1. Suppliers are those organizations or individuals who provide procurement services.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: Organizations or individuals who provide procurement services are referred to as suppliers. Suppliers are also known as vendors, contractors, subcontractors, or sellers.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.506

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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2. While outsourcing, organizations should protect strategic information because it can become vulnerable in the hands of suppliers.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: While outsourcing, organizations should be careful to protect strategic information that could become vulnerable in the hands of suppliers.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.509

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Comprehension

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3. Project procurement management consists primarily of two processes: assessing procurements and controlling procurements.

a. True

b. False

ANSWER: False

RATIONALE: Feedback: There are three main processes in project procurement management. These consist of planning procurement management, conducting procurements, and controlling procurements.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510-511

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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23. A shortage of qualified personnel is one of the main reason that companies outsource. A project may require experts in a particular field for several months and planning for this procurement ensures that the needed services will be available for the project. Which benefit does this characteristic of outsourcing provide an organization?

a. reduces focus on its core business b. increases control over all aspects of projects that suppliers carry out.

c. provides access to specific skills d. reduces dependency on suppliers

ANSWER: c

RATIONALE: Feedback: Organizations can gain access to specific skills and technologies by using outside resources.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.508

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Comprehension

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24. Outsourcing suppliers can often provide economies of scale, especially for hardware and software, that may not be available to the client alone. Which benefit does this offer an organization?

a. reduction in costs b. increased flexibility

c. increased accountability d. access to specific skills

ANSWER: a

RATIONALE: Feedback: Companies can use outsourcing to reduce labor costs on projects by avoiding the costs of hiring, firing, and reassigning people to projects or paying their salaries when they are between projects. Outsourcing suppliers often can provide economies of scale that may not be available to the client alone, especially for hardware and software.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.508

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Comprehension

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25. Most organizations are not in business to provide information technology services, yet many have spent valuable time and resources on information technology functions when they should have instead worked on important competencies such as marketing, customer service, and new product design. Outsourcing helps tackle this problem. Which benefit does outsourcing primarily provide in such a scenario?

a. reduces fixed and recurrent costs b. protects strategic information from being accessible to external suppliers

c. increases accountability even without a written contract d. helps focus on an organizationâ€™s core business

ANSWER: d

RATIONALE: Feedback: By outsourcing many IT functions, employees can focus on jobs that are critical to the success of the organization.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.509

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Comprehension

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26. Outsourcing to provide extra workers during periods of peak workloads can be much more economical than trying to fill entire projects with internal resources. Which advantages does this characteristic of outsourcing provide organizations?

a. offers control over all aspects of projects that suppliers carry out b. provides flexibility

c. shifts accountability from external suppliers to internal staff d. helps avoid any form of dependency on suppliers

ANSWER: b

RATIONALE: Feedback: Outsourcing to provide extra staff during periods of peak workloads can be much more economical than trying to staff entire projects with internal resources. Many companies cite better flexibility in staffing as a key reason for outsourcing.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.509

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Comprehension

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27. What is one drawback of outsourcing?

a. it does not provide access to specific skills or technologies b. it invariably results in an increase in both fixed and recurrent costs

c. it can make an organization become overly dependent on particular suppliers. d. it cannot increase accountability of suppliers through a written contract

ANSWER: c

RATIONALE: Feedback: An organization can become too dependent on particular suppliers. If those suppliers went out of business or lost key personnel, it could cause great damage to a project.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.509

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Comprehension

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28. What is the first step in project procurement management?

a. closing procurement management. b. controlling procurements.

c. conducting procurements. d. planning procurement management.

