EXAMINATIONS OF DECEMBER 2013

CODE AND NAME OF COURSE: PTMT6006 – CONTRACT MANAGEMENT AND PROCUREMENT

DATE AND TIME: DURATION: 3 Hours

INSTRUCTIONS TO CANDIDATES: This paper has 3 pages and 31 questions.

This exam consists of three (3) sections. Answer all questions. Where appropriate substantiate your answers with examples. The score for each answer is provided in brackets after each question. This examination is worth 60% of your total course grade. Best wishes!

Section 1 – Procurement

1. What are the PMBOK® Guide processes of Project Procurement Management? Briefly describe each process in sequence. (6)

2. What is the Make-or-Buy analysis conducted by the project team during the procurement planning stage? (3)

3. Distinguish private from public procurement. (5)

4. What is the key information an advertisement for invitation to bid should contain? (5)

5. What are the objectives of the prequalification process from the point of view of both the bidder and the borrower? (6)

6. What is the role of Terms of Reference in the engagement of consultants? List five components that should be addressed. (5)

7. Describe the pre-bid (bidders’) conference that forms part of the competitive bidding process. Why is it important? (5)

8. Compare the QCBS and QBS techniques used to evaluate proposals. (5)

9. Referring to one jurisdiction in the Caribbean, discuss the regulatory framework for procurement. (7)

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10. What are the main methods of procurement? Which methods are favoured by International Financial Institutions (IFIs)? Which methods are best suited for Caribbean-based project managers and why?

11. Specifying one jurisdiction in the Caribbean, state the legal position regarding bids. Citing relevant case law and legislation, indicate what recourse an aggrieved bidder has within the public procurement domain.

12. Discuss the main challenges confronting the Caribbean procurement industry making recommendations for improvements.

13. Specifically discuss the merits and demerits of a joint regional bidding & bonding facility to help small firms overcome the abovementioned challenges.

Section 2 - Contracts and Legal Aspects of Project Procurement

14. What are the main duties owed by the respective parties to an agency agreement?

15. What are the elements of a valid legal contract?

16. Distinguish each type of contract recommended by the PMBOK® Guide stating advantages, disadvantages and examples for which each would be appropriate. Indicate which type of contract is likely to be preferred by the buyer and the seller considering risk.

17. State the inputs and outputs in the Plan Contracting process according to the PMBOK® Guide?

18. What is the contract statement of work and what is its relationship to the project scope statement?

19. Discuss the 5Ps of Contract Management discussed in class.

20. How should change be controlled during contract administration?

21. What are the main methods of dispute resolution?
Section 3 – Disbursements

Indicate whether these statements are "true" or "false"

22. The CDB finances public sector and private sector projects related directly to economic development in its Borrowing Member Countries (BMCs).

23. Before a loan is granted by the CDB, the applicant must submit an adequate loan proposal and the President of the CDB must present a written report and recommendation to the Board of Directors.

24. Efficiency and economy are not the paramount considerations when carrying out the purposes of a loan made by the CDB.

25. Withdrawals from the loan account may be used to meet any specified expenditures.

26. When a loan agreement becomes effective, the CDB pays the entire amount of the loan to the Borrower.

27. Where borrowers are financial intermediaries the Bank grants "floats" of no more than 20% of the unwithdrawn balance of the loan.

28. Specific conditions precedent include signature of the loan agreement, a legal opinion that the loan agreement complies with national laws and is properly signed, and designation of authorised persons for signature of withdrawal applications.

29. The authorised representative may be a person, combination of persons or specific designation.

30. CDB withdrawal procedures include applications for reimbursement, direct payment, a float, local letter of credit and commercial letter of credit.

31. Foreign exchange risk is borne by the Borrower and the CDB.

END OF EXAMINATION PAPER

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