

041606T4SCM

SUPPLY CHAIN MANAGEMENT LEVEL 6

BUS/OS/SC/CR/06/6/A

DISPOSE ORGANIZATIONAL ASSETS

July/August 2024



**TVET CURRICULUM DEVELOPMENT, ASSESSMENT AND CERTIFICATION
COUNCIL (TVET CDACC)**

WRITTEN ASSESSMENT

TIME: 3 HOURS

INSTRUCTIONS TO CANDIDATE

1. This paper consists of two sections; **A** and **B**
2. Answer **ALL** the question as guided in each section
3. Marks for each question are as indicated in the brackets
4. You are provided with a separate answer booklet to answer the questions
5. Do not write in this question paper

This paper consists of THREE (3) printed pages

**Candidates should check the question paper to ascertain that all pages are
printed as indicated and that no questions are missing.**

SECTION A: (40 MARKS)

Answer All the questions in this section

1. Policies define the way organizations operate. Outline FOUR components of an asset management policy. (4 Marks)
2. Before materials are disposed in an organization, there should be an authority to dispose. State FOUR authorities that authorizes disposal of materials. (4 Marks)
3. Identification of serviceable and unserviceable materials is a critical role in asset management. Identify FOUR advantages of undertaking the task. (4 Marks)
4. Decisions to dispose off assets should be carefully planned. Give FOUR considerations one should consider. (4 Marks)
5. Ratification is the process of making a contract or agreement valid by signing officially or giving a formal consent. State FOUR advantages of ratification. (4 Marks)
6. Documents are major part of business transaction in an organization. Identify FOUR information that disposal documents must contain there in as per the regulation 2020. (4 Marks)
7. Goods and items for disposal are categorized in various groups. List FOUR groups of categorizations. (4 Marks)
8. The National Treasury is a constitutionally formed organ in Kenya. Outline FOUR roles of The National Treasury towards disposal of assets. (4 Marks)
9. Identify FOUR instances that can result in a transfer of assets from one public entity to another public entity. (4 Marks)
10. Disposal of assets should be done systematically to ensure that they are based on the legal requirements of the organization. Give FOUR activities to be undertaken to enhance effective asset disposal procedure. (4 marks)

SECTION B: (60 MARKS)**Answer question 11 and any other two questions**

Kings technical training institute has been facing a major problem in managing obsolete, unserviceable assets. Disposal is thus one of the prudent elements of managing procurement supply and distribution in any sector. It is estimated that inefficiencies in the institute has been rampant. This is due to poor procurement and disposal planning. The procurement function of the organization has prepared a list of items proposed for disposal at the end of the financial year.

11.

- a. Explain FIVE methods of asset disposal the organization will use to dispose off its unwanted materials. (10 Marks)
- b. Discuss FIVE importance that will accrue to an organization in preparing an annual asset disposal plan. (10 Marks)

12.

- a. Public entities constitute various committees for the purposes of achieving its organizational goals. Highlight FIVE functions of a disposal committee. (10 Marks)
- b. An organization should ensure health and safety of all those participating in asset disposal. Discuss FIVE measures the organization should put in place to enhance safety of the store's personnel in its operations. (10 Marks)

13.

- a. Procurement function is a critical area of concern for many stakeholders in an organization. Explain FIVE reasons for keeping procurement records. (10 Marks)
- b. Reports are generated for various functions in an organization. Discuss FIVE contents of a disposal committee report. (10 Marks)

14.

- a. Public procurement and disposal act 2015 and its regulation 2020 stipulates the procedures to be followed when tendering disposal of assets. Discuss the procedures the organization will follow when disposing the unwanted materials. (10 Marks)
- b. Organizations produce wastes in their day- to -day operations. Highlight FIVE consequences of waste to the environment. (10 Marks)