

PRACTICE EXAM 12 — QUESTIONS 1-50

Format: Matching Questions — each item presents three terms or concepts (1, 2, 3) alongside three descriptions, definitions, or characteristics (X, Y, Z). Select the answer option that correctly matches all three pairings.

1. Match each contract pricing type to its description:

Items: 1. Lump sum contract 2. Unit-price contract 3. Cost-plus contract

Descriptions: X. Fixed total price for defined scope of work Y. Owner reimburses actual costs plus a fee Z. Pricing based on quantities multiplied by unit rates

- A. 1-X, 2-Z, 3-Y
- B. 1-X, 2-Y, 3-Z
- C. 1-Z, 2-X, 3-Y
- D. 1-Y, 2-Z, 3-X

2. Match each statutory deadline to its rule:

Items: 1. SC mechanic's lien filing 2. SC mechanic's lien enforcement 3. NESHAP asbestos notification

Descriptions: X. 10 working days before regulated work begins Y. 90 days from last work or material delivery Z. 6 months from filing date

- A. 1-Z, 2-Y, 3-X
- B. 1-Y, 2-Z, 3-X
- C. 1-X, 2-Y, 3-Z

D. 1-Y, 2-X, 3-Z

3. Match each surety bond type to its purpose:

Items: 1. Bid bond 2. Performance bond 3. Payment bond

Descriptions: X. Protects owner if contractor fails to complete the work Y. Protects subs and suppliers from non-payment by contractor Z. Commits the bidder to enter the contract if awarded

A. 1-Z, 2-X, 3-Y

B. 1-X, 2-Y, 3-Z

C. 1-Y, 2-Z, 3-X

D. 1-Z, 2-Y, 3-X

4. Match each scheduling concept to its definition:

Items: 1. Critical path 2. Total float 3. Free float

Descriptions: X. Time an activity can be delayed without delaying its successor Y. Longest sequence of dependent activities through the network Z. Time an activity can be delayed without delaying project completion

A. 1-Y, 2-X, 3-Z

B. 1-Y, 2-Z, 3-X

C. 1-X, 2-Z, 3-Y

D. 1-Z, 2-Y, 3-X

5. Match each IRS tax form to its function:

Items: 1. Form 941 2. Form 1099-NEC 3. Form W-2

Descriptions: X. Annual employee wage and tax statement Y. Quarterly federal payroll tax report Z. Independent contractor payment reporting

- A. 1-X, 2-Y, 3-Z
- B. 1-Z, 2-X, 3-Y
- C. 1-Y, 2-Z, 3-X
- D. 1-Y, 2-X, 3-Z

6. Match each insurance coverage to what it protects:

Items: 1. Builder's risk 2. Commercial general liability 3. Workers compensation

Descriptions: X. Third-party bodily injury and property damage Y. Project itself — materials and work-in-place Z. Worker injuries occurring on the job

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-X, 3-Z
- C. 1-Y, 2-Z, 3-X
- D. 1-Z, 2-X, 3-Y

7. Match each bid component to its description:

Items: 1. Direct cost 2. Overhead 3. Profit

Descriptions: X. Office rent, executive salaries, and home-office expenses Y. Firm's earnings retained on the project after costs Z. On-site labor, materials, and equipment for the work

- A. 1-X, 2-Y, 3-Z
- B. 1-Z, 2-Y, 3-X
- C. 1-Y, 2-Z, 3-X
- D. 1-Z, 2-X, 3-Y

8. Match each AIA document to its title:

Items: 1. AIA A201 2. AIA A101 3. AIA G702

Descriptions: X. Standard Form of Agreement Between Owner and Contractor Y. General Conditions of the Contract for Construction Z. Application and Certificate for Payment

A. 1-X, 2-Y, 3-Z

B. 1-Z, 2-X, 3-Y

C. 1-Y, 2-X, 3-Z

D. 1-Y, 2-Z, 3-X

9. Match each labor compliance document or program to its function:

Items: 1. Form I-9 2. E-Verify 3. Form W-4

Descriptions: X. Employment eligibility verification document Y. Federal online employment authorization confirmation Z. Employee's withholding allowance certificate

A. 1-X, 2-Y, 3-Z

B. 1-Y, 2-X, 3-Z

C. 1-Z, 2-X, 3-Y

D. 1-X, 2-Z, 3-Y

10. Match each markup applied to cost with its corresponding sale-price margin:

Items: 1. 20 percent markup on cost 2. 25 percent markup on cost 3. 100 percent markup on cost

Descriptions: X. Yields 50 percent margin on sale price Y. Yields 16.67 percent margin on sale price Z. Yields 20 percent margin on sale price

