

DAU CONTRACTING CERTIFICATION PRACTICE EXAM (SAMPLE)

STUDY GUIDE



**SAMPLE STUDY GUIDE
WITH LIMITED QUESTIONS**

**VISIT US ONLINE FOR
THE FULL VERSION STUDY GUIDE**

<https://daucontractingcert.examzify.com>



Copyright © 2026 by Examzify - A Kaluba Technologies Inc. product.

ALL RIGHTS RESERVED.

No part of this book may be reproduced or transferred in any form or by any means, graphic, electronic, or mechanical, including photocopying, recording, web distribution, taping, or by any information storage retrieval system, without the written permission of the author.

Notice: Examzify makes every reasonable effort to obtain accurate, complete, and timely information about this product from reliable sources.

SAMPLE

Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	5
Answers	8
Explanations	10
Next Steps	16

SAMPLE

Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

SAMPLE

- 1. What is the Micro-purchase Threshold (MPT) amount according to FAR 2.101?**
 - A. \$25,000
 - B. \$50,000
 - C. \$10,000
 - D. \$5,000
- 2. What does the Misappropriation Act require regarding fund usage?**
 - A. Funds can be repurposed as needed
 - B. Funds must only be used for intended appropriations
 - C. Funds may be used without specific limitations
 - D. Funds can be transferred between agencies
- 3. When is a final indirect cost rate typically established?**
 - A. At the start of the contractor's fiscal year
 - B. After the close of the contractor's fiscal year
 - C. Before the proposal submission
 - D. During the ongoing contract performance
- 4. When does vendor acceptance occur in a contract or order?**
 - A. When the vendor receives the contract
 - B. When the Government signs the contract
 - C. When the vendor starts performing
 - D. At the time of the bid submission
- 5. Which of the following forms is NOT related to contract closeout?**
 - A. Form 1593
 - B. Form 1594
 - C. Form 1597
 - D. Form 1600

- 6. What must an agency do when purchasing above the micro-purchase threshold using SAP?**
- A. Set the contract aside for women-owned businesses
 - B. Set the contract aside for small businesses
 - C. Bid the contract to the lowest bidder
 - D. Change procurement method to sealed bidding
- 7. According to FAR, what does the policy for publicizing contract actions aim to achieve?**
- A. Improve supplier relationships
 - B. Reduce contract costs
 - C. Enhance transparency in procurement
 - D. Increase competition and solicitations
- 8. In which contracting procedures must contracting officers use the Uniform Contract Format (UCF)?**
- A. Only for Cost-Reimbursement contracts
 - B. Sealed Bidding and Contracting by Negotiation
 - C. Only for Fixed-Price contracts
 - D. Only for Agency-specific contracts
- 9. What must a government contractor provide as a measure of non-compliance with the subcontracting plan?**
- A. A written apology
 - B. Liquidated damages
 - C. Revised subcontractor list
 - D. A performance evaluation
- 10. What is a Firm Fixed Price Level of Effort Contract primarily used for?**
- A. Contracting for a fixed project price
 - B. Jobs requiring continuous effort over time
 - C. Contracts with variable pricing
 - D. Competitive bidding for services

Answers

SAMPLE

1. C
2. B
3. B
4. C
5. D
6. B
7. D
8. B
9. B
10. B

SAMPLE

Explanations

SAMPLE

1. What is the Micro-purchase Threshold (MPT) amount according to FAR 2.101?

- A. \$25,000
- B. \$50,000
- C. \$10,000**
- D. \$5,000

The Micro-purchase Threshold (MPT), as defined in FAR 2.101, is established at \$10,000. This threshold is significant in the context of federal procurement because it allows government agencies to make small purchases without the need for a formal procurement process, thereby streamlining the acquisition of goods and services. This flexibility is especially beneficial for urgent needs or small purchases that do not require extensive justifications or competitive bidding. The purpose of the MPT is to promote efficiency and ease in government purchasing, making it easier for agencies to obtain low-cost items. Understanding this threshold is crucial for those involved in contracting, as it sets limits on the types of purchases that can be made without following the more rigorous acquisition regulations that apply to larger contracts. Knowing the MPT helps ensure compliance with federal procurement policies while effectively managing small-scale expenditures.

2. What does the Misappropriation Act require regarding fund usage?

- A. Funds can be repurposed as needed
- B. Funds must only be used for intended appropriations**
- C. Funds may be used without specific limitations
- D. Funds can be transferred between agencies

The Misappropriation Act is focused on ensuring that public funds are used solely for their intended purposes. Thus, it clearly mandates that funds must adhere strictly to the appropriations that have been allocated by Congress or other governing bodies. This requirement is critical for maintaining accountability and preventing misuse of taxpayer dollars. It ensures that the resources allocated for specific programs or projects are utilized effectively and transparently, rather than being diverted for unintended uses or purposes. In the context of the other options, the idea that funds can be repurposed as needed undermines the principle of financial accountability that the Misappropriation Act seeks to uphold. Allowing unrestricted use of funds would create an environment ripe for mismanagement and potential misconduct. Similarly, the suggestion that funds may be used without specific limitations contradicts the very essence of appropriations. Finally, the option about transferring funds between agencies overlooks the specific regulatory framework that governs inter-agency financial transactions, which is often subject to strict oversight and requires approval to ensure compliance with relevant laws and regulations. Hence, the emphasis on using funds only for their intended appropriations is crucial for the integrity of public finance.

