

NEVADA CONTRACTOR MANAGEMENT SURVEY (CMS) PRACTICE TEST (SAMPLE)

STUDY GUIDE



**SAMPLE STUDY GUIDE
WITH LIMITED QUESTIONS**

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

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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. How can clients use CMS information?**
 - A. As a basis to disregard contractor qualifications
 - B. To evaluate potential contractors before hiring
 - C. To contact contractors directly for unsolicited bids
 - D. To avoid regulations on hiring
- 2. What is often required for contractors seeking to improve their CMS ratings?**
 - A. Developing a new advertising strategy
 - B. Implementing a corrective action plan based on feedback
 - C. Reducing project timelines
 - D. Increasing employee training budgets
- 3. What is the role of subcontractors in the CMS?**
 - A. They do not affect the overall evaluation of the primary contractor
 - B. They are solely responsible for financial management
 - C. Their performance can impact the overall evaluation of the primary contractor
 - D. They only follow instructions from the primary contractor
- 4. What is the maximum penalty for the first offense of violating contractor regulations?**
 - A. \$1000 - not more than 1 year in jail
 - B. \$2000 - not more than 6 months in jail
 - C. \$4000 - not more than 1 year in jail
 - D. \$5000 - not more than 2 years in jail
- 5. What is a primary concern for contractors regarding the data collected in the CMS?**
 - A. The cost of participation
 - B. Time spent on completing the survey
 - C. Confidentiality of sensitive business information
 - D. The accuracy of reported data

- 6. How can contractors prepare for the CMS?**
- A. Studying for certifications
 - B. Reviewing past performance and improving safety measures
 - C. Hiring additional staff
 - D. Networking with other contractors
- 7. Which of the following is true regarding the responsibilities of a general building contractor?**
- A. They can perform any construction task without restrictions
 - B. They can only perform work they are licensed for
 - C. They must subcontract any work requiring specialty licenses
 - D. They may perform some specialized work if included in a broader scope
- 8. For a contractor licensed to work on commercial projects, what is their obligation regarding the Residential Recovery Fund?**
- A. They must pay a biennial fee of \$200
 - B. They are exempt from paying
 - C. They must pay a fee of \$500
 - D. They must pay a fee of \$1,000
- 9. How do economic conditions affect the CMS results?**
- A. They have no impact on contractor performance
 - B. They can influence contractor performance, highlighted by variations in CMS data over time
 - C. They only affect material costs and not labor performance
 - D. They are irrelevant to CMS data analysis
- 10. Which of the following outcomes is a goal of the CMS evaluation?**
- A. Maximizing profit margins
 - B. Reducing project scope
 - C. Ensuring compliance with regulations
 - D. Enhancing contractor reliability

Answers

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

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Explanations

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1. How can clients use CMS information?

- A. As a basis to disregard contractor qualifications
- B. To evaluate potential contractors before hiring**
- C. To contact contractors directly for unsolicited bids
- D. To avoid regulations on hiring

Clients can effectively use CMS information to evaluate potential contractors before hiring, which is crucial for ensuring that they choose qualified and capable professionals for their projects. The CMS provides detailed assessments and data regarding contractors' qualifications, performance histories, and compliance with industry standards. This information allows clients to make informed decisions based on the reliability and expertise of contractors, ultimately leading to better project outcomes. Using CMS data enables clients to compare different contractors effectively, ensuring they choose the best fit for their specific needs based on documented performance metrics and qualifications that have been established within the CMS framework. This approach significantly mitigates risks associated with hiring unqualified contractors, thus enhancing project success rates and client satisfaction.

2. What is often required for contractors seeking to improve their CMS ratings?

- A. Developing a new advertising strategy
- B. Implementing a corrective action plan based on feedback**
- C. Reducing project timelines
- D. Increasing employee training budgets

Improving CMS ratings involves taking actionable steps based on performance assessments, and a corrective action plan is a structured approach to addressing identified shortcomings. Implementing such a plan allows contractors to respond directly to feedback received from past evaluations, which can include enhancing processes, correcting compliance issues, or addressing client satisfaction concerns. This proactive strategy not only demonstrates a commitment to quality improvement but also helps build a more positive reputation within the industry. While other strategies, such as developing advertising strategies or increasing training budgets, can contribute to overall business improvements, they may not directly address the specific areas that affect CMS ratings. Focused corrective actions provide tangible results that enhance contractor performance metrics essential for achieving better CMS ratings.