A. 1-X, 2-Y, 3-Z

B. 1-Z, 2-Y, 3-X

C. 1-Y, 2-Z, 3-X

D. 1-Y, 2-X, 3-Z

11. Match each contract termination type to its description:

Items: 1. Termination for cause 2. Termination for convenience 3. Termination for default by surety

Descriptions: X. Owner ends contract without contractor fault, typically with compensation Y. Surety steps in following contractor failure to perform Z. Owner ends contract due to contractor's material breach after notice

A. 1-X, 2-Z, 3-Y

B. 1-Z, 2-X, 3-Y

C. 1-Z, 2-Y, 3-X

D. 1-Y, 2-X, 3-Z

12. Match each accounting method to its revenue recognition rule:

Items: 1. Cash basis 2. Accrual basis 3. Percentage-of-completion

Descriptions: X. Revenue recognized when earned regardless of cash receipt Y. Revenue recognized based on costs incurred relative to total estimated cost Z. Revenue recognized when cash is received

A. 1-X, 2-Y, 3-Z

B. 1-Y, 2-Z, 3-X

C. 1-Z, 2-X, 3-Y

D. 1-Z, 2-Y, 3-X

13. Match each schedule technique to its meaning:

Items: 1. Crashing 2. Fast-tracking 3. Resource leveling

Descriptions: X. Smoothing resource demand across the schedule timeline Y. Overlapping sequential phases to compress overall duration Z. Adding resources to critical activities to shorten duration

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-X, 3-Y
- D. 1-Z, 2-Y, 3-X

14. Match each SC lien-process instrument to its function:

Items: 1. Statement of Account and Lien 2. Lien release bond 3. Notice of suit

Descriptions: X. Owner's mechanism to clear title from a recorded lien Y. Initiation of enforcement litigation by the lienor Z. Instrument filed with the county clerk to perfect the lien

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-Y, 3-X
- D. 1-Z, 2-X, 3-Y

15. Match each tax rate to its value:

Items: 1. FICA combined (employee + employer) 2. FUTA net effective rate 3. SC top-bracket state income tax

Descriptions: X. Approximately 7 percent at top bracket Y. 0.6 percent on first \$7,000 of wages Z. 15.3 percent on covered wages combined

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-Y, 3-X
- D. 1-Z, 2-X, 3-Y

16. Match each contract payment concept to its description:

Items: 1. Retainage 2. Pay-when-paid clause 3. Lien waiver

Descriptions: X. Portion of each payment withheld until completion Y. Subcontractor's release of lien rights for amounts received Z. Timing condition tying sub payment to GC's receipt from owner

A. 1-X, 2-Z, 3-Y

B. 1-X, 2-Y, 3-Z

C. 1-Z, 2-X, 3-Y

D. 1-Y, 2-X, 3-Z

17. Match each environmental regulatory program to its scope:

Items: 1. NESHAP 2. NPDES 3. RCRA

Descriptions: X. National asbestos abatement notification requirements Y. Hazardous waste tracking and disposal regulations Z. Stormwater discharge permitting program

A. 1-X, 2-Z, 3-Y

B. 1-Z, 2-X, 3-Y

C. 1-X, 2-Y, 3-Z

D. 1-Y, 2-Z, 3-X

18. Match each construction item to the typical takeoff unit:

Items: 1. Concrete slabs 2. Reinforcing steel 3. Electrical conduit

Descriptions: X. Linear feet (LF) Y. Cubic yards (CY) Z. Pounds or tons

A. 1-X, 2-Z, 3-Y

B. 1-Y, 2-Z, 3-X

- C. 1-Y, 2-X, 3-Z
- D. 1-Z, 2-Y, 3-X

19. Match each financial ratio to its formula:

Items: 1. Current ratio 2. Quick ratio 3. Debt-to-equity ratio

Descriptions: X. Total debt divided by total equity Y. Current assets divided by current liabilities Z. Current assets minus inventory, divided by current liabilities

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-X, 3-Z
- C. 1-Y, 2-Z, 3-X
- D. 1-Z, 2-Y, 3-X

20. Match each damage category to its definition:

Items: 1. Liquidated damages 2. Actual damages 3. Consequential damages

Descriptions: X. Pre-stipulated daily amount for late completion Y. Indirect losses such as lost profits or business interruption Z. Out-of-pocket costs proven by the harmed party

- A. 1-X, 2-Z, 3-Y
- B. 1-Z, 2-X, 3-Y
- C. 1-Y, 2-Z, 3-X
- D. 1-X, 2-Y, 3-Z

21. Match each scheduling calculation to its purpose:

Items: 1. PERT formula 2. Forward pass 3. Backward pass

Descriptions: X. Calculates earliest start and finish dates Y. Calculates latest start and finish dates Z. Weighted $(O + 4M + P) \div 6$ duration estimate

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-X, 3-Z
- C. 1-Z, 2-Y, 3-X
- D. 1-Z, 2-X, 3-Y

