



Candidate Information Bulletin State of Arkansas

Contractor Business and Law Examination

At a glance

The Arkansas Contractors Licensing Board (Board) is responsible for the administration of Arkansas’ laws governing the licensing of contractors. The Board has contracted with Prometric Inc. to conduct its business and law examination.

This bulletin is your guide to the process of taking the Arkansas contractor business and law exam. The steps below summarize the process. For information about a step, go to the page listed.



To obtain your license

- 1 Submit your exam registration form and fee to Prometric.
 - a If registering for a computerized exam, see Page 2.
 - b If registering for a paper/pencil exam, see Page 2.
- 2 Prepare for your exam using this bulletin and other materials—Page 7.
- 3 Present the required identification; then take the exam—Page 3.
- 4 Apply for your license with the Board. Licensure packages are available from the Board.



To get answers not provided in this bulletin

For questions about exams:

Prometric
 ATTN: AR Contractor Program
 1260 Energy Lane
 St. Paul, MN 55108
 Phone: 800.280.3926 (Paper/Pencil)
 Phone: 888.763.0131 (Computerized)
 Fax: 800.813.6670
www.prometric.com/arkansas

For questions about licensing requirements:

Arkansas Contractors Licensing Board
 4100 Richards Road
 North Little Rock, AR 72117
 Phone: 501.372.4661
 Fax: 501.372.2247
www.arkansas.gov/clb

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Registering for a computerized exam

For convenient and flexible scheduling, you may choose the option of a computerized exam. Computerized testing is available at over 300 Prometric test centers nationwide. A complete list of test centers is available at www.prometric.com/arkansas.

You may register for your computerized exam by calling 888.763.0131 between 7 a.m. and 7 p.m. (Central time), Monday through Friday, and paying the computerized exam fee (\$80) with a Visa or MasterCard; or a check can be drafted from your checking account. The exam fee is nonrefundable and nontransferable. **Before calling to register**, be prepared to provide the information listed on the Exam Registration Information form on Page 8.

Confirmation number

At the end of the call, you will be given a number confirming your appointment. Record and keep this confirmation number. You **must** provide this number at the test center or you will not be allowed to test.

Rescheduling a computer exam

To reschedule a computerized exam, contact Prometric no later than noon two business days (Monday through Friday) before the scheduled exam appointment. There are no exceptions to this policy. Failing to reschedule within the allowed timeframe will result in forfeiture of exam fees.

Registering for a paper/pencil exam

If you prefer, you may take your exam in a paper-and-pencil format. You may register for a paper-and-pencil exam by calling 800.280.3926 between 7 a.m. and 7 p.m. (Central time), Monday through Friday, and paying the paper-and-pencil exam fee (\$35 through April 30, \$40 as of May 1) with a Visa or MasterCard; or a check can be drafted from your checking account. The exam fee is nonrefundable and nontransferable. **Before calling to register**, be prepared to provide the information listed on the exam registration form on Page 8.

Admission letters

Once your registration has been processed and payment has been received, Prometric will send you an admission letter. This letter provides information regarding the specific date, time and location of your exam. You **must** present this letter at the test center or you will not be allowed to test.

In order to get your admission letter as fast as possible, please provide your email address when you register. Prometric will then send your admission letter to that email address. If you do not have an email address, your admission letter will be sent by mail, which will take longer to arrive.



Important If you do not appear for your exam on the date and at the time shown on your admission letter, you forfeit all fees. If you arrive after the exam has started, you will not be admitted.

Rescheduling a paper/pencil appointment

To reschedule an exam, call Prometric at 800.280.3926. Rescheduling fees are as follows:

- **\$30** to reschedule **up to 10 full working days** before your exam date.
- **A full exam fee** if you reschedule **less than 10 full working days** before your exam, or if you are denied admission into a test site for arriving late or not providing valid ID on the day of your test.

