



# **MURANG'A UNIVERSITY OF TECHNOLOGY**

## **SCHOOL OF BUSINESS AND ECONOMICS**

### **DEPARTMENT OF COMMERCE**

#### **UNIVERSITY ORDINARY EXAMINATION**

**2017/2018 ACADEMIC YEAR**

**SECOND YEAR FIRST SEMESTER EXAMINATION FOR THE DIPLOMA IN  
BUSINESS MANAGEMENT (DBM)**

**DBP 1214 – PUBLIC FINANCE AND PROCUREMENT**

**DURATION: 2 HOURS**

**DATE: 6<sup>TH</sup> DECEMBER, 2017**

**TIME: 2.00 – 4.00 P.M.**

#### **Instructions to Candidates:**

1. Answer **Question 1** and **Any Other Two** questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

## **SECTION ONE – COMPULSORY**

- a) Discuss any five essentials of a good taxation system. (10 marks)
- b) Differentiate between the following terms as used in Public borrowing
  - i. Internal debt and external debt. (2 marks)
  - ii. Production and Unproduction debt. (2 marks)
  - iii. Short-term and long-term debt. (2 marks)
- (c) Discuss any two (2) Roles of an Accounting Officer. (4 marks)
- (d) Determine three (3) Roles of Public finance in a developing Country. (6 marks)
- (e) Explain any two necessities to have a public sector in an Economy (4 marks)

## **SECTION TWO – ANSWER ANY TWO QUESTIONS**

### **QUESTION TWO**

- a) Outline any five responsibilities of a user department. (5 marks)
- b) Highlight any five content of a Procurement Plan. (5 marks)
- c) *“The procurement committee shall be responsible for procurement below the threshold of the tender committee set out in the first schedule”*. Based on this procurement act, examine who compose the procurement committee. (6 marks)
- d) Identify two classification of people who shall not inter into a procurement contract. (4 marks)

### **QUESTION THREE**

- (a) Outline three specific requirements for a person or candidate required by procuring entity before the award of contract. (6marks)
- (b) List any three consequences for fraudulent activities in any procurement proceedings. (6 marks)
- (c) Highlight any five contents that a procuring entity should provide on an invitation to tender document. (5 marks)
- (d) State any three circumstances where direct procurement may be preferred. (3 marks)

### **QUESTION FOUR**

- (a) Discuss six requirements in International tendering.
  - (b) *“Procurement should not be split on Inflated”* Discuss. (12 marks)
- (8 marks)