

AAACE International

Exam CCP

Certified Cost Professional (CCP) Exam

Version: 4.0

[Total Questions: 115]

Question No : 1

What do you call a person authorized to represent another (the principal) in some capacity? He/she can only act within this capacity or "scope of authority" to bind the principal.

- A. Engineer
- B. Alternate
- C. Project Manager
- D. Agent

Answer: D

Question No : 2

Budgeted cost of work scheduled is all of the following except:

- A. Total costs incurred in accomplishing work in a given-time period
- B. Baseline for performance measurement
- C. Sum of the budgets for work scheduled
- D. Includes portion of the budget for level-of-effort work

Answer: D

Question No : 3

Which of the following is NOT an aspect of quality management?

- A. Quality assurance
- B. Quality planning
- C. Quality checking
- D. Quality control

Answer: C

Question No : 4

Cost performance index (CPI) is defined by AACE International as: (assume no change in

budgeted quantities)

- A. ACWP/BCWS
- B. BCWS/BCWP
- C. ACWP/BCWP
- D. BCWP/ACWP

Answer: D

Question No : 5

_____ is the application of total resources (\$-workers-supports) and activity durations of the logic diagram.

- A. Planning
- B. Forecasting
- C. Scheduling
- D. Modeling

Answer: C

Question No : 6

_____ is defined as the earned work hours or dollars for all accounts divided by the budgeted work hours or dollars for all accounts.

- A. Percent complete
- B. Cost to complete
- C. Earned value
- D. Forecast

Answer: A

Question No : 7

_____ is defined as the budget for the cost (work) account times the percent complete for that account.

- A. Percent complete
- B. Forecast
- C. Cost to complete
- D. Earned value

Answer: D

Question No : 8

_____ is defined as covering work whose component activities are less defined and whose interrelationships are conditional.

- A. Soft logic
- B. Hard logic
- C. Deductive logic
- D. Inductive logic

Answer: A

Question No : 9

A work breakdown structure (WBS) is developed because:

- A. It avoids omissions of key product activities through a systematic planning process; removes the complexity of the project by dividing it into manageable units; and provides a framework.
- B. It defines specific tasks within a project from which schedules can be developed; it aids in linking activities with resources; it facilitates communication; and it allows integration of project plans
- C. It can be illustrated by individual bars for major phases, such as permitting, funding, engineering, procurement construction, commission/startup
- D. It can be illustrated by a simple bar, with important milestones represented by symbols at the planned time of occurrence

Answer: B

Question No : 10

If a project is said to be on a "fast track program/" the fast track method is:

- A.** Simultaneous working engineering, procurement, and construction, with appropriate overlap from each phase of work so that delays are eliminated and all the work is streamlined into a correct plan of logic/sequence and duration for all of the work
- B.** First completing engineering and procurement, then executing construction
- C.** Analyzing the project and specifying the basic approach to be used in its execution; segmenting the project into reasonable number of activities; estimating the time required to perform each activity; placing the activities in time order, considering both sequential and parallel performance
- D.** Revising the schedule logic to make it possible to identify constraints of faulty logic; revising the durations in the n p schedule that have been based on assumptions regarding the way the work would be performed; revise the resources to work multiple shifts; evaluate the use of overtime

Answer: A

Question No : 11

Any combination of unique letters, numbers, or blanks, which describes and identifies any activity or task shown on the schedule, is:

- A.** Activity ID
- B.** WBS Code
- C.** Resource
- D.** Account number

Answer: A

Question No : 12

The process of stating goals and determining the most effective way of reaching them is the definition for:

- A.** Implementing
- B.** Mission Statement
- C.** Managing
- D.** Planning

Answer: D

Question No : 13

A schedule's late dates are calculated during the:

- A. Loop calculations
- B. Backward pass
- C. Forward pass
- D. Float

Answer: B

Question No : 14

Which of the following is NOT a type of float?

- A. Total
- B. Negative
- C. Open end
- D. Free

Answer: C

Question No : 15

The latest allowable end time minus the earliest allowable end time on a schedule activity is referred to as:

- A. Total float
- B. Remaining duration
- C. Free float
- D. Just-in-time scheduling

Answer: A

Question No : 16

What is a basic element of work or a task that must be performed over a given period of time in order to complete a project called?

- A. WBS element
- B. Activity
- C. Resource
- D. Commodity

Answer: B

Question No : 17

A concrete slab measuring 10 feet wide by 13.5 feet long by 6 inches deep is to be installed. How many cubic yards of concrete will be required?

- A. 3.0 cubic yards
- B. 2.0 cubic yards
- C. 3.5 cubic yards
- D. 2.5 cubic yards

Answer: D

Question No : 18

A systematic coding structure for organizing and managing scope, assets, cost, resources, work and schedule activity information is a_____.

- A. Cost breakdown structure
- B. Code of accounts
- C. Cost estimate classification
- D. Schedule identification number

Answer: B

Question No : 19

Which of the following best describes the concept of total cost management:

- A. A method of quantifying construction damages where the total job costs are subtracted from the original bid or estimate to determine the total cost amount for a claim
- B. The practices and processes utilized to manage the total life cycle cost investment in a portfolio of strategic assets
- C. A job cost system for ensuring all aspects of a particular manufacturing process are accumulated completely
- D. An integrating process that maps the fields of practice of cost engineering without linking it to project management, resource management, or accounting

Answer: D

Question No : 20

AACE International defines _____ as a technique of economic evaluation that sums over a given study period, the costs of initial investment, replacements, operations, and maintenance/repair; expressed in either present or annual value terms.

- A. Risk analysis
- B. Benefit/Cost ratio (B/C) method
- C. Net present worth method
- D. Life cycle costs method (LCC)

Answer: D

Question No : 21

_____ can be defined as the determination of that course of action or combination of alternatives that yields either the lowest cost or the highest profit.

- A. Economic optimization
- B. Simulation
- C. Linear programming
- D. Dynamic programming

Answer: D

Question No : 22

A bond that guarantees the bidder will enter into a contract on the basis of his/her bid is referred to as:

- A. Surety bond
- B. Performance bond
- C. Bid bond
- D. Liability bond

Answer: C

Question No : 23

An effort by a prime contractor to reduce the price quoted by a vendor, by providing the bid price to other vendors in an attempt to get the other vendors to underbid the original price quoted is referred to as:

- A. Costing
- B. Cost-price analysis
- C. Bid shopping
- D. Negotiating a best and final offer

Answer: C

Question No : 24

What is executed in connection with a contract and secures the performance and fulfillment of all the undertakings, covenants, terms, conditions and agreements contained in the contract?

- A. Liability insurance
- B. Performance bond
- C. Bid bond
- D. Surety bond

Answer: B

Question No : 25

Productivity increases with time. This improvement is commonly associated with improvements in efficiency brought about by increased experience and skill levels. What does this scenario describe?

- A. Productivity efficiency factor
- B. Value engineering
- C. Cash flow
- D. The learning curve

Answer: D

Question No : 26

A contract clause that provides the owner with the right to terminate the contract irrespective of the general contractor's liability is:

- A. Termination of contract - convenience
- B. Termination of contract - default
- C. Substantial completion
- D. Breach of contract

Answer: A

Question No : 27

The purpose of a communication must be understood by _____ if the message is to be clear to the

- A. Workers; management
- B. The speaker; the receiver
- C. Management; workers
- D. The receiver; the speaker