22. Match each procurement bid type to its description:

Items: 1. Open bid 2. Sealed bid 3. Negotiated bid

Descriptions: X. Bids submitted confidentially and opened publicly at deadline Y. Direct negotiation with selected contractor, no competing bids Z. Bids accepted and reviewed on a rolling basis without deadline

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-X, 3-Y
- D. 1-Z, 2-Y, 3-X

23. Match each dispute resolution method to its description:

Items: 1. Mediation 2. Arbitration 3. Litigation

Descriptions: X. Non-binding facilitated negotiation by a neutral party Y. Binding adjudication by one or more chosen arbitrators Z. Court-based resolution following civil procedure rules

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-X, 3-Z
- C. 1-Z, 2-X, 3-Y
- D. 1-X, 2-Z, 3-Y

24. Match each labor compliance threshold to its rule:

Items: 1. FLSA overtime threshold 2. SC E-Verify requirement 3. SC WC threshold

Descriptions: X. All employers regardless of size Y. Four or more employees Z. Hours worked over 40 in a single workweek

A. 1-Y, 2-X, 3-Z

B. 1-X, 2-Y, 3-Z

C. 1-Z, 2-Y, 3-X

D. 1-Z, 2-X, 3-Y

25. Match each filing deadline to its date:

Items: 1. Form 941 (Q1 ending March 31) 2. Form 1099-NEC 3. SC income tax return (calendar-year filer)

Descriptions: X. April 30 of the same year Y. May 1 of the following year Z. January 31 of the following year

A. 1-X, 2-Z, 3-Y

B. 1-Z, 2-X, 3-Y

C. 1-X, 2-Y, 3-Z

D. 1-Y, 2-Z, 3-X

26. Match each subcontract clause to its function:

Items: 1. Flow-down clause 2. Pay-if-paid clause 3. Indemnification clause

Descriptions: X. Risk transfer of one party's liability to another Y. Condition precedent making owner payment a prerequisite to sub payment Z. Binds the sub to terms of the prime contract

A. 1-X, 2-Y, 3-Z

- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-Y, 3-X
- D. 1-Y, 2-X, 3-Z

27. Match each cost category to its description:

Items: 1. Hard costs 2. Soft costs 3. Contingency

Descriptions: X. Set-aside for normal estimating uncertainty Y. Direct physical construction costs (materials, labor, equipment) Z. Architect fees, permits, insurance, financing

- A. 1-Z, 2-Y, 3-X
- B. 1-Y, 2-Z, 3-X
- C. 1-Y, 2-X, 3-Z
- D. 1-X, 2-Z, 3-Y

28. Match each project document to its function:

Items: 1. Schedule of values 2. Daily report 3. Punch list

Descriptions: X. Daily record of weather, manpower, and work performed Y. Breakdown of contract price into pay line items Z. List of remaining incomplete or defective items at substantial completion

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-X, 3-Z
- C. 1-Z, 2-X, 3-Y
- D. 1-Y, 2-Z, 3-X

29. Match each lien participant to its role:

Items: 1. Lienor 2. Lienee 3. Surety

Descriptions: X. Issuer of a bond that may substitute for the property Y. Party against whose property the lien is recorded Z. Party who files the lien to secure payment

- A. 1-X, 2-Z, 3-Y
- B. 1-Y, 2-X, 3-Z
- C. 1-Z, 2-Y, 3-X
- D. 1-Z, 2-X, 3-Y

30. Match each pricing concept to its formula or definition:

Items: 1. Cost 2. Markup 3. Margin

Descriptions: X. Profit divided by sale price Y. Profit divided by cost Z. Total expenses required to produce the work

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-Y, 3-X
- D. 1-Z, 2-X, 3-Y

31. Match each contract change document to its function:

Items: 1. RFI 2. Change order 3. Construction change directive

Descriptions: X. Owner-issued unilateral instruction to proceed with a change Y. Bilateral signed modification to scope, price, or time Z. Written request to clarify the contract documents

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-X, 3-Y
- D. 1-Z, 2-Y, 3-X

32. Match each tax type to its trigger:

Items: 1. Sales tax 2. Use tax 3. Property tax

Descriptions: X. Collected by SC seller at point of in-state sale Y. Annual tax on real and personal property values Z. Self-reported by buyer on out-of-state purchases

A. 1-X, 2-Z, 3-Y

B. 1-Z, 2-X, 3-Y

C. 1-Y, 2-X, 3-Z

D. 1-X, 2-Y, 3-Z

33. Match each bond participant to its role:

Items: 1. Surety 2. Principal 3. Obligee

Descriptions: X. The contractor whose performance is bonded Y. Party protected by the bond (typically the owner) Z. Bond issuer guaranteeing the principal's obligation

