

# Florida General Contractor Practice Exam (Sample)

## Study Guide



**Everything you need from our exam experts!**

**This is a sample study guide. To access the full version with hundreds of questions,**

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**SAMPLE**

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# 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. Don't worry about getting everything right, 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, and take breaks to retain information better.**

## **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.**

## **7. Use Other Tools**

**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!**

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## **Questions**

- 1. What is the primary risk associated with not properly accounting for contingencies in a construction project?**
  - A. Loss of materials**
  - B. Delay in project schedule**
  - C. Cost overruns**
  - D. Failure to meet safety standards**
- 2. What is the maximum funeral and death benefit payment typically allowed under Florida law?**
  - A. \$7,500**
  - B. \$10,000**
  - C. \$12,000**
  - D. \$15,000**
- 3. What is the primary purpose of a bonding company in the construction industry?**
  - A. To provide construction materials**
  - B. To ensure project completion and compliance**
  - C. To hire subcontractors**
  - D. To finance construction projects**
- 4. Who should review a proposed short-term project schedule according to the contractors manual?**
  - A. The project manager only**
  - B. The contractor and subcontractors**
  - C. The contractor alone**
  - D. The contractor and the financial advisor**
- 5. How should cash sales be organized for effective tracking?**
  - A. By customer name**
  - B. By sales amount**
  - C. By date**
  - D. By product type**



- 6. What type of claims are covered by damages resulting from work that has been completed by a contractor?**
- A. Claims related to future work**
  - B. Claims for damages from completed work**
  - C. Claims concerning environmental issues**
  - D. Claims arising from subcontractor mistakes**
- 7. What is the limit on a residential contractor's services regarding the structure types they can work on?**
- A. Single family homes only**
  - B. One to four family residences**
  - C. One to three family residences**
  - D. Multi-family complexes**
- 8. In a contractor's accounting, which of the following refers to income received from all operations?**
- A. Net Income**
  - B. Gross Income**
  - C. Operating Income**
  - D. Retained Earnings**
- 9. What type of cost is often calculated as an average of multiple projects in the construction industry?**
- A. Variable cost**
  - B. Fixed cost**
  - C. Standard cost**
  - D. Contingency cost**
- 10. Compensation payable to an employee with permanent total disability is what percentage of the average weekly wage during such disability?**
- A. 50%**
  - B. 66.67%**
  - C. 75%**
  - D. 100%**

## **Answers**

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

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## **Explanations**

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**1. What is the primary risk associated with not properly accounting for contingencies in a construction project?**

- A. Loss of materials**
- B. Delay in project schedule**
- C. Cost overruns**
- D. Failure to meet safety standards**

Not properly accounting for contingencies in a construction project primarily leads to cost overruns. Contingencies are extra funds set aside to cover unforeseen costs that may arise during a project. These can include unexpected material price increases, labor shortages, or additional work required due to unforeseen site conditions. When contingencies are insufficient or overlooked, any unexpected expenses will need to be covered from the existing project budget, which can quickly deplete financial resources. This may result in expenditures that exceed what was initially planned, thus leading to cost overruns. It is critical for project managers to accurately assess potential risks and include appropriate contingency allowances to help ensure the project can absorb unexpected costs without jeopardizing the overall financial stability. While loss of materials, delay in project schedule, and failure to meet safety standards can also result from various mismanagement scenarios, they do not directly tie back to the financial implications of insufficient contingency planning the way cost overruns do.

**2. What is the maximum funeral and death benefit payment typically allowed under Florida law?**

- A. \$7,500**
- B. \$10,000**
- C. \$12,000**
- D. \$15,000**

The maximum funeral and death benefit payment allowed under Florida law is typically set at \$10,000. This amount is established to ensure that beneficiaries can cover the essential costs associated with funeral services and other related expenses without financial hardship. The law recognizes the need for a reasonable sum to assist families during a difficult time, and this cap reflects an assessment of average funeral costs that families might encounter. It's important to note that adjustments to this figure can occur based on changes in regulations or updates to state law, so always verify with current legal resources. The higher options offered might represent amounts seen in other contexts or states, but they do not align with the established maximum for Florida law. Understanding this limit helps contractors and relevant professionals provide accurate information to clients about entitlements when dealing with estate and death benefit planning.

