

National Contract Management Association (NCMA) Official Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

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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. 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

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- 1. The amount an insured patient must pay toward claims each year before the insurance company starts covering medical treatment is called what?**
 - A. Co-payment**
 - B. Deductible**
 - C. Premium**
 - D. Out-of-pocket maximum**
- 2. Which activities are included in the pre-award phase of contracting?**
 - A. Performance evaluations and contractor selection**
 - B. Need identification, market research, and solicitation of offers**
 - C. Contract review and execution**
 - D. Project completion and contract closure**
- 3. What is the function of alcohol in the cleansing process before venipuncture?**
 - A. To heat the area**
 - B. To desensitize the skin**
 - C. To disinfect the site**
 - D. To increase blood flow**
- 4. What are liquidated damages in a contract?**
 - A. Fees for poor performance unrelated to delays**
 - B. Predetermined amounts paid for failing to fulfill contractual obligations**
 - C. Monetary benefits awarded for compliance**
 - D. Penalties assigned during contract negotiation**
- 5. Which of the following is NOT a symptom of diarrhea?**
 - A. Frequent liquid stools**
 - B. Dehydration**
 - C. Abdominal pain**
 - D. Incontinence**

6. What purpose does "performance evaluation" serve in contract management?

- A. To review employee performance in procurement.**
- B. To assess the efficiency and effectiveness of the contracted services.**
- C. To renegotiate financial terms.**
- D. To establish new supplier relationships.**

7. What is "unilateral contract modification"?

- A. A change made to a contract by mutual agreement**
- B. A change made to a contract by one party without needing the consent of the other party**
- C. A formal termination of a contract**
- D. A cancellation of the initial agreement**

8. An excessive amount of blood drawn can lead to which complication?

- A. Hemolysis**
- B. Phlebitis**
- C. Syncope**
- D. All of the above**

9. What is the purpose of the contract closeout phase?

- A. To negotiate better terms for future contracts**
- B. To finalize all obligations and ensure all aspects of the contract are complete**
- C. To reassess the effectiveness of contractors**
- D. To draft a new contract**

10. What is the primary purpose of contract management?

- A. To enforce penalties for breach of contract**
- B. To ensure that contractual obligations are fulfilled and to manage the relationship between parties**
- C. To negotiate lower prices for contracts**
- D. To create new contracts for different parties**

Answers

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

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Explanations

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1. The amount an insured patient must pay toward claims each year before the insurance company starts covering medical treatment is called what?

- A. Co-payment**
- B. Deductible**
- C. Premium**
- D. Out-of-pocket maximum**

The amount an insured patient must pay toward claims each year before the insurance company begins to cover medical treatment is referred to as the deductible. This payment is a predetermined amount set by the insurance policy, and it needs to be met annually before the insurer pays for any further covered health services. The purpose of the deductible is to share the costs of healthcare between the insured individual and the insurer, incentivizing patients to consider the cost of their medical care. In contrast, a co-payment is a fixed amount the patient pays for specific services at the time of receiving care, but it does not contribute toward meeting the deductible. The premium is the amount paid for the insurance policy itself, typically on a monthly basis, and is unrelated to out-of-pocket costs for medical services. The out-of-pocket maximum is the limit on the total amount a patient will have to pay for covered services in a plan year. After reaching this limit, the insurance company covers 100% of the costs. Understanding these terms is crucial for navigating health insurance policies effectively.

2. Which activities are included in the pre-award phase of contracting?

- A. Performance evaluations and contractor selection**
- B. Need identification, market research, and solicitation of offers**
- C. Contract review and execution**
- D. Project completion and contract closure**

The pre-award phase of contracting primarily focuses on the activities that occur before a contract is finalized. This phase is critical for ensuring that all necessary information is gathered to make informed decisions about which contractor to select. Need identification is the initial step where the specific requirements for goods or services are established. This ensures that the contracting authority knows exactly what is needed, laying the foundation for the entire process. Following this, market research is conducted to identify potential vendors and assess the market landscape. This research helps in understanding available solutions and in determining which contractors can fulfill the identified needs effectively. The solicitation of offers is the next pivotal step, where formal requests for proposals or quotations are issued to potential vendors. This allows the contracting authority to gather specific bids based on the established requirements, leading to an informed selection of a contractor. In contrast, the other activities mentioned in the other choices do not fall within the scope of the pre-award phase. Performance evaluations and contractor selection occur after proposals have been received and assessed. Contract review and execution happen after a contractor has been chosen, while project completion and contract closure take place well after the contract is awarded and fulfilled.