3. When is a final indirect cost rate typically established?

- A. At the start of the contractor's fiscal year
- B. After the close of the contractor's fiscal year**
- C. Before the proposal submission
- D. During the ongoing contract performance

The establishment of a final indirect cost rate typically occurs after the close of the contractor's fiscal year. This timing is essential for several reasons. First, indirect costs are expenses that are not directly attributable to a specific project or contract but are necessary for the overall functioning of the organization, such as utilities, administrative salaries, and office supplies. To accurately allocate these costs, a contractor must have complete financial data from the entire fiscal year, which is only available once the year has concluded. Establishing the final indirect cost rate post-fiscal year allows for the inclusion of all relevant expenses and revenues associated with that period. This process involves auditing the contractor's financial records to ensure that the indirect costs have been properly incurred and allocated as per established accounting principles and federal regulations (if applicable). Subsequently, this established rate becomes the basis for recovering indirect costs on contracts, ensuring that contractors are reimbursed appropriately for their expenditures. Choices that suggest an establishment of the indirect cost rate before the close of the fiscal year or during ongoing contract performance would not allow for the accurate calculation needed because they rely on incomplete financial data. Similarly, setting this rate at the start of the fiscal year would not incorporate all relevant costs from the previous year, leading to potential inaccuracies in financial

4. When does vendor acceptance occur in a contract or order?

- A. When the vendor receives the contract
- B. When the Government signs the contract
- C. When the vendor starts performing**
- D. At the time of the bid submission

Vendor acceptance in a contract or order occurs when the vendor starts performing. This action indicates that the vendor has acknowledged and agreed to the terms of the contract by beginning the work or delivering the goods specified in the agreement. Performance signifies acceptance because it demonstrates the vendor's commitment to fulfill their obligations under the contract. This understanding is grounded in contract law principles, where acceptance is not merely about acknowledgment of receipt or signing the document—it is about acknowledging the terms and undertaking to execute them. Thus, when the vendor starts performing, they effectively indicate their acceptance of the contract conditions and initiate the contractual relationship. Other options may appear relevant, but they do not represent the true point of acceptance. Merely receiving the contract does not constitute acceptance; without action, the vendor has not yet agreed to the contract terms. Similarly, the government signing the contract indicates approval but does not capture the vendor's acceptance. Lastly, the time of bid submission is only an expression of interest and does not equate to a binding agreement or acceptance of the terms. Therefore, the act of starting performance is the correct and definitive marker of vendor acceptance in a contractual context.

5. Which of the following forms is NOT related to contract closeout?

- A. Form 1593
- B. Form 1594
- C. Form 1597
- D. Form 1600**

Contract closeout is a critical phase in the contracting process, ensuring that all obligations have been fulfilled, and that the contract can be formally concluded. Various forms are specifically designed to facilitate this process, each serving distinct purposes. Form 1593, Form 1594, and Form 1597 are all related to contract closeout activities. For example, Form 1594 may be associated with marking the acceptance of contract progress, while Form 1597 often pertains to the final payment or adjustment settlements necessary to close a contract properly. These forms help document the completion of various aspects of a contract to ensure compliance and facilitate any required audits or reviews. In contrast, Form 1600 generally relates to other administrative functions and not specifically to contract closeout activities. This form might pertain to broader agency requirements or procedures, rather than the specific end-of-contract processes. Understanding the purpose behind each form helps clarify why the fourth option does not fit within the context of contract closeout.

6. What must an agency do when purchasing above the micro-purchase threshold using SAP?

- A. Set the contract aside for women-owned businesses
- B. Set the contract aside for small businesses**
- C. Bid the contract to the lowest bidder
- D. Change procurement method to sealed bidding

When an agency is purchasing above the micro-purchase threshold using Simplified Acquisition Procedures (SAP), it is required to set the contract aside for small businesses if there are suitable offers available. This practice supports the federal government's goal of contracting with small businesses, fostering competition, and encouraging entrepreneurship. The approach of utilizing small business set-asides ensures that small businesses have equitable opportunities to participate in government contracting. Such measures help to promote economic stability and innovation by giving small enterprises a chance to compete for government contracts, thereby supporting job creation and economic growth. In addition, while other methods such as sealed bidding or focusing on the lowest bidder might be relevant in different contexts, they do not apply specifically to the requirement when using SAP for contracts above the micro-purchase threshold. Setting aside contracts for women-owned businesses is a separate initiative that, while significant, is not mandated in every situation. Thus, emphasizing the requirement to set contracts aside for small businesses aligns with federal procurement policy and the principles of promoting diversity within the contracting process.