3. What is the role of subcontractors in the CMS?

- A. They do not affect the overall evaluation of the primary contractor
- B. They are solely responsible for financial management
- C. Their performance can impact the overall evaluation of the primary contractor**
- D. They only follow instructions from the primary contractor

The performance of subcontractors is a critical aspect in the evaluation of the primary contractor in the CMS framework. Subcontractors are integral to many projects, often handling specific tasks that contribute to the overall quality and efficiency of the work being done. When subcontractors perform well, it reflects positively on the primary contractor, indicating their ability to manage resources effectively and ensure the success of the project. Conversely, if subcontractors fail to meet expectations, it can lead to delays, quality issues, and cost overruns which can damage the reputation and evaluation of the primary contractor. Understanding that subcontractors can influence the success of a project underlines the importance of careful selection, oversight, and management by the primary contractor. The relationship and performance of subcontractors are thus vital components of the evaluation process in the CMS, as they contribute directly to the primary contractor's overall project outcomes and performance metrics.

4. What is the maximum penalty for the first offense of violating contractor regulations?

- A. \$1000 - not more than 1 year in jail**
- B. \$2000 - not more than 6 months in jail
- C. \$4000 - not more than 1 year in jail
- D. \$5000 - not more than 2 years in jail

The correct answer reflects the established penalties for a first offense of violating contractor regulations in Nevada. According to state law, the maximum penalty for this infraction can include a fine of up to \$1,000 along with a potential jail sentence of not more than one year. This aligns with the intention of the regulations, which is to ensure compliance while providing a manageable deterrent for those who might violate these laws, especially since it is the first offense. The consideration of a maximum fine of \$1,000 represents a balance between enforcing regulations and allowing for correction rather than excessively punitive measures. The one-year jail limit serves as a framework that keeps the penalties within a reasonable range, acknowledging that many first-time offenders can be rehabilitated rather than faced with severe long-term consequences. Other choices suggest higher financial penalties and longer jail times that exceed the standard for first offenses, which typically escalate in severity for subsequent violations. The structure of these penalties aims to provide an opportunity for correction and encourage compliance with contractor regulations, rather than imposing drastic measures immediately.

5. What is a primary concern for contractors regarding the data collected in the CMS?

- A. The cost of participation
- B. Time spent on completing the survey
- C. Confidentiality of sensitive business information**
- D. The accuracy of reported data

The primary concern for contractors regarding the data collected in the CMS revolves around the confidentiality of sensitive business information. Contractors often handle proprietary data that could include financial details, operational strategies, client lists, and other aspects that, if publicly disclosed, could harm their competitive position in the market. As a result, ensuring that this critical information remains confidential is paramount. Contractors need to trust that the data they provide will be securely managed and will not inadvertently be released to competitors or the public. Concerns about confidentiality can directly affect their willingness to participate fully in surveys and data collection efforts, as fears about potential data breaches or misuse can lead to reluctance in sharing important business insights. This makes confidentiality a significant factor in their overall engagement with the CMS.

6. How can contractors prepare for the CMS?

- A. Studying for certifications
- B. Reviewing past performance and improving safety measures**
- C. Hiring additional staff
- D. Networking with other contractors

Preparing for the Contractor Management Survey (CMS) involves a focus on past performance and the enhancement of safety measures because these aspects are critical for demonstrating a contractor's reliability and commitment to quality. By reviewing their previous projects, contractors can identify areas where they excelled and where improvements are needed. This self-assessment empowers them to make necessary changes and better align their practices with the survey's expectations. Improving safety measures is especially significant, as safety records often represent a crucial factor in a contractor's overall evaluation. A strong safety performance not only minimizes risk but also enhances a contractor's reputation, making it more likely that they will meet or exceed the standards set forth in the CMS. Other approaches, while potentially beneficial, do not directly address the key areas emphasized in the CMS. For instance, while certifications are important for establishing credibility, they do not replace the need for practical improvements and assessments. Similarly, hiring additional staff may help manage workload but does not inherently translate to enhanced performance or safety. Networking, although valuable for relationship-building, focuses more on collaboration and communication rather than directly preparing for the survey's criteria. Thus, a thorough review of past performance and an emphasis on safety best practices represent the most effective strategy for contractors preparing for the CMS.