ANSWER: d

RATIONALE: Feedback: The process of planning procurement management involves determining what to procure and when and how to do it. This is the first step of project procurement management.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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29. In project procurement management, which process involves determining what to procure, when, and how?

a. closing procurements b. controlling procurements

c. conducting procurements d. planning procurement management

ANSWER: d

RATIONALE: Feedback: The process of planning procurement management involves determining what to procure and when and how to do it.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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30. In project procurement management, which process involves obtaining seller responses, selecting sellers, and awarding contracts?

a. conducting procurements b. closing procurements

c. settling contracts d. planning procurement management

ANSWER: a

RATIONALE: Feedback: The process of conducting procurements involves obtaining seller responses, selecting sellers, and awarding contracts.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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31. Outputs of the \_\_\_\_\_ process consist of selected sellers and change requests.

a. closing procurements b. conducting procurements

c. planning procurement management d. controlling procurements

ANSWER: b

RATIONALE: Feedback: Conducting procurements involves obtaining seller responses, selecting sellers, and awarding contracts. Outputs include selected sellers, agreements, change requests, and updates to the project management plan and other project documents.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510-511

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.91 - LO:12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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32. Which process of project procurement management involves managing relationships with sellers, monitoring contract performance, making changes as needed, and closing contracts?

a. negotiating procurements b. settling contracts

c. deciding on the services to procure d. controlling procurements

ANSWER: d

RATIONALE: Feedback: The process of controlling procurements involves managing relationships with sellers, monitoring contract performance, making changes as needed, and closing contracts.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.511

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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33. In project procurement management, which process involves completion and settlement of each contract, including resolution of any open items?

a. planning procurement management b. controlling procurements

c. negotiating procurements d. conducting procurements

ANSWER: b

RATIONALE: Feedback: The process of controlling procurements involves closing and completion and settlement of each contract or agreement, including resolution of any open items.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.528

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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52. \_\_\_\_\_ refers to the process of acquiring goods and/or services from an outside source.

ANSWER: Procurement

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.506

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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53. A(n) \_\_\_\_\_ is a mutually binding agreement that obligates the seller to provide the specified products or services and obligates the buyer to pay for them.

ANSWER: contract

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.509

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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54. \_\_\_\_\_ management includes the processes required to acquire goods and services for a project from outside the performing organization.

ANSWER: Project procurement

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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55. Procurement statements of work are an output of the \_\_\_\_\_ process.

ANSWER: planning procurement management

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Knowledge

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77. What are some of the advantages that outsourcing offers which is encouraging many companies to adopt it?

ANSWER: Outsourcing provides several advantages. These include:

(1) Access to skills and technologies: Organizations can gain access to specific skills and technologies by using outside resources. A project may require experts in a particular field for several months, or it might require specific technologies from an outside source. Planning for this procurement ensures that the needed skills and technologies will be available for the project.

(2) Reduces both fixed and recurrent costs: Outsourcing suppliers often can use economies of scale that may not be available to the client alone, especially for hardware and software. It can also be less expensive to outsource some labor costs to other organizations in the same country or offshore.

(3) Allows the client organization to focus on its core business: By outsourcing many IT functions, employees can focus on jobs that are critical to the success of the organization.

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(4) Provides flexibility: Outsourcing to provide extra staff during periods of peak workloads can be much more economical than trying to staff entire projects with internal resources. Many companies cite better flexibility in staffing as a key reason for outsourcing.

(5) Increases accountability: A well-written contract can clarify responsibilities and sharpen focus on key deliverables of a project. Contracts are legally binding and thus there is more accountability for delivering the work as stated in the contract.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.508-509

QUESTION TYPE: Essay

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Comprehension

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78. List and briefly describe the main processes of project procurement management.

ANSWER: The four main processes of project procurement management are as follows:

(1) Planning procurement management involves determining what to procure, when, and how. In procurement planning, one must decide what to outsource, determine the type of contract, and describe the work for potential sellers.

(2) Conducting procurements involves obtaining seller responses, selecting sellers, and awarding contracts.

