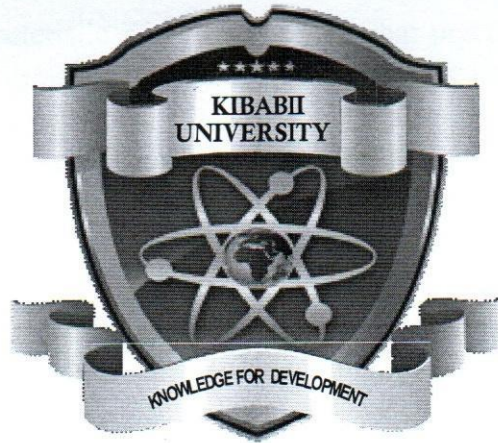


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KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR FOURTH YEAR SECOND SEMESTER MAIN EXAMINATION

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCP 422

**COURSE TITLE: PROCUREMENT LAW AND
ETHICS**

DATE: 25/05/2022 TIME: 2.00PM – 4.00PM

INSTRUCTION TO CANDIDATES

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE

A distinguishing characteristic of a profession is that practitioners combine ethical standards with the performance of technical skills. Supply management professionals must subscribe to a set of ethical principles and standards to guide individual and group decisions and actions. Integrity, value and loyalty. From these our standards are established to encourage adherence to uncompromising ethical behavior, increase awareness and acceptance of ethical conduct, and emphasize the role of ethics when formulating decisions. These standards are guidelines for use by all who manage or influence the supply chain. The standards do not supplant an organization's policies but are a model for consideration. Every supply management professional is responsible to strive for acceptance and adherence to these ethical standards. Organizations are encouraged to develop, publish and enforce an ethics policy that supports these principles and standards. Policies and procedures must be clear, transparent and enforceable. The ethics policy should be shared with all employees, including those outside the supply organization, and with suppliers. Training must be on-going and comprehensive. Standards and guidelines cannot cover every situation, or nuance, and do not take the place of good judgment or sensitivity to other cultures, laws, customs and practices. When in doubt, consult with management and professional colleagues.

- a) Define procurement and highlight the various stages involved in the procurement process. (5 marks)
- b) Briefly highlight the challenges facing public procurement in Kenya. (5 marks)
- c) Discuss the areas commonly breached by public entities in procurement processes. (10 marks)
- d) Critically examine the legal framework for procurement in Kenya. (5 marks)
- e) Discuss the various methods of procurement as outlined in the relevant law as regards procurement matters. (5 marks)

QUESTION TWO

- a) Explain the scope and significance of the powers bestowed upon the office of the Director General in order to ensure compliance to proper procurement practices in Kenya. (10 marks)
- b) State and explain the emerging issues in public procurement (5 marks)
- c) Highlight Supply Chain Performance Measurement problems in Public Procurement (5 marks)

QUESTION THREE

- a) State and explain the objectives intended to be achieved by Procurement laws (10 marks)

- b) Outline the factors to consider when receiving a gift or the offer of hospitality (8 marks)
- c) Explain the importance of ethics in purchasing (2 marks)

QUESTION FOUR

- a) Procurement law and ethics is vital to all supply chain officers Discuss the characteristics of public procurement (10 marks)
- b) Discuss Common policies on handling of Business gifts and Hospitality (6marks)
- c) Highlight information that may be considered confidential or proprietary in procurement (4 marks)

QUESTION FIVE

- a) Role of Public Procurement Staff is vital in supply chain highlight their roles quoting the various sections as per public procurement and disposal act 2015 (8 marks)
- b) Outline the measures to control fraud in procurement (7marks)
- c) Explain why purchasing ethics need to be considered in organizations . (5marks)