A. 1-X, 2-Y, 3-Z

B. 1-X, 2-Z, 3-Y

C. 1-Z, 2-X, 3-Y

D. 1-Y, 2-Z, 3-X

34. Match each closeout deliverable to its description:

Items: 1. As-built drawings 2. O&M manuals 3. Final lien waivers

Descriptions: X. Records confirming subs and suppliers have been paid Y. Field-marked drawings reflecting actual constructed conditions Z. Operation and maintenance documentation for installed systems

A. 1-X, 2-Y, 3-Z

- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-X, 3-Y
- D. 1-Y, 2-X, 3-Z

35. Match each environmental permit or notification to its threshold or timing:

Items: 1. Construction General Permit 2. NESHAP asbestos notification 3. Notice of Termination (CGP)

Descriptions: X. Filed upon final site stabilization Y. 1 acre or more of site disturbance Z. 10 working days before regulated abatement begins

- A. 1-X, 2-Y, 3-Z
- B. 1-Z, 2-X, 3-Y
- C. 1-Y, 2-X, 3-Z
- D. 1-Y, 2-Z, 3-X

36. Match each WIP report position to its definition:

Items: 1. Overbilled 2. Underbilled 3. At par

Descriptions: X. Billed amount equals earned revenue exactly Y. Earned revenue exceeds billed amount Z. Billed amount exceeds earned revenue

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-X, 3-Y
- D. 1-Z, 2-Y, 3-X

37. Match each contractual notice or compliance deadline to its window:

Items: 1. AIA A201 claim notice 2. Differing site condition notice 3. I-9 Section 2 completion

Descriptions: X. Within 21 days of the event Y. Within 3 business days of the start date Z. Before disturbing the encountered condition

- A. 1-X, 2-Z, 3-Y
- B. 1-Z, 2-X, 3-Y
- C. 1-X, 2-Y, 3-Z
- D. 1-Y, 2-X, 3-Z

38. Match each financial instrument to its typical percentage:

Items: 1. Typical bid bond 2. Typical performance bond 3. Typical retainage

Descriptions: X. 100 percent of contract value Y. 5 to 10 percent of contract amount per pay application Z. 5 to 10 percent of bid price

- A. 1-X, 2-Y, 3-Z
- B. 1-Z, 2-X, 3-Y
- C. 1-Y, 2-X, 3-Z
- D. 1-Z, 2-Y, 3-X

39. Match each payroll tax component to its rate:

Items: 1. Social Security (employer portion) 2. Medicare (employer portion) 3. FUTA (gross rate before state credit)

Descriptions: X. 6.0 percent on first \$7,000 of wages Y. 6.2 percent of wages Z. 1.45 percent of wages

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-Y, 3-X
- D. 1-Y, 2-X, 3-Z

40. Match each SC mechanic's lien filing element to its description:

Items: 1. Statement of Account 2. Property description 3. County of filing

Descriptions: X. Required identification of the real property subject to lien Y. County clerk where the real property is physically located Z. Required statement of amount owed and supporting basis

A. 1-X, 2-Y, 3-Z

B. 1-Y, 2-Z, 3-X

C. 1-Z, 2-X, 3-Y

D. 1-Z, 2-Y, 3-X

41. Match each financial statement to its content:

Items: 1. Balance sheet 2. Income statement 3. Cash flow statement

Descriptions: X. Revenue and expenses over a period of time Y. Sources and uses of cash over a period Z. Assets, liabilities, and equity at a point in time

A. 1-X, 2-Z, 3-Y

B. 1-Z, 2-X, 3-Y

C. 1-Y, 2-Z, 3-X

D. 1-Z, 2-Y, 3-X

42. Match each SC statute of limitations to its window:

Items: 1. SC contract (written or oral) 2. SC fraud claim 3. SC mechanic's lien enforcement

Descriptions: X. 6 months from filing Y. 3 years from accrual Z. 3 years from discovery

A. 1-X, 2-Y, 3-Z

B. 1-Y, 2-X, 3-Z

- C. 1-Z, 2-X, 3-Y
- D. 1-Y, 2-Z, 3-X

43. Match each pricing calculation to its result on \$1,000,000 of cost:

Items: 1. $\$1,000,000 \times 1.20$ 2. $\$1,000,000 \times 1.25$ 3. $\$1,000,000 \times 1.10$

Descriptions: X. \$1,100,000 Y. \$1,250,000 Z. \$1,200,000

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-X, 2-Z, 3-Y
- D. 1-Z, 2-Y, 3-X

44. Match each project milestone to its meaning:

Items: 1. Notice to Proceed 2. Substantial Completion 3. Final Completion

Descriptions: X. Project sufficiently complete for owner's beneficial use Y. Owner's authorization for contractor to begin work Z. All punch list items finished and all closeout deliverables received