**3. What is the primary purpose of a bonding company in the construction industry?**

- A. To provide construction materials**
- B. To ensure project completion and compliance**
- C. To hire subcontractors**
- D. To finance construction projects**

The primary purpose of a bonding company in the construction industry is to ensure project completion and compliance. A bonding company provides surety bonds, which are contracts that guarantee the project owner that the contractor will fulfill their contractual obligations. This includes completing the work according to the specifications outlined in the contract and adhering to local laws and regulations. If a contractor fails to meet these obligations, the bonding company is responsible for compensating the project owner for any losses or damages incurred. This provides a level of security for project owners, ensuring that their investments are protected against contractor defaults. By facilitating trust and financial security, bonding companies play a critical role in the construction process, allowing projects to proceed with confidence. The other choices do not accurately reflect the main role of a bonding company. For instance, while financing construction projects might be a concern regarding project management, bonding companies do not provide financial backing in the same way banks or lenders do. Similarly, while subcontractors are an essential part of many construction projects, hiring them is typically the responsibility of the general contractor, not the bonding company. Lastly, while it is important for construction projects to have the necessary materials, this is not within the scope of what a bonding company provides.

**4. Who should review a proposed short-term project schedule according to the contractors manual?**

- A. The project manager only**
- B. The contractor and subcontractors**
- C. The contractor alone**
- D. The contractor and the financial advisor**

The recommended practice for reviewing a proposed short-term project schedule involves collaboration between the contractor and the subcontractors. This approach is vital for several reasons. Firstly, the contractor often has a broad overview of the project logistics, timelines, and resource allocation, but subcontractors bring specialized knowledge regarding their specific tasks, potential challenges, and realistic timeframes for completion. By involving both parties, the review process becomes more comprehensive, ensuring that the schedule reflects all necessary inputs and considerations. Additionally, the collaboration helps to identify any potential conflicts or overlaps in schedules early on, which can prevent misunderstandings and enhance communication throughout the project. This proactive strategy aids in efficient project management and contributes to a smoother workflow, ultimately leading to timely completion. Involving just the project manager, the contractor alone, or including only the financial advisor would not provide the same level of insight and coordination that comes from engaging with the subcontractors, who play a critical role in the execution of the proposed timeline.

**5. How should cash sales be organized for effective tracking?**

- A. By customer name**
- B. By sales amount**
- C. By date**
- D. By product type**

Organizing cash sales by date is effective for several reasons. Tracking sales chronologically allows a contractor to monitor daily, weekly, and monthly cash flow, which is critical for maintaining a healthy financial status for the business. By analyzing sales data over specific time periods, it becomes easier to identify trends, peak sales periods, or slow months. This chronological organization can also assist in reconciling cash receipts with bank deposits, ensuring that all cash sales are accounted for accurately. Additionally, having a date-specific record facilitates easier auditing and reporting, and if any discrepancies arise, it can be much simpler to backtrack through transactions based on the date they occurred. This method provides a clear temporal snapshot of sales activity, essential for understanding financial performance and planning future strategies. While organizing by customer name, sales amount, or product type can also provide useful insights, none of these methods directly support the systematic tracking of cash flow as effectively as organizing by date does.

**6. What type of claims are covered by damages resulting from work that has been completed by a contractor?**

- A. Claims related to future work**
- B. Claims for damages from completed work**
- C. Claims concerning environmental issues**
- D. Claims arising from subcontractor mistakes**

The focus on damages resulting from work completed by a contractor indicates that the relevant claims relate specifically to issues arising after a project has been finalized. Such claims typically involve defects in workmanship, materials used, or failure to adhere to the contractual agreements that were meant to ensure the quality and reliability of the completed work. In this context, claims for damages from completed work allow clients or property owners to seek restitution or repair for any problems directly stemming from the contractor's previously finished work. This can include defects that manifest after the project is done or issues that arise as a result of the contractor's performance. Claims related to future work do not apply since they involve anticipated issues that have not yet occurred. Claims concerning environmental issues might arise under different legal frameworks and do not directly relate to the quality of completed work. Lastly, claims arising from subcontractor mistakes would typically be pursued against the subcontractor rather than the general contractor unless the general contractor holds some liability or responsibility in the contract for the subcontractor's work. Thus, identifying claims for damages from completed work highlights the accountability of contractors for their completed projects, ensuring that owners have access to remedies if the work does not meet the expected standards.