Special consideration

ADA accommodation. If you require testing accommodations under the Americans with Disabilities Act (ADA), please call Prometric at 800.280.3926 for paper-and-pencil exams or 888.226.9406 for computerized exams to obtain an accommodation request form. Reasonable testing accommodations are provided to allow candidates with documented disabilities recognized under the ADA an opportunity to demonstrate their skills and knowledge.

Submit professional documentation of your disability with your form to help us determine the necessary testing arrangements. Thirty days' advance notice is required for all special testing arrangements. There is no additional charge for these accommodations.

ESL note. If English is your second language, please note that a language barrier is not considered a disability.

Preparing for your exam

Preparing can help you pass your exam and possibly save time and money needed to take it again.

The exam is in an open-book, multiple-choice format. You can use the content outline in this bulletin (beginning on Page 7) to prepare for your exam.



Note Do not schedule your exam until you are familiar with all subject areas in the content outline.

Practice exam. To help alleviate anxiety, Prometric has prepared a business and law practice exam. The practice exam will familiarize you with the content and format of an actual paper-and-pencil exam, including the equivalent specifications and difficulty levels of the exam.

The fee for a practice exam is \$42, including shipping and handling. For more information, call toll-free 877.624.2562.

Sample questions. A list of the type of questions that may be included in the exams can be found on Page 7.

What to bring on exam day

You should arrive at the test center at least **30 minutes** before your scheduled appointment. This allows time for you to sign in and for Prometric staff to complete the admission procedures required before your test begins.

Bring all the following items with you to your exam appointment:

- Your admission letter (paper-and-pencil exam) or confirmation number (computerized exam) from Prometric.
- A current, valid, government-issued photo identification card, such as a driver's license or passport.
- Two sharpened No. 2 pencils (paper-and-pencil exam).
- A silent, nonprinting, nonprogrammable calculator (calculators capable of alphabetic entry **cannot** be used).
- The *Contractor's Guide to Business, Law and Project Management, Arkansas Third Edition, 2010*.



Important Failure to provide appropriate identification and your admission letter or confirmation number at the time of the exam is considered a missed appointment. If you miss an appointment, you forfeit your fees.

If you do not appear for your scheduled exam or arrive late and are not admitted, you will forfeit all exam fees and must re-register for another exam date.

Test center regulations

To ensure that all candidates are tested under equally favorable conditions, the following regulations and procedures will be observed at each test center. Failure to follow any of these security procedures may result in disqualification of your examination. Prometric reserves the right to audiotape and videotape any examination session.

- References**
- The *Contractor's Guide to Business, Law and Project Management, Arkansas Third Edition, 2010*, is the **only** reference you are allowed to use during the exam. Photocopies of this reference may **not** be used. No handwritten or additional notes (letters, words, diagrams, etc.) are allowed in the reference book. Highlighting and permanent tabbing added before your arrival at the test center is acceptable. Post-it® notes are not considered permanent tabbing and are not allowed.
 - Reference materials will be checked at the test site before and after the examinations. Any reference material that has been written in during the exam will be confiscated.
 - Sharing reference materials is not allowed.
 - No other references, papers or study materials are allowed at the test center. If you are found with these or any other aids, you will not be allowed to continue the exam and your answers will not be scored.

- Calculators**
- You should bring a silent, handheld, solar or battery-operated, nonprogrammable calculator (without paper tape-printing capabilities or alphabetic keypads). Construction or electrician's calculators are **not** allowed.

- Personal items**
- We recommend that you avoid bringing personal items to the test center. Note the following:
- Electronic equipment—cell phones, PDAs, pagers, cameras, tape recorders, etc.—is not permitted in the testing area.
 - Other personal items—watches, briefcases, backpacks, etc.—are not permitted in the testing area. **Note:** It is recommended that purses not be brought to the test center as access to purses will not be allowed during testing.

- Breaks**
- If you leave the testing room while an exam is in progress, you must sign out/in on the roster and you will lose exam time.
 - You are not allowed to use any electronic devices or phones during breaks.

- Visitors**
- No guests, visitors or family members are allowed in the testing area.