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-X, 3-Z
- C. 1-Z, 2-X, 3-Y
- D. 1-Y, 2-Z, 3-X

45. Match each insurance party to its policy role:

Items: 1. CGL named insured 2. Builder's risk named insured 3. Additional insured

Descriptions: X. Owner and contractor (sometimes designer) jointly Y. Contractor as policyholder for its own operations Z. Party added to another's policy by endorsement

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-X, 3-Z
- C. 1-Z, 2-X, 3-Y
- D. 1-Y, 2-Z, 3-X

46. Match each business entity type to its key feature:

Items: 1. Sole proprietorship 2. LLC 3. C corporation

Descriptions: X. Default partnership taxation with limited liability shield Y. Personal liability for all business obligations Z. Corporate-level taxation with double taxation on dividends

- A. 1-Y, 2-X, 3-Z
- B. 1-X, 2-Y, 3-Z
- C. 1-Z, 2-X, 3-Y
- D. 1-Y, 2-Z, 3-X

47. Match each SC commercial license group to its single-project monetary limit:

Items: 1. Group 1 2. Group 3 3. Group 5

Descriptions: X. \$750,000 single project limit Y. Unlimited single project limit Z. \$100,000 single project limit

- A. 1-X, 2-Y, 3-Z
- B. 1-Y, 2-Z, 3-X
- C. 1-Z, 2-Y, 3-X
- D. 1-Z, 2-X, 3-Y

48. Match each surety underwriting factor (Three C's) to its description:

Items: 1. Capital 2. Capacity 3. Character

Descriptions: X. Financial strength of the contractor Y. Integrity, track record, and management reputation Z. Ability to perform the work technically and operationally

A. 1-X, 2-Z, 3-Y

B. 1-Y, 2-X, 3-Z

C. 1-Z, 2-X, 3-Y

D. 1-X, 2-Y, 3-Z

49. Match each OSHA reference to its scope:

Items: 1. OSHA 29 CFR 1910 2. OSHA 29 CFR 1926 3. OSHA Form 300A

Descriptions: X. Construction industry standards Y. Annual injury summary posted at the workplace Z. General industry standards

A. 1-X, 2-Z, 3-Y

B. 1-Z, 2-Y, 3-X

C. 1-Y, 2-X, 3-Z

D. 1-Z, 2-X, 3-Y

50. Match each SC license type to its issuing body or scope:

Items: 1. SC commercial GC license 2. SC residential builder license 3. SC mechanical contractor license

Descriptions: X. Issued by the SC Residential Builders Commission Y. Required for HVAC and plumbing work over the statutory threshold Z. Issued by the SC Contractor's Licensing Board for commercial general work

A. 1-X, 2-Y, 3-Z

B. 1-Y, 2-Z, 3-X

C. 1-Z, 2-Y, 3-X

D. 1-Z, 2-X, 3-Y

PRACTICE EXAM 12: ANSWER KEY AND EXPLANATIONS

1. A — 1-X, 2-Z, 3-Y. Lump sum contracts fix a total price for defined scope (1-X); unit-price contracts price work as quantity × unit rate when quantities are uncertain at bid time (2-Z); cost-plus contracts reimburse actual costs plus a fee, transferring quantity and productivity risk to the owner (3-Y). The three structures allocate risk differently between owner and contractor.

2. B — 1-Y, 2-Z, 3-X. SC mechanic's liens must be filed within 90 days of last work or material delivery (1-Y); enforcement suit must commence within 6 months of the filing date (2-Z); NESHAP requires asbestos notification 10 working days before regulated abatement begins (3-X). All three deadlines are strict and missing any one extinguishes the right.

3. A — 1-Z, 2-X, 3-Y. Bid bonds commit the bidder to enter the contract if awarded (1-Z); performance bonds protect the owner if the contractor fails to complete the work (2-X); payment bonds protect subs and suppliers from non-payment by the contractor (3-Y). The three bond types cover distinct project-lifecycle risks.

4. B — 1-Y, 2-Z, 3-X. The critical path is the longest sequence of dependent activities through the network (1-Y); total float is the time an activity can be delayed without delaying project completion (2-Z); free float is the time an activity can be delayed without delaying its immediate successor (3-X). Activities on the critical path have zero of both.

5. C — 1-Y, 2-Z, 3-X. Form 941 is the quarterly federal payroll tax report (1-Y); Form 1099-NEC reports payments to independent contractors (2-Z); Form W-2 is the annual employee wage and tax statement (3-X). Each form has a distinct reporting purpose, deadline, and recipient.

6. B — 1-Y, 2-X, 3-Z. Builder's risk covers the project itself — materials and work-in-place — against physical loss (1-Y); CGL covers third-party bodily injury and property damage caused by operations (2-X); workers compensation covers worker injuries occurring on the job (3-Z). These three coverages address three distinct risk categories.