(3) Controlling procurements involves managing relationships with sellers, monitoring contract performance, making changes as appropriate, and closing out contracts.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.510-511

QUESTION TYPE: Essay

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.86 - LO: 12-1

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: The Importance of Project Procurement Management

KEYWORDS: Bloom's: Comprehension

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4. If an organization has no need to buy any products or services from outside the organization, then it has no need to perform any of the procurement management processes.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: Planning procurements involves identifying which project needs can best be met by using products or services outside the organization. If there is no need to buy products or services from outside the organization, then further procurement management is not needed.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.512

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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5. A single contract can include all three categories of contracts.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: Three broad categories of contracts are fixed price or lump sum, cost reimbursable, and time and material. A single contract can include all three of these categories if it makes sense for a particular procurement.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.512

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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6. Indirect costs are those costs can be traced back to a project in a cost-effective way.

a. True

b. False

ANSWER: False

RATIONALE: Feedback: Indirect costs are not directly related to the products or services of the project, but they are indirectly related to performing the project. Normally, these costs cannot be traced back to the project in a cost-effective way.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.513

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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7. Buyers absorb lesser risk with cost-reimbursable contracts than they do with fixed-price contracts.

a. True

b. False

ANSWER: False

RATIONALE: Feedback: Cost-reimbursable contracts often include fees, such as a profit percentage or incentives for meeting or exceeding selected project objectives. Buyer absorb more of the risk with cost-reimbursable contracts than they do with fixed-price contracts.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.513

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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8. The fee in a CPFF contract constantly varies even when the scope of a contract remains the same.

a. True

b. False

ANSWER: False

RATIONALE: Feedback: With a cost plus fixed fee (CPFF) contract, the buyer pays the supplier for allowable performance costs plus a fixed fee payment that is usually based on a percentage of estimated costs. This fee does not vary, however, unless the scope of the contract changes.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.513-514

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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9. In unit pricing, the total value of the contract is a function of the quantities needed to complete the work.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: Unit pricing can be used in various types of contracts to require the buyer to pay the supplier a predetermined amount per unit of product or service. The total value of the contract is a function of the quantities needed to complete the work.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.515

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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10. All contracts should include specific clauses that take into account issues unique to the project.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: Any type of contract should include specific clauses that take into account issues unique to the project.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.515

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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11. In an FPI contract, all of the risk is borne by the buyer.

a. True

b. False

ANSWER: False

RATIONALE: Feedback: A firm-fixed-price (FFP) contract has the least amount of risk for the buyer, followed by a fixed-price incentive fee (FPIF) contract.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.512

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

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12. An FP-EPA contract carries the least risk for a supplier.

a. True

b. False

ANSWER: False

RATIONALE: Feedback: For a seller, an FFP carries the most risk. An FP-EPA contract carries a higher degree of risk for a seller than a CPPC, CPFF, CPIF, CPAF, or an FPI.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.515

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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13. Make-or-buy analysis involves comparing the internal costs of providing a product with the cost of outsourcing.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: Make-or-buy analysis involves estimating the internal costs of providing a product or service and comparing the estimate to the cost of outsourcing.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.516

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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14. A company is considering whether to purchase or lease a piece of equipment for an upcoming project. The cost to purchase is $10,000 plus $100 per day to operate or $500 per day to lease (including operating costs). If the company anticipates using the equipment for a total of 20 days, they will be indifferent as to whether or lease or purchase it.

a. True

b. False

ANSWER: False

RATIONALE: Feedback: If the company uses the equipment for 20 days, they would be better off with a lease at a total cost of $10,000 (20 x $500). The purchase cost of $10,000 will be increased by $2,000 of operating costs (20 x $100).

POINTS: 1

DIFFICULTY: Difficulty: Challenging

REFERENCES: p.517

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Technology

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Application

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15. Contents of the procurement management plan vary with project needs.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: The procurement management plan is a document that describes how the procurement processes will be managed. Like other project plans, contents of the procurement management plan will vary with project needs.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.518

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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16. The main sections of an RFP can include the statement of work and schedule information.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: The main sections of an RFP usually include its statement of purpose, background information on the organization issuing the RFP, the basic requirements for the products and services being proposed, and the hardware and software environment.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.520