3. What is the function of alcohol in the cleansing process before venipuncture?

- A. To heat the area
- B. To desensitize the skin
- C. To disinfect the site**
- D. To increase blood flow

The function of alcohol in the cleansing process before venipuncture is to disinfect the site. When preparing the skin for a needle stick, it is essential to minimize the risk of infection. Alcohol solutions, specifically isopropyl alcohol, are effective disinfectants that kill bacteria and other pathogens on the skin's surface. This process helps ensure that any microorganisms that could lead to infection are eliminated before the procedure, thus promoting a safer environment for both the patient and healthcare provider. Using alcohol effectively reduces the microbial load and prepares the area for a clean and sterile venipuncture. The antiseptic properties of alcohol are critical in maintaining hygiene standards in medical procedures and assuring patient safety.

4. What are liquidated damages in a contract?

- A. Fees for poor performance unrelated to delays
- B. Predetermined amounts paid for failing to fulfill contractual obligations**
- C. Monetary benefits awarded for compliance
- D. Penalties assigned during contract negotiation

Liquidated damages are a specific provision included in contracts that outlines predetermined amounts to be paid by one party if they fail to fulfill their contractual obligations, particularly in relation to performance or delays. This mechanism serves to establish a clear expectation for both parties about the consequences of non-compliance, allowing for more effective risk management. The concept of liquidated damages is designed to provide a genuine estimate of the loss anticipated by non-compliance, rather than being punitive in nature. By agreeing to these terms upfront, both parties can avoid the uncertainty and potential disputes that could arise from trying to determine actual damages after a breach occurs. In contrast, available options that refer to poor performance unrelated to delays, monetary benefits for compliance, or penalties assigned during negotiations do not capture the essence of liquidated damages, which specifically focus on a predetermined, agreed-upon consequence for failing to meet contractual terms.

5. Which of the following is NOT a symptom of diarrhea?

- A. Frequent liquid stools**
- B. Dehydration**
- C. Abdominal pain**
- D. Incontinence**

Incontinence is not a primary symptom of diarrhea, though it can occasionally occur in certain situations. The other options are recognized symptoms directly associated with diarrhea. Frequent liquid stools are the hallmark of diarrhea, where the normal consistency of stool is altered due to various factors like infections or gastrointestinal disorders. Dehydration often results from diarrhea because as the body loses large amounts of fluids and electrolytes through frequent watery stools, it can lead to significant fluid imbalance. Abdominal pain is also a common symptom, as diarrhea may be accompanied by cramping and discomfort due to the rapid movement of contents through the intestines. While incontinence sometimes occurs as a result of not being able to control the urge to defecate, it is not a defining feature of diarrhea itself. Thus, incontinence is correctly identified as the option that does not align with the core symptoms of diarrhea.

6. What purpose does "performance evaluation" serve in contract management?

- A. To review employee performance in procurement.**
- B. To assess the efficiency and effectiveness of the contracted services.**
- C. To renegotiate financial terms.**
- D. To establish new supplier relationships.**

The purpose of "performance evaluation" in contract management is to assess the efficiency and effectiveness of the contracted services. This evaluation is crucial as it provides insights into how well the contractor is meeting the obligations specified in the contract. By systematically reviewing performance metrics, contract managers can determine whether the deliverables align with the expected outcomes. Performance evaluation goes beyond merely checking if tasks are completed; it encompasses evaluating the quality of work, adherence to timelines, cost management, and overall satisfaction of stakeholders. Effective performance evaluations can lead to critical decisions regarding contract renewals, modifications, or terminations, ensuring that the organization receives the value it expects from the investment made in the contracted services. In contrast, reviewing employee performance in procurement focuses on individual staff rather than contractual obligations. Renegotiating financial terms deals more with adjusting the contract's pricing structure rather than assessing service performance. Establishing new supplier relationships is a process separate from evaluating current contract performance, which is more about maintaining and improving existing contracts. Hence, the evaluation's primary focus lies on the actual performance and results of the services rendered, underscoring the importance of this process in contract management.

