



Florida Contracts, Liabilities and Risk Management

(Course # 0610130)

Course Description

This seven hour video course explains the principles of contract law and the important elements of a home building and remodeling contract. The difference between various contracts used in the residential construction industry is also described. Requirements and types of insurance are also covered in this course, as well as the details of Workers Compensation.

Learning Objectives are provided to facilitate student understanding and progress. Informal progress checks throughout the module help students review and measure their understanding of the material. The assessment at the end of each chapter accurately reflects Learning Objectives. A 70% passing score on each assessment is required to move on to the next chapter.

COURSE SYLLABUS

Chapter 1 – Contract Rules and Elements

****Learning Objectives:*** 1) Understand laws to remember when making agreements 2) Why clarity of the contract language is so important 3) Learn the basic elements of a contract 4) Understand what language should always be in a contract 5) Understand what language can be useful in certain situations.

- A. Contractor law
- B. Content of written agreements
- C. Clarity
- D. Required Documents

Total = 30 minutes

Chapter 2 – Contract Types

***Learning Objectives:** 1) Describe what other documents may be included with a contract 2) Understand what different positions a contractor may be in 3) Understand what constitutes a fixed price, unit price or cost-plus-fee contract, and what the differences are.

- A. Contract Documents
- B. Role of the Contractor
- C. Fixed Price Contract
- D. Unit Price Contract
- E. Cost Plus Fee Contracts

Total = 21 minutes

Chapter 3 – Retainage and Scope Creep

***Learning Objectives:** 1) Identify liquidated damages and retainage 2) Understand how to manage scope creep 3) Be able to write an RFP and how to decline a proposal.

- A. Liquidated Damages
- B. Retainage
- C. Scope Creep
- D. Request for Proposal

Total = 17 minutes

Chapter 4 - Bidding

***Learning Objectives:** 1) List reasons for holding a pre-proposal meeting 2) Understand how to create and use a decision matrix 3) Know how to

write a residential letter of intent 4) Describe the differences between a commercial letter of intent and a residential one 5) Identify a no-bid letter and understand how to