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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17. A key factor in evaluating bids, particularly for projects involving information technology, is the past performance record of the bidder.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: A key factor in evaluating bids, particularly for projects involving IT, is the past performance record of the bidder. The RFP should require bidders to list other similar projects they have worked on and provide customer references for those projects.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.525

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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18. Reviewing performance records reduces the risk of selecting a supplier with a poor track record.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: A key factor in evaluating bids, particularly for projects involving IT, is the past performance record of the bidder. Reviewing performance records and references reduces the risk of selecting a supplier with a poor track record.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.525

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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34. The procurement statements of work are an output of the \_\_\_\_\_ process of project procurement management.

a. planning b. executing

c. monitoring and controlling d. closing

ANSWER: a

RATIONALE: Feedback: The procurement statements of work are an output of the planning process of project procurement management. Other outputs of the process include the procurement management plan, procurement documents and source selection criteria.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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35. In project procurement management, obtaining seller responses, selecting sellers, and awarding contracts is part of the \_\_\_\_\_ process.

a. planning b. conducting procurements

c. controlling d. closing

ANSWER: b

RATIONALE: Feedback: Conducting procurements is part of the executing process of project procurement management. It involves obtaining seller responses, selecting sellers, and awarding contracts.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

DATE CREATED: 4/27/2018 3:52 PM

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36. In project procurement management, which is an output of the conducting procurements process?

a. make-or-buy decisions b. statements of work

c. source selection criteria d. change requests

ANSWER: d

RATIONALE: Feedback: Outputs of this process include selected sellers, agreements, change requests, project management plan updates, project documents updates.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.510-511

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

DATE CREATED: 4/27/2018 3:52 PM

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37. In project procurement management, which is an output of the planning process?

a. change requests b. selected sellers

c. resource calendars d. make-or-buy decisions

ANSWER: d

RATIONALE: Feedback: Outputs of this process include a procurement management plan, procurement strategy, bid documents, procurement statement of work, source selection criteria, make-or-buy decisions, independent cost estimates, change request, project documents, updates, and organizational process assets updates.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.511

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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38. Which is true of lump-sum contracts?

a. They incur a high degree of risk for the buyer. b. They involve a fixed total price for a well-defined product or service.

c. They consist of a fee based on the satisfaction of subjective performance criteria. d. They are also known as cost-reimbursable contracts.

ANSWER: b

RATIONALE: Feedback: Fixed-price or lump-sum contracts involve a fixed total price for a well-defined product or service. The buyer incurs little risk in this situation because the price is predetermined.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.512

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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39. \_\_\_\_\_ contracts involve payment to the supplier for direct and indirect actual costs and often include fees.

a. Firm-fixed-price b. Lump sum

c. Cost-reimbursable d. Fixed-price incentive fee

ANSWER: c

RATIONALE: Feedback: Cost-reimbursable contracts involve payment to the supplier for direct and indirect actual costs. Such contracts often include fees, such as a profit percentage or incentives for meeting or exceeding selected project objectives.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.513

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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40. In a(n) \_\_\_\_\_ contract, the buyer pays the supplier for allowable performance costs along with a predetermined fee and an incentive bonus.

a. FFP b. CPIF

c. CPPC d. FPIF

ANSWER: b

RATIONALE: Feedback: In a cost plus incentive fee (CPIF) contract, the buyer pays the supplier for allowable performance costs along with a predetermined fee and an incentive bonus.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.513

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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41. With a(n) \_\_\_\_\_ contract, the buyer pays the supplier for allowable performance costs plus a fixed fee payment usually based on a percentage of estimated costs.

a. CPFF b. FPIF

c. CPAF d. CPIF

ANSWER: a

RATIONALE: Feedback: With a cost plus fixed fee (CPFF) contract, the buyer pays the supplier for allowable performance costs plus a fixed fee payment that is usually based on a percentage of estimated costs. This fee does not vary unless the scope of the contract changes.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.513-514

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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42. In which contract does the buyer pay the supplier for allowable performance costs along with a predetermined percentage based on total costs?