- Misconduct or disruptive behavior**
- Candidates who engage in any kind of misconduct or disruptive or offensive behavior may be dismissed from the examination. Examples are: giving or receiving help, taking part in an act of impersonation, removing test materials or notes from the testing room, using rude or offensive language and behavior that delays or interrupts testing.

- Weapons**
- Weapons are not allowed at the test center.



Important Every time you enter the test room, you will be asked to turn your pockets inside out to confirm that you have no prohibited items. The test center administrator will collect any materials that violate the rules.

Copyrighted questions. All test questions are the property of Prometric Inc. and are protected by copyright. Federal law provides severe civil and criminal penalties for the unauthorized reproduction, distribution, or exhibition of copyrighted materials.

If questions arise. Test center administrators are not allowed to answer any questions pertaining to the exam content. If you do not understand a question on the examination, you should answer the question to the best of your ability.

Your exam results

A score of 70 percent or above is required to pass the exam. Scores are based on the number of questions answered correctly. You will not be given credit for any question answered incorrectly, marked with more than one answer or left blank. There is no penalty for guessing, so be sure to mark an answer for each question.

Computerized exam score report. At the end of your exam, your score will be shown on the screen and you will receive a printed score report. The report indicates your overall score and grade and whether you passed or failed.

Paper/pencil exam score report. A score report will be mailed to you approximately 10 business days after your exam date. To ensure confidentiality, scores will **not** be disclosed over the phone.

Retake information. If you do not pass, you will need to re-register for the exam following the registration procedures in this bulletin on Page 2.

Appeals process

Our goal is to provide a quality exam and a pleasant testing experience for every candidate. If you are dissatisfied with either and believe we can correct the problem, we would like to hear from you. We provide an opportunity for general comments at the end of your exam. Your comments will be reviewed by our personnel, but you will not receive a direct response.

If you are requesting a response about exam content, registration, scheduling or test administration (testing site procedures, equipment, personnel, etc.), please submit an appeal in writing. Your appeal letter must provide your name and Social Security number, the exam title, the date you tested and the details of your concern, including all relevant facts. Be sure to include your signature and return address. Mail your appeal letter to:

Prometric
ATTN: Appeals Committee
1260 Energy Lane
St. Paul, MN 55108

The Appeals Committee will review your concern and send you a written response within 10 business days of receipt. **Faxed appeals are not accepted** because an original signature is required.

Optional services

This section describes optional services that Prometric provides.

Duplicate score report

You may request a duplicate of your score report from Prometric. To obtain a duplicate score report, choose the duplicate score report option on the registration form or call Prometric. You will be charged a \$30 processing fee per report.

Expedited scoring for paper/pencil exams

This service allows you to obtain an **unofficial score** for a paper-and-pencil exam within just a few days. Expedited score reports are confidential, unofficial, and include your raw score and pass/fail status. The fee for this service is \$30. Requests for an expedited score report should be made at the same time you schedule your exam.



Important If your expedited score indicates a failing percentage, do **not** schedule a retake exam until you have received your official score report. If your official score report indicates a passing percentage and you have already retaken the exam based on your unofficial score, the retake exam fee will not be refunded.

Paper/pencil exam reviews

If you do not pass your exam, you can register for an optional review of it. The purpose of a review is not to teach you the exam subject matter. Rather, it is a study session that is conducted much like an exam. During the review, you will be given a copy of the test booklet and a printout showing the questions missed and the incorrect answers given. You will have 1-1/2 hours to research the approved reference materials to determine what the correct answers should have been. You are not provided with the correct answers. You are not allowed to bring anyone with you to the review. You may not remove notes or exam materials from the review room.

To schedule an exam review, contact Prometric at 800.280.3926. You may not retake an exam on the same day you review it. The fee for an exam review is \$35.

Exam content outline

Following is the content outline for the Arkansas Contractor Business and Law exam. This outline is the basis of the exam. It lists all subjects covered in the exam and the percentage of questions asked about each topic. There are 50 questions on the exam and you will have two hours to complete it.