7. What is "unilateral contract modification"?

- A. A change made to a contract by mutual agreement**
- B. A change made to a contract by one party without needing the consent of the other party**
- C. A formal termination of a contract**
- D. A cancellation of the initial agreement**

Unilateral contract modification refers to a situation where one party to a contract makes a change to the terms of the contract without needing the consent or agreement of the other party. This kind of modification is typically permissible when the contract specifically allows for such changes, or the law permits it under certain conditions. For instance, in government contracting, a contracting officer may have the authority to unilaterally modify a contract to reflect changes in the delivery schedule, quantity, quality, or other terms, provided that the changes are within the scope of the contract. This is important because it helps maintain a level of efficiency and flexibility in contractual agreements, especially in scenarios where waiting for mutual consent could delay critical operations or projects. The other choices do not accurately define unilateral modification. The first one describes a situation where both parties agree to change the terms, which is a mutual modification. The third choice refers to the termination of a contract, and the fourth talks about canceling the agreement, neither of which aligns with the concept of modifying a contract unilaterally. Understanding unilateral modifications is crucial in contract management as it highlights the authority and limits of parties involved in contract discussions.

8. An excessive amount of blood drawn can lead to which complication?

- A. Hemolysis**
- B. Phlebitis**
- C. Syncope**
- D. All of the above**

When an excessive amount of blood is drawn from a patient, several complications can arise due to the stress on the body and the potential for trauma at the site of venipuncture. Hemolysis is the destruction of red blood cells, which can occur if the blood is collected too vigorously or if the sample is mishandled after collection. This can impact test results and the patient's condition. Phlebitis refers to inflammation of a vein, which can occur if the vein is irritated by the needle or if blood draws are performed too frequently in the same site. Excessive blood withdrawal can contribute to this inflammation, leading to discomfort and additional medical concerns. Syncope, or fainting, can occur when a patient experiences an excessive loss of blood volume or if the procedure induces a vasovagal response. Patients may feel lightheaded or faint during or after the blood draw if they are particularly sensitive to the experience or if the amount drawn is significant. In this context, selecting "All of the above" encompasses all potential complications that can arise from drawing an excessive amount of blood, as each condition is a plausible direct or indirect consequence of the action.

9. What is the purpose of the contract closeout phase?

- A. To negotiate better terms for future contracts
- B. To finalize all obligations and ensure all aspects of the contract are complete**
- C. To reassess the effectiveness of contractors
- D. To draft a new contract

The purpose of the contract closeout phase is to finalize all obligations and ensure that every aspect of the contract has been completed. This phase is crucial for formally concluding the contractual relationship between the parties involved. It involves verifying that all contractual deliverables have been met, ensuring payments have been made, and resolving any outstanding issues or disputes. During the closeout phase, both parties review the contract to confirm that all terms were fulfilled, including the submission of final reports, delivery of products or services, and completion of any required actions. This ensures that both the buyer and the seller can move forward knowing that the contract has been executed successfully and that there are no lingering obligations or liabilities. While negotiating better terms for future contracts, reassessing the effectiveness of contractors, or drafting new contracts are important activities in the broader context of contract management, they fall outside the specific scope of the closeout phase. The focus during this time is on ensuring compliance and fulfillment of the existing contract rather than initiating new arrangements or evaluations.

10. What is the primary purpose of contract management?

- A. To enforce penalties for breach of contract
- B. To ensure that contractual obligations are fulfilled and to manage the relationship between parties**
- C. To negotiate lower prices for contracts
- D. To create new contracts for different parties

The primary purpose of contract management centers on ensuring that contractual obligations are fulfilled and effectively managing the relationship between the parties involved. This function encompasses monitoring performance to adhere to the contract's terms and conditions, resolving any issues that may arise, and fostering collaboration to achieve mutual goals. By focusing on these aspects, contract management seeks to enhance the overall effectiveness and efficiency of the agreement, leading to a successful and sustainable partnership. In addition to fulfilling obligations, effective contract management can also include overseeing compliance, tracking deliverables, and mitigating risks. This proactive management approach is essential for maintaining a productive relationship, which ultimately contributes to the success of the contract for all parties involved.

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://ncmaofficial.examzify.com>

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

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