a. FPIF b. CPIF

c. CPPC d. CPAF

ANSWER: c

RATIONALE: Feedback: With a cost plus percentage of costs (CPPC) contract, the buyer pays the supplier for allowable performance costs along with a predetermined percentage based on total costs.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.514

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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43. From the buyerâ€™s perspective, the \_\_\_\_\_ is the least desirable among all contracts because the supplier has no incentive to decrease costs.

a. CPIF b. CPFF

c. CPAF d. CPPC

ANSWER: d

RATIONALE: Feedback: With a cost plus percentage of costs (CPPC) contract, the buyer pays the supplier for allowable performance costs along with a predetermined percentage based on total costs. From the buyerâ€™s perspective, this is the least desirable type of contract because the supplier has no incentive to decrease costs.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.514

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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44. A(n) \_\_\_\_\_ contract carries the least risk for suppliers.

a. CPPC b. FFP

c. CPAF d. FP-EPA

ANSWER: a

RATIONALE: Feedback: With a cost plus percentage of costs (CPPC) contract, the buyer pays the supplier for allowable performance costs along with a predetermined percentage based on total costs. From the supplierâ€™s perspective, a CPPC contract carries the least risk.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.515

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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45. The \_\_\_\_\_ is a description of the work required for a procurement.

a. RFQ b. RFP

c. WBS d. SOW

ANSWER: d

RATIONALE: Feedback: The statement of work (SOW) is a description of the work required for a procurement. Some organizations use the term statement of work for a document that describes internal work as well.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.518

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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46. A(n) \_\_\_\_\_ is a document used to solicit proposals from prospective suppliers.

a. RFQ b. WBS

c. RFP d. SOW

ANSWER: c

RATIONALE: Feedback: A Request for Proposal (RFP) is a document used to solicit proposals from prospective suppliers.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.520

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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47. A document used to solicit quotes or bids from prospective suppliers is known as a(n) \_\_\_\_\_.

a. RFQ b. RFP

c. WBS d. SOW

ANSWER: a

RATIONALE: Feedback: A Request for Quote (RFQ) is a document used to solicit quotes or bids from prospective suppliers.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.520

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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56. A(n) \_\_\_\_\_ decision is one in which an organization decides if it is in its best interests to make certain products or perform certain services inside the organization, or if it is better to buy them from an outside organization.

ANSWER: make-or-buy

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.512

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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57. A(n) \_\_\_\_\_ contract has the least amount of risk for the buyer.

ANSWER: firm-fixed-price (FFP)

firm-fixed-price

FFP

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.512

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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58. A(n) \_\_\_\_\_ contract includes a special provision for predefined final adjustments to the contract price due to changes in conditions such as inflation.

ANSWER: fixed-price with economic price adjustment (FP-EPA)

fixed-price with economic price adjustment

FP-EPA

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.512

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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59. The cost at which the contractor assumes total responsibility for each additional dollar of contract cost is known as a(n) \_\_\_\_\_.

ANSWER: point of total assumption (PTA)

point of total assumption

PTA

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.512

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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60. Three types of cost-reimbursable contracts include cost plus incentive fee, cost plus fixed fee, and \_\_\_\_\_.

ANSWER: cost plus percentage of costs (CPPC)

cost plus percentage of costs

CPPC

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.513-514

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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61. \_\_\_\_\_ contracts are a hybrid of fixed-price and cost-reimbursable contracts.

ANSWER: Time and material (T&M)

Time and material

T&M

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.515

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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62. A(n) \_\_\_\_\_ is a contract clause that allows the buyer or supplier to end the contract.

ANSWER: termination clause

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.516

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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63. If an SOW is used as part of a contract to describe only the work required for that particular contract, it is called a(n) \_\_\_\_\_.

ANSWER: contract statement of work

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.518

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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64. A contract statement of work is a type of \_\_\_\_\_ statement that describes the work in sufficient detail to allow prospective suppliers to determine if they can provide the required goods and services and to determine an appropriate price.

ANSWER: scope

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.518

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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65. A(n) \_\_\_\_\_ is a document prepared by a seller when there are different approaches for meeting buyer needs.