7. D — 1-Z, 2-X, 3-Y. Direct costs are on-site labor, materials, and equipment for the work (1-Z); overhead includes office rent, executive salaries, and home-office expenses (2-X); profit is the firm's earnings retained on the project after costs (3-Y). Each category requires distinct treatment in bid pricing.

8. C — 1-Y, 2-X, 3-Z. AIA A201 is the General Conditions of the Contract for Construction (1-Y); AIA A101 is the Standard Form of Agreement Between Owner and Contractor (2-X); AIA G702 is the Application and Certificate for Payment (3-Z). The three documents form the standard core of an AIA contract package.

9. A — 1-X, 2-Y, 3-Z. Form I-9 is the federal employment eligibility verification document (1-X); E-Verify is the federal online employment authorization confirmation system (2-Y); Form W-4 is the

employee's withholding allowance certificate (3-Z). All three documents must be addressed at new-hire onboarding.

10. C — 1-Y, 2-Z, 3-X. A 20 percent markup on cost yields a 16.67 percent margin ($\$100 \times 1.20 = \120 ; $20/120 = 16.67\%$) (1-Y); 25 percent markup yields 20 percent margin ($\$100 \times 1.25 = \125 ; $25/125 = 20\%$) (2-Z); 100 percent markup yields 50 percent margin ($\$100 \times 2 = \200 ; $100/200 = 50\%$) (3-X).

11. B — 1-Z, 2-X, 3-Y. Termination for cause ends the contract due to contractor's material breach after notice (1-Z); termination for convenience ends the contract without contractor fault, typically with compensation to the contractor (2-X); termination for default by surety means the surety steps in after contractor failure to perform (3-Y). The three pathways have distinct triggers and remedies.

12. C — 1-Z, 2-X, 3-Y. Cash basis recognizes revenue when cash is received (1-Z); accrual basis recognizes revenue when earned regardless of cash receipt (2-X); percentage-of-completion recognizes revenue based on costs incurred relative to total estimated cost (3-Y). POC is the standard method for long-term construction contracts.

13. D — 1-Z, 2-Y, 3-X. Crashing adds resources to critical activities to shorten duration (1-Z); fast-tracking overlaps sequential phases (design and construction) to compress overall duration (2-Y); resource leveling smooths resource demand across the schedule timeline (3-X). The three techniques address different scheduling objectives.

14. D — 1-Z, 2-X, 3-Y. The Statement of Account and Lien is the instrument filed with the county clerk to perfect the lien (1-Z); a lien release bond is the owner's mechanism to clear title from a recorded lien (2-X); notice of suit initiates enforcement litigation by the lienor (3-Y). These three instruments span the lien process from filing through resolution.

15. C — 1-Z, 2-Y, 3-X. FICA combined is 15.3 percent on covered wages (employee 7.65% + employer 7.65%) (1-Z); FUTA net effective rate is 0.6 percent on the first \$7,000 of wages after the standard state credit (2-Y); SC top-bracket state income tax has historically been approximately 7 percent (3-X). The three rates are the principal payroll-related tax loadings.

16. A — 1-X, 2-Z, 3-Y. Retainage is the portion of each payment withheld until completion (1-X); a pay-when-paid clause ties sub payment timing to the GC's receipt from the owner (2-Z); a lien waiver is the subcontractor's release of lien rights for amounts received (3-Y). Each provision shapes the cash flow architecture of construction payments.

17. A — 1-X, 2-Z, 3-Y. NESHAP covers national asbestos abatement notification requirements (1-X); NPDES is the federal stormwater discharge permitting program under the Clean Water Act (2-Z); RCRA governs hazardous waste tracking and disposal regulations (3-Y). Each program addresses a different environmental compliance domain.

18. B — 1-Y, 2-Z, 3-X. Concrete slabs are measured in cubic yards (CY) (1-Y); reinforcing steel is measured in pounds or tons (LB or TN) (2-Z); electrical conduit is measured in linear feet (LF) (3-X). Standardized takeoff units ensure consistent pricing across estimators and trades.

19. C — 1-Y, 2-Z, 3-X. The current ratio equals current assets ÷ current liabilities (1-Y); the quick ratio excludes inventory: (current assets – inventory) ÷ current liabilities (2-Z); the debt-to-equity ratio equals total debt ÷ total equity (3-X). Each ratio measures a distinct dimension of financial health.

20. A — 1-X, 2-Z, 3-Y. Liquidated damages are a pre-stipulated daily amount for late completion (1-X); actual damages are out-of-pocket costs proven by the harmed party (2-Z); consequential damages cover indirect losses such as lost profits or business interruption (3-Y). Construction contracts often waive consequential damages by mutual agreement.