**7. What is the limit on a residential contractor's services regarding the structure types they can work on?**

- A. Single family homes only**
- B. One to four family residences**
- C. One to three family residences**
- D. Multi-family complexes**

The limit on a residential contractor's services is specifically set to one to three family residences. This classification means that residential contractors are licensed to work on structures that accommodate either one unit, two units, or up to three units, which typically aligns with single-family homes, duplexes, and triplexes. This limitation is established to ensure that contractors have the necessary expertise and understanding of the unique codes, zoning regulations, and construction methods associated with smaller residential properties. Working on larger multi-family complexes often requires additional qualifications, licenses, or different classifications due to increased complexity in safety regulations, building codes, and project management. Therefore, the residential contractor is not permitted to engage in projects that involve more than three living units in a single structure, ensuring that contractors operate within their scope of training and licensure. This focus helps maintain standards and safety in residential construction.

**8. In a contractor's accounting, which of the following refers to income received from all operations?**

- A. Net Income**
- B. Gross Income**
- C. Operating Income**
- D. Retained Earnings**

Gross income is the correct term that refers to all income received from operations before any expenses are deducted. In the context of a contractor's accounting, this figure encompasses all revenue generated from the various activities and services provided by the contractor. Gross income serves as an important indicator of a company's financial health, showing the total earnings from its core business operations. The other terms, while related to income and financial performance, are distinct in their meanings. For instance, net income represents the profit remaining after all expenses, taxes, and costs have been subtracted from gross income. Operating income, on the other hand, reflects the profit earned from a company's core business operations, excluding any income derived from investments or peripheral activities. Retained earnings denote the portion of net income that is held by the company rather than distributed as dividends, effectively showing accumulated profit over time that can be reinvested in the business. Understanding these distinctions is key for contractors as they manage their finances, assess performance, and make informed decisions regarding their operations.



**9. What type of cost is often calculated as an average of multiple projects in the construction industry?**

- A. Variable cost**
- B. Fixed cost**
- C. Standard cost**
- D. Contingency cost**

Standard cost is typically calculated by taking the average of expenses incurred in various projects within the construction industry. This method allows contractors to establish a baseline for labor, materials, and overhead costs, which can then be used for budgeting and performance evaluation in future projects. By averaging costs over multiple projects, contractors can better anticipate expenses and streamline their financial planning processes. Standard costs provide a benchmark for evaluating actual performance against expected performance. When actual costs diverge significantly from standard costs, it can indicate areas that require further investigation, such as inefficiencies or unforeseen issues. In contrast, variable costs fluctuate depending on project activity, and fixed costs remain constant regardless of the level of construction activity. Contingency costs serve as a safety net for unexpected expenses but are not averaged across projects in the same manner as standard costs.

**10. Compensation payable to an employee with permanent total disability is what percentage of the average weekly wage during such disability?**

- A. 50%**
- B. 66.67%**
- C. 75%**
- D. 100%**

In Florida, compensation for an employee with permanent total disability is set at two-thirds of the average weekly wage, which translates to approximately 66.67%. This percentage is designed to provide financial support to individuals who are unable to work due to a disability that is expected to be permanent. The rationale behind this compensation structure is to strike a balance between providing adequate support for the injured worker while also reflecting the potential loss of income due to the inability to perform their previous job functions. The average weekly wage used for calculation is derived from the earnings of the employee before the disability occurred, and it plays a crucial role in determining the right compensation amount. This standard aims to ensure that workers can maintain a basic standard of living despite their unfortunate circumstances, emphasizing the importance of the support provided under the state's workers' compensation laws.

# 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](mailto:hello@examzify.com).**

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

**<https://floridagencontractor.examzify.com>**

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