ANSWER: proposal

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.520

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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66. A(n) \_\_\_\_\_ is also known as a tender or quote, short for quotation.

ANSWER: bid

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.520

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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67. All procurement documents should be in \_\_\_\_\_ form in order to facilitate accurate and complete responses from prospective sellers.

ANSWER: written

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.521

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Knowledge

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79. What are the four types of cost-reimbursable contracts? Briefly describe each type.

ANSWER: The four types of cost-reimbursable contracts are as follows:

(1) A cost plus incentive fee (CPIF) contract is one in which the buyer pays the supplier for allowable performance costs along with a predetermined fee and an incentive bonus. If the final cost is less than the expected cost, both the buyer and the supplier benefit from the cost savings, according to a negotiated share formula.

(2) A cost plus fixed fee (CPFF) contract is one in which the buyer pays the supplier for allowable performance costs plus a fixed fee payment usually based on a percentage of estimated costs. This fee does not vary, however, unless the scope of the contract changes.

(3) With a cost plus award fee (CPAF) contract, the buyer pays the supplier for allowable performance costs plus an award fee based on the satisfaction of subjective performance criteria. This type of contract is not usually subject to appeals.

(4) With a cost plus percentage of costs (CPPC) contract, the buyer pays the supplier for allowable performance costs along with a predetermined percentage based on total costs. From the buyerâ€™s perspective, this is the least desirable type of contract because the supplier has no incentive to decrease costs.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.513-514

QUESTION TYPE: Essay

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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80. How is a statement of work (SOW) different from a contract statement of work? What are some of the requirements for creating a contract SOW?

ANSWER: The statement of work (SOW) is a description of the work required for the procurement. If a SOW is used as part of a contract to describe only the work required for that particular contract, it is called a contract statement of work. The contract SOW is a type of scope statement that describes the work in sufficient detail to allow prospective suppliers to determine if they are capable of providing the goods and services required and to determine an appropriate price.

A contract SOW should be clear, concise, and as complete as possible. It should describe all services required and include performance reporting. It is important to use appropriate words in a contract SOW such as must instead of may. It should specify the products and services required for the project, use industry terms, and refer to industry standards.

It should specify the location of the work, the expected period of performance, specific deliverables and when they are due, applicable standards, acceptance criteria, and special requirements. A good contract SOW gives bidders a better understanding of the buyerâ€™s expectations. A contract SOW should become part of the official contract to ensure that the buyer gets what the supplier bid on.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.518-519

QUESTION TYPE: Essay

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.87 - LO: 12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

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81. How are RFPs different from RFQs? What are some of the requirements of writing an RFP?

ANSWER: A Request for Proposal (RFP) is a document used to solicit proposals from prospective suppliers. On the other hand, A Request for Quote (RFQ) is a document used to solicit quotes or bids from prospective suppliers.

Developing an RFP is often a time-consuming process. Organizations must plan properly to ensure that they adequately describe what they want to procure, what sellers to include in their proposals, and how they will evaluate proposals. To generate a good RFP, expertise is invaluable. It is thus important to consult with experts who know the contract planning process for particular organizations. Legal requirements are often involved in issuing RFPs and reviewing proposals, especially for government projects. To make sure that an RFP has enough information to provide the basis for a good proposal, the buying organization should try to put itself in the suppliersâ€™ shoes.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.520

QUESTION TYPE: Essay

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.95 - LO:12-2

NATIONAL STANDARDS: United States - BUSPROG: Analytic

TOPICS: Planning Procurement Management

KEYWORDS: Bloom's: Comprehension

DATE CREATED: 4/27/2018 3:52 PM

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19. In project procurement management, a main output of controlling procurements is a source selection criteria.

a. True

b. False

ANSWER: False

RATIONALE: Feedback: The main outputs of this process include closed procurements, work performance information, procurement documentation updates, change requests, project management plan updates, project documents updates, and organizational process assets.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.511

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.88 - LO: 12-3

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Conducting Procurements

KEYWORDS: Bloom's: Knowledge

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48. After planning for procurement management, the next process involves \_\_\_\_.

a. determining the evaluation criteria for the contract award b. developing procurement statements of work

c. using expert judgement in planning

purchases and acquisitions d. sending appropriate documentation to potential sellers

ANSWER: d

RATIONALE: Feedback: After planning for procurement management, the next process involves deciding whom to ask to do the work, sending appropriate documentation to potential sellers, obtaining proposals or bids, selecting a seller, and awarding a contract.