The Contractor Business and Law examination is designed to ensure that contractors have a basic understanding of business and financial management, as well as familiarity with state and federal laws governing contractors.

Business and Law (100AR04) Open Book, 50 questions, 2 hours

Scope – Tests a candidate’s knowledge of payroll taxes, Workers’ Compensation, Unemployment Compensation, Lien Laws, and other laws or subjects that will affect their daily operation as a contractor.

Subject Area	Percentage
Business Organization	2
Licensing	8
Estimating and Bidding	8
Contract Management	16
Project Management	12
Insurance and Bonding	6
OSHA Recordkeeping	6
Personnel Regulations	16
Financial Management	10
Tax Laws	10
Lien Laws	6

Reference allowed during the exam

- 1 *Contractor’s Guide to Business, Law and Project Management, Arkansas Third Edition, 2010, National Association of State Contractor’s Licensing Agencies (www.nascla.org), and Builders’ Publishing Company (www.buildersbookdepot.com), 1001 East Jefferson Street, Suite 5, Phoenix, AZ 85034.*

Sample Questions

The following samples may be useful to review for the type of questions that may be included in the exam.

1. All of the following are advantages of a corporation except
 - (A) double taxation.
 - (B) easier to obtain financing.
 - (C) limited liability.
 - (D) the corporation survives the incorporates.
2. A contractor’s monthly invoice from a supplier is \$5,238.55. The contractor pays the invoice on the 8th of the month, and the terms are 3 percent by the 10th, net 30. How much will the contractor pay?
 - (A) \$5,081.39
 - (B) \$1,571.57
 - (C) \$3,666.99
 - (D) \$5,393.71
3. What provision gives the owner the right to require the contractor to repair and correct defective work?
 - (A) Conformity provision
 - (B) Warranty provision
 - (C) Aesthetics provision
 - (D) Indemnification provision
4. Sales for the year totaled \$935,000. Direct costs equaled \$623,000 and indirect costs equaled \$22,000. What is the gross profit on the income statement?
 - (A) \$290,000
 - (B) \$312,000
 - (C) \$645,000
 - (D) \$913,000

Answers to sample questions: 1-A; 2-A; 3-B; 4-A.



Exam Registration Information Arkansas Contractor Exam

If you wish to take the Arkansas Contractor Business and Law exam on a computer, you may register and schedule your exam by calling Prometric’s national registration center at **888.763.0131** between 7 a.m. and 7 p.m. (Central time), Monday through Friday.

You may register for a paper-and-pencil exam by calling 800.280.3926 between 7 a.m. and 7 p.m. (Central time), Monday through Friday.

Before you call, you will need to be prepared to provide the following information:

- 1 Program Name: **AR04** - Arkansas Contractors Licensing Board
- 2 Three-digit exam code and name of exam you wish to take.

Exam Code and Name
100 – Business and Law
- 3 Your **name, address, email address** and **phone number**.
- 4 Your **applicant number** (it may be your Social Security number).
- 5 Your **company name**.
- 6 The **location** where you wish to take your exam.
- 7 For computerized exams, the **date and time** you would like to test.
- 8 Your **Visa or MasterCard information** or, if paying by check, your **checking account routing numbers**.
 - a The computerized exam fee is \$80.
 - b The paper/pencil exam fee is \$40.

Admission Letter (for Paper/Pencil Exams)

Once your registration has been processed, Prometric will send you an admission letter. This letter provides information regarding the specific date, time and location of your exam. You **must** present this letter at the test center or you will not be allowed to test.

Confirmation Number (for Computerized Exams)

At the end of the call, you will be given a number confirming your appointment. Write your appointment confirmation number, the date and time of your appointment, and the address (and directions) to the test center in the chart below. Bring this completed page with you to the test center.

Confirmation number*	
Appointment date	
Appointment time	
Appointment location	
Directions to the test center	

*You **must** provide this number at the test center or you will not be allowed to test.

Candidate Name: _____

Company: _____