7. Which of the following is true regarding the responsibilities of a general building contractor?

- A. They can perform any construction task without restrictions
- B. They can only perform work they are licensed for
- C. They must subcontract any work requiring specialty licenses**
- D. They may perform some specialized work if included in a broader scope

Understanding the responsibilities of a general building contractor involves recognizing the legal and practical boundaries of their work. A general building contractor is typically required to adhere to licensing laws that designate the types of work they can perform. If the work falls outside their general scope and requires specific expertise validated by a specialty license, it is indeed necessary that they subcontract this work to qualified professionals. This requirement ensures that the work is completed in compliance with safety standards and legal regulations, protecting both the general contractor and the clients. By subcontracting specialized tasks, the contractor can ensure that only individuals with the appropriate skills and licenses are responsible for certain aspects of a construction project, thus maintaining quality and adherence to relevant codes. In contrast, while some general building contractors may perform specific types of specialized work if they are licensed for it, this is not universally true and can lead to legal and safety issues if done improperly. General building contractors must always respect the licensing requirements specific to their state and industry standards, which emphasizes the importance of subcontracting specialized tasks when necessary.

8. For a contractor licensed to work on commercial projects, what is their obligation regarding the Residential Recovery Fund?

- A. They must pay a biennial fee of \$200
- B. They are exempt from paying**
- C. They must pay a fee of \$500
- D. They must pay a fee of \$1,000

Contractors licensed to work specifically on commercial projects are not required to contribute to the Residential Recovery Fund. This fund is established to protect homeowners by providing financial assistance in cases where a licensed residential contractor fails to fulfill their obligations, such as when they do not complete a project or there are defects in the work. Since commercial contractors do not deal with residential projects, they are exempt from this requirement. This exemption applies because the Residential Recovery Fund is intended to safeguard the interests of residential property owners, and thus, it only impacts contractors who perform work on residential properties. Therefore, commercial contractors are not obligated to pay a fee to this fund, which is why the answer about being exempt is accurate.

9. How do economic conditions affect the CMS results?

- A. They have no impact on contractor performance
- B. They can influence contractor performance, highlighted by variations in CMS data over time**
- C. They only affect material costs and not labor performance
- D. They are irrelevant to CMS data analysis

Economic conditions significantly impact contractor performance, which is reflected in variations in CMS data over time. When economic circumstances change—such as during a recession, an economic boom, or fluctuations in the local or national economy—contractors may face different challenges and opportunities that can influence their performance. For example, during tough economic times, contractors may struggle with cash flow, resulting in delays or compromised quality of work, which would be visible in CMS results. Conversely, in a thriving economy, increased demand for construction services may lead to improved performance as contractors experience growth and may have access to a larger talent pool. This interplay between economic conditions and contractor performance is critical for analyzing CMS data, as it provides insights into the contextual factors that can drive performance metrics up or down over time. Understanding these variations helps stakeholders make informed decisions regarding project planning, resource allocation, and overall management strategies in response to changing economic environments.

10. Which of the following outcomes is a goal of the CMS evaluation?

- A. Maximizing profit margins
- B. Reducing project scope
- C. Ensuring compliance with regulations
- D. Enhancing contractor reliability**

The goal of the CMS evaluation focuses heavily on enhancing contractor reliability. This outcome is essential because reliable contractors contribute to the successful completion of construction projects, ensuring that quality standards are met and that projects are delivered on time and within budget. By evaluating contractors thoroughly, the CMS aims to identify those who demonstrate consistent performance, adhere to best practices, and maintain positive relationships with clients and stakeholders. While maximizing profit margins, reducing project scope, and ensuring compliance with regulations may be important considerations in contracting, they do not directly address the overarching goal of enhancing overall reliability among contractors. Reliability encompasses consistent delivery and performance, which are crucial in establishing a trustworthy reputation in the construction industry. Thus, enhancing contractor reliability is directly aligned with the objectives of the CMS evaluation, as it underpins successful project outcomes and fosters a strong foundation for ongoing business relationships.

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://nevadacms.examzify.com>

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

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