POINTS: 1

DIFFICULTY: Difficulty: Moderate

REFERENCES: p.525

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.88 - LO: 12-3

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Conducting Procurements

KEYWORDS: Bloom's: Comprehension

DATE CREATED: 4/27/2018 3:52 PM

DATE MODIFIED: 6/10/2018 6:05 PM

49. In project procurement management, which is one of the main outputs of the conducting procurement process?

a. selected seller b. procurement management plan

c. procurement statement of work d. closed procurement

ANSWER: a

RATIONALE: Feedback: Two of the main outputs of the conducting procurement process are selected sellers and a procurement contract award.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.525

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.88 - LO: 12-3

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Conducting Procurements

KEYWORDS: Bloom's: Knowledge

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50. The process of choosing suppliers or sellers is known as \_\_\_\_\_.

a. source selection b. a bid

c. WBS d. a change order

ANSWER: a

RATIONALE: Feedback: Selecting suppliers or sellers is called source selection. The process involves evaluating proposals or bids from sellers, choosing the best one, negotiating the contract, and awarding the contract.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.526

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.88 - LO: 12-3

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Conducting Procurements

KEYWORDS: Bloom's: Knowledge

DATE CREATED: 4/27/2018 3:52 PM

DATE MODIFIED: 6/7/2018 3:37 PM

68. A(n)\_\_\_\_\_ conference helps ensure that everyone has a clear, common understanding of the buyerâ€™s desired products or services.

ANSWER: biddersâ€™

supplier

pre-bid

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.525-526

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.88 - LO: 12-3

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Conducting Procurements

KEYWORDS: Bloom's: Knowledge

DATE CREATED: 4/27/2018 3:53 PM

DATE MODIFIED: 6/7/2018 3:37 PM

69. The process of source selection involves evaluating proposals from sellers, choosing the best one, negotiating, and awarding the \_\_\_\_\_.

ANSWER: contract

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.526

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.92 - LO:12-3

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Conducting Procurements

KEYWORDS: Bloom's: Knowledge

DATE CREATED: 4/27/2018 3:53 PM

DATE MODIFIED: 6/7/2018 3:37 PM

20. The contractual relationship is a legal relationship, which means it is subject to state and federal contract laws.

a. True

b. False

ANSWER: True

RATIONALE: Feedback: Controlling procurements ensures that the sellerâ€™s performance meets contractual requirements. The contractual relationship is a legal relationship, which means it is subject to state and federal contract laws.

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.527

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.89 - LO: 12-4

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Controlling Procurements

KEYWORDS: Bloom's: Knowledge

DATE CREATED: 4/27/2018 3:52 PM

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70. \_\_\_\_\_ are oral or written acts or omissions by someone with actual or apparent authority that can be construed to have the same effect as a written change order.

ANSWER: Constructive change orders

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.528

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.89 - LO: 12-4

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Controlling Procurements

KEYWORDS: Bloom's: Knowledge

DATE CREATED: 4/27/2018 3:53 PM

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71. In procurement management, evaluation of any change should include a(n) \_\_\_\_\_ analysis.

ANSWER: impact

POINTS: 1

DIFFICULTY: Difficulty: Easy

REFERENCES: p.528

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: INFO.SCHW.14.89 - LO: 12-4

NATIONAL STANDARDS: United States - BUSPROG: - Comprehension

TOPICS: Controlling Procurements

KEYWORDS: Bloom's: Knowledge

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