

**CANADIAN BOARD OF EXAMINERS FOR PROFESSIONAL SURVEYORS**

**C11 – BUSINESS PRACTICES & THE PROFESSION**

**October 2018**

**Note: This examination consists of 10 questions on 2 pages.**

**Marks**

**Q. No**

Time: 3 hours

Value   Earned

<u>Q. No</u>		<u>Value</u>	<u>Earned</u>
1.	Your bank calls, “The cheque from 1234 Alberta Limited for \$75k has bounced (rejected for NSF) and your account is now \$10k in overdraft.” Your company payroll is due to be run at the end of the day. Describe how you will resolve this crisis.	10	
2.	When pricing a project we typically provide one of three fee structures; fixed price, hourly rates or an upset fee. Explain the Pros and Cons of each option.	5	
3.	You have completed the retracement of an original township lot/section and the project costs are \$11,500. Before you started the project you gave the client a written cost estimate of \$9,500 and accepted a \$5,000 deposit. How much will you invoice the client? Explain why. How could you have increased the likelihood of collecting the additional fees?	10	
4.	A client calls and says, “I like your proposal for survey services on the lakeside condominium development. However, your price of \$55,000 is significantly higher than the second best proposal. If you can reduce your price by 15% the job is yours.” How will you respond? Explain why.	10	
5.	Name and explain the three most common complaints submitted to your Professional Land Surveying Association.	10	
6.	A survey is often referred to as an “opinion”. Explain.	5	
7.	Though a business may pay an employee \$30 an hour, the business will invoice the client at a much higher hourly rate for the employee’s time plus disbursements. Ignoring the field disbursements, list the primary payroll burdens and business costs used to determine the “multiplier or mark-up” applied to the employee’s base hourly rate.	10	
8.	Define the following terms and provide an example. a) Code of Ethics b) Negligence c) Depreciation d) Lien e) Cost of Living Adjustment	15	

9.	Professional Land Surveying Associations are referred to as “self-governing”. (Name your jurisdiction.) a) What is meant by self-governing? b) How is the public served or protected by your Association?	5	
10.	Your boss says, “You have been here four years and we see a bright future for you so I am going to give you the opportunity to buy some shares in my business. You will start as a junior partner but over the years accumulate shares and buy me out when I retire.” What questions should you ask? (1 mark per question)	15	
	<b>Total Marks:</b>	100	