7. According to FAR, what does the policy for publicizing contract actions aim to achieve?

- A. Improve supplier relationships
- B. Reduce contract costs
- C. Enhance transparency in procurement
- D. Increase competition and solicitations**

The policy for publicizing contract actions as outlined in the Federal Acquisition Regulation (FAR) is designed to increase competition and solicitations within the procurement process. By making contract actions publicly available, it encourages a wider range of suppliers to participate in bidding and proposal opportunities, ultimately leading to a more competitive environment. Increased competition can result in better pricing and improved quality of goods and services for the government, as more vendors are aware of the available opportunities and can submit their proposals. This not only helps in obtaining the best value for taxpayer dollars but also fosters innovation as different suppliers offer various solutions to meet government needs. Furthermore, the emphasis on publicizing contract actions aligns with the overall goal of enhancing the integrity and fairness of the procurement process, ensuring that potential vendors are given equal access to opportunities. Although enhancing transparency in procurement might be an aspect of this policy, the primary aim is to cultivate a competitive marketplace by encouraging more participation in solicitations.

8. In which contracting procedures must contracting officers use the Uniform Contract Format (UCF)?

- A. Only for Cost-Reimbursement contracts
- B. Sealed Bidding and Contracting by Negotiation**
- C. Only for Fixed-Price contracts
- D. Only for Agency-specific contracts

The Uniform Contract Format (UCF) is mandated for use in both Sealed Bidding and Contracting by Negotiation procedures. This format serves to promote clarity and consistency across contracts, facilitating easier evaluation and administration. By using the UCF, contracting officers can ensure that key contract components—such as the scope of work, clauses, and provisions—are organized in a standardized manner, which enhances communication and understanding among all parties involved. Sealed bidding relies on competitive proposals with a focus on price, while contracting by negotiation allows for dialogue and adjustments between the parties. Utilizing UCF in both scenarios means that regardless of the method chosen, the contract structure is consistent, supporting efficient review and management processes. The other choices are more restricted in their application of the UCF. For instance, cost-reimbursement contracts are not exclusively required to use the UCF, as this format may also be used for other types of contracts. Moreover, options mentioning agency-specific contracts or fixed-price contracts do not encompass the wider applicability of the UCF in the broader context of procurement practices within the government contracting framework. Thus, option B accurately reflects the requirement for UCF across different contracting procedures.

9. What must a government contractor provide as a measure of non-compliance with the subcontracting plan?

- A. A written apology
- B. Liquidated damages**
- C. Revised subcontractor list
- D. A performance evaluation

A government contractor must provide liquidated damages as a measure of non-compliance with the subcontracting plan. This measure is intended to serve as a financial incentive for contractors to adhere to their subcontracting commitments. When a contractor does not meet the requirements outlined in their subcontracting plan, the government can impose liquidated damages to compensate for the potential impact of that non-compliance. This is especially important in maintaining compliance with regulations that promote small business participation in federal contracting. The other options, such as a written apology, revised subcontractor list, or performance evaluation, do not fulfill the legal and financial implications associated with non-compliance. A written apology is insufficient as it does not address any financial repercussions or enforce compliance. Similarly, while providing a revised subcontractor list may be part of a contractor's corrective actions, it does not serve as a direct measure of the consequences related to non-compliance. A performance evaluation, while useful in assessing outcomes, does not result in a direct remedy for the non-compliance issue. Therefore, liquidated damages is the appropriate and enforceable response in this context.

10. What is a Firm Fixed Price Level of Effort Contract primarily used for?

- A. Contracting for a fixed project price
- B. Jobs requiring continuous effort over time**
- C. Contracts with variable pricing
- D. Competitive bidding for services

A Firm Fixed Price Level of Effort Contract is primarily utilized in situations where a continuous level of effort is required over a defined period, typically for research, development, or ongoing services. This type of contract stipulates a fixed price for a specified level of effort, meaning that the contractor commits to providing a certain amount of work or resources over the life of the contract, regardless of the actual time or resources spent to deliver that effort. This structure is particularly beneficial in scenarios where the outcome is uncertain, and thus a specific technical solution cannot be prescribed at the outset. By focusing on the level of effort, the government can ensure that the contractor dedicates necessary time and resources while also maintaining cost control. This approach is generally used in projects where the results are difficult to quantify beforehand, allowing for flexibility in how the work is done while controlling costs through the fixed price. In contrast, other options like contracting for a fixed project price or contracts with variable pricing do not capture the essence of a Level of Effort Contract, which emphasizes ongoing work rather than a single deliverable or output. Competitive bidding might apply to many types of contracts but does not specifically relate to the continuous nature of effort inherent in this type of agreement.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://daucontractingcert.examzify.com>

We wish you the very best on your exam journey. You've got this!

SAMPLE