Chapter 11 Exam – Procurement

Question 1 (Question ID: 1141)

A transit agency needs custom diagnostic software for its new hydrogen buses. Its engineers wrote a clear, complete procurement SOW with detailed acceptance criteria. The grant paying for the work is capped, and the finance director wants a fixed price. The agency's own estimate is already close to the grant cap. The three capable sellers are small specialist firms that have built related tools but have no records of what work like this has cost them. One firm says any fixed bid it submits would be well above its usual rates. The agency must award within six weeks. What should the project manager recommend?

A. Add more technical detail to the procurement SOW.
B. Ask procurement to reconsider the fixed-price approach.
C. Award a fixed-price contract based on the complete SOW.
D. Issue a purchase order at the lowest firm quote.

Question 2 (Question ID: 1147)

A buyer in Canada is negotiating a fixed-price contract with a lab in Chile for specialized materials testing. Scope, schedule, price, the payment schedule, and responsibility for failed samples are agreed, and both sides want to sign this week. The buyer's legal team expects its home province's law to apply, as on all its contracts. In a cover email, the lab's counsel notes that the lab signs only agreements governed by Chilean law. Legal counsel is ready to approve the final draft once the open items are settled. What should the project manager do NEXT?

A. Settle with the seller which legal system governs the contract.
B. Confirm the payment schedule tied to each test report.
C. Ask legal counsel to approve the final draft for signing.
D. Agree on which party carries the risk of failed samples.

Question 3 (Question ID: 1155)

A project manager on a hospital records system wants two changes. First, the internal test team should test the billing module before the scheduling module. Second, the seller should deliver those modules in the reverse of the order set in the procurement SOW. The seller's lead has informally agreed, and the sponsor supports both changes. What should the project manager do?

A. Make both changes directly with the test team and the seller.
B. Get the procurement manager's approval before making either change.
C. Ask the sponsor to formally approve both changes together.
D. Reorder testing and get the procurement manager's approval for delivery.

Question 4 (Question ID: 1166)

Fourteen months after a procurement for industrial chillers at a food plant was closed, two units fail during a heat wave. The contract gives warranties that run from the closing date: one year on control boards and two years on compressors. The technician confirms that one unit has a failed compressor and the other has a failed control board. The seller says that because the contract is closed, it owes nothing more. The plant manager wants both units running within the week. What should the project manager do?

A. Ask the seller to repair both units under the warranty.
B. Pay the seller to repair both units as a new service order.
C. Claim the compressor under warranty and pay for the board.
D. Reopen the procurement and issue a change order for both.

Question 5 (Question ID: 1171)

A transit agency and its fixed-price signage seller disagree about whether a payment milestone was met. The parties are already in the contract's dispute process. Last week, a neutral both parties accepted led a full-day session to help them find common ground, and it ended without agreement. The contract provides for mediation by any neutral both parties accept, followed by binding arbitration. Nine stations remain, and the sponsor wants the issue settled before the next funding release. What should the project manager do NEXT?

A. Resume direct talks between the two senior executives.
B. Propose mediation under the contract's dispute provisions.
C. Ask the seller to submit the dispute as a claim.
D. Refer the milestone dispute to arbitration.