

**W1-2-60-1-6**

## JOMO KENYATTA UNIVERSITY

**OF**

**AGRICULTURE AND TECHNOLOGY**

# University Examinations 2014/2015

**THIRD YEAR SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF PURCHASING AND SUPPLIES MANAGEMENT**

**HPS 2311 : PUBLIC FINANCE AND PURCHASING PRACTICES**

**DATE: AUGUST 2015 TIME: 2 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER**

**TWO QUESTIONS.**

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**QUESTION ONE (30 MARKS)**

(a) List and explain the functions of Public Procurement Oversight Authority.

[9 marks]

(b) Discuss the spirit of Public Procurement and Disposal Act (2005). [5 marks]

(c) Explain why centralized form of procurement should be the most preferable in organizations. [6 marks]

(d) Discuss merit and demerit of indirect taxation. [10 marks]

**QUESTION TWO (20 MARKS)**

(a) Discuss Adam Smith’s and modern economists’ principles of taxation.

[6 marks]

(b) Discuss the application and qualification of the use of direct procurement, request for proposal and restricted tendering. [14 marks]

**QUESTION THREE (20 MARKS)**

(a) Describe the process of tendering as mentioned in the Public Procurement and Disposal Act (2005). [14 marks]

(b) Discuss the process of evaluation of request for proposal. [6 marks]

**QUESTION FOUR (20 MARKS)**

(a) Illustrate what is entailed in content of procurement plan. [8 marks]

(b) Elucidate how public entity may transfer procurement authority as stipulated in Public Procurement and Disposal Act (2005). [12 marks]

**QUESTION FIVE (20 MARKS)**

(a) List and explain six principles of public expenditure. [6 marks]

(b) Discuss and describe corrupt practices and fraudulent practices as mentioned in the Public Procurement and Disposal Act (2005). [14 marks]