contrast public finance with private finance. **(11.5 marks)**