21. D — 1-Z, 2-X, 3-Y. PERT is the weighted $(O + 4M + P) \div 6$ duration estimate (1-Z); the forward pass calculates earliest start and finish dates (2-X); the backward pass calculates latest start and finish dates (3-Y). Total float emerges from the difference between forward and backward pass dates.

22. C — 1-Z, 2-X, 3-Y. Open bids are accepted and reviewed on a rolling basis without a fixed deadline (1-Z); sealed bids are submitted confidentially and opened publicly at the deadline (2-X); negotiated bids involve direct negotiation with a selected contractor without competing bids (3-Y). Public projects typically require sealed bids for transparency.

23. A — 1-X, 2-Y, 3-Z. Mediation is non-binding facilitated negotiation by a neutral party (1-X); arbitration is binding adjudication by one or more chosen arbitrators (2-Y); litigation is court-based resolution following civil procedure rules (3-Z). AIA A201 typically requires mediation as a condition precedent to arbitration or litigation.

24. D — 1-Z, 2-X, 3-Y. The FLSA overtime threshold is hours worked over 40 in a single workweek (1-Z); SC E-Verify applies to all employers regardless of size (2-X); SC WC coverage is required at four or more employees (3-Y). Each compliance threshold operates independently of the others.

25. A — 1-X, 2-Z, 3-Y. Form 941 for the quarter ending March 31 is due April 30 of the same year (1-X); Form 1099-NEC is due January 31 of the following year (2-Z); SC income tax return for a calendar-year filer is due in the following calendar year (3-Y). Each deadline reflects distinct federal and state filing requirements.

26. C — 1-Z, 2-Y, 3-X. A flow-down clause binds the sub to terms of the prime contract (1-Z); a pay-if-paid clause makes owner payment a condition precedent to sub payment (2-Y); an indemnification clause transfers one party's liability to another (3-X). Each clause shifts risk in a different way.

27. B — 1-Y, 2-Z, 3-X. Hard costs are direct physical construction costs — materials, labor, equipment (1-Y); soft costs are architect fees, permits, insurance, and financing (2-Z); contingency is a set-aside for normal estimating uncertainty (3-X). All three are budgeted distinctly in development pro formas.

28. B — 1-Y, 2-X, 3-Z. The schedule of values is the breakdown of contract price into pay line items (1-Y); the daily report is a daily record of weather, manpower, and work performed (2-X); the punch list is the list of remaining incomplete or defective items at substantial completion (3-Z). Each document serves a distinct project-management function.

29. C — 1-Z, 2-Y, 3-X. The lienor is the party who files the lien to secure payment (1-Z); the lienee is the party against whose property the lien is recorded (2-Y); the surety is the issuer of a bond that may substitute for the property (3-X). These three roles parallel creditor, debtor, and guarantor in standard credit terminology.

30. C — 1-Z, 2-Y, 3-X. Cost is the total expenses required to produce the work (1-Z); markup is profit ÷ cost (2-Y); margin is profit ÷ sale price (3-X). Markup and margin are mathematically distinct, and confusing them is a common contractor pricing error.

31. D — 1-Z, 2-Y, 3-X. An RFI is a written request to clarify the contract documents (1-Z); a change order is a bilateral signed modification to scope, price, or time (2-Y); a construction change directive is an owner-issued unilateral instruction to proceed with a change pending price agreement (3-X). The CCD enables work to begin before final pricing is negotiated.

32. A — 1-X, 2-Z, 3-Y. SC sales tax is collected by the SC seller at the point of in-state sale (1-X); SC use tax is self-reported by the buyer on out-of-state purchases when SC sales tax was not collected at the source (2-Z); property tax is an annual tax on real and personal property values (3-Y). Each tax operates on distinct triggers and bases.

33. C — 1-Z, 2-X, 3-Y. The surety is the bond issuer guaranteeing the principal's obligation (1-Z); the principal is the contractor whose performance is bonded (2-X); the obligee is the party protected by the bond, typically the owner (3-Y). The three-party structure is foundational to all surety bonds.

34. B — 1-Y, 2-Z, 3-X. As-built drawings are field-marked drawings reflecting actual constructed conditions (1-Y); O&M manuals provide operation and maintenance documentation for installed systems (2-Z); final lien waivers are records confirming subs and suppliers have been paid (3-X). All three are standard closeout deliverables required for owner acceptance.

35. D — 1-Y, 2-Z, 3-X. The Construction General Permit applies to construction sites disturbing 1 acre or more (1-Y); NESHAP asbestos notification must be submitted 10 working days before regulated abatement begins (2-Z); the Notice of Termination is filed upon final site stabilization (3-X). All three are required environmental compliance milestones.

36. D — 1-Z, 2-Y, 3-X. Overbilled means the billed amount exceeds earned revenue (1-Z); underbilled means earned revenue exceeds billed amount (2-Y); at par means billed amount equals earned revenue exactly (3-X). The WIP report quantifies each position for accurate financial reporting and cash management.

37. A — 1-X, 2-Z, 3-Y. AIA A201 claim notice is required within 21 days of the event (1-X); differing site condition notice must be given before the encountered condition is disturbed (2-Z); I-9 Section 2 must be completed within 3 business days of the start date (3-Y). Each deadline operates independently and can be waived only at the contractor's risk.

38. B — 1-Z, 2-X, 3-Y. Bid bonds are typically 5 to 10 percent of the bid price (1-Z); performance bonds are typically 100 percent of contract value (2-X); retainage is typically 5 to 10 percent of contract amount

per pay application (3-Y). These three percentages are industry standards on most commercial construction projects.

39. B — 1-Y, 2-Z, 3-X. Social Security employer share is 6.2 percent of wages (1-Y); Medicare employer share is 1.45 percent of wages (2-Z); FUTA gross rate is 6.0 percent on the first \$7,000 of wages before state credit (3-X). The matching employee contributions for Social Security and Medicare bring the combined FICA rate to 15.3 percent.

40. C — 1-Z, 2-X, 3-Y. The Statement of Account requires identification of the amount owed and supporting basis (1-Z); the property description requires identification of the real property subject to the lien (2-X); the county of filing is the county clerk where the real property is physically located (3-Y). Defects in any element can invalidate the lien.

41. B — 1-Z, 2-X, 3-Y. The balance sheet reports assets, liabilities, and equity at a point in time (1-Z); the income statement reports revenue and expenses over a period of time (2-X); the cash flow statement reports sources and uses of cash over a period (3-Y). The three statements together form the core of GAAP-based financial reporting.

42. D — 1-Y, 2-Z, 3-X. SC contracts (written or oral) have a 3-year statute of limitations running from accrual (1-Y); SC fraud claims run 3 years from discovery (2-Z); SC mechanic's lien enforcement must commence within 6 months from filing (3-X). Each deadline is strict and missing it typically extinguishes the claim.

43. D — 1-Z, 2-Y, 3-X. $\$1,000,000 \times 1.20 = \$1,200,000$ (1-Z); $\$1,000,000 \times 1.25 = \$1,250,000$ (2-Y); $\$1,000,000 \times 1.10 = \$1,100,000$ (3-X). The multipliers reflect 20 percent, 25 percent, and 10 percent markups applied to the base cost.

44. B — 1-Y, 2-X, 3-Z. Notice to Proceed is the owner's authorization for the contractor to begin work (1-Y); substantial completion is when the project is sufficiently complete for the owner's beneficial use (2-X); final completion is the milestone when all punch list items are finished and all closeout deliverables received (3-Z). These three milestones structure the contract timeline.

45. B — 1-Y, 2-X, 3-Z. CGL is typically held by the contractor as named insured for its operations (1-Y); builder's risk typically names both owner and contractor (and sometimes the designer) as named insureds (2-X); additional insureds are parties added to another's policy by endorsement (3-Z). Each insurance relationship serves a distinct risk allocation purpose.

46. A — 1-Y, 2-X, 3-Z. A sole proprietorship leaves the owner personally liable for all business obligations (1-Y); an LLC provides default partnership taxation with a limited liability shield (2-X); a C corporation has corporate-level taxation with double taxation on dividends paid to shareholders (3-Z). Each entity choice involves a distinct tax and liability trade-off.

47. D — 1-Z, 2-X, 3-Y. SC Group 1 commercial license has a \$100,000 single-project limit (1-Z); Group 3 has a \$750,000 single-project limit (2-X); Group 5 has an unlimited single-project limit (3-Y). Contractors must hold the appropriate group classification for the value of work they perform.

48. A — 1-X, 2-Z, 3-Y. Capital refers to the financial strength of the contractor (1-X); capacity refers to the ability to perform the work technically and operationally (2-Z); character refers to integrity, track record, and management reputation (3-Y). Sureties evaluate all three factors in underwriting bonding capacity.

49. D — 1-Z, 2-X, 3-Y. OSHA 29 CFR 1910 governs general industry standards (1-Z); OSHA 29 CFR 1926 governs construction industry standards (2-X); OSHA Form 300A is the annual injury summary posted at the workplace from February 1 through April 30 (3-Y). Construction work falls primarily under 1926, though some 1910 provisions apply by reference.

50. D — 1-Z, 2-X, 3-Y. The SC commercial GC license is issued by the SC Contractor's Licensing Board for commercial general work (1-Z); the SC residential builder license is issued by the SC Residential Builders Commission (2-X); the SC mechanical contractor license is required for HVAC and plumbing work over the statutory threshold (3-Y). Different SC trades and project types fall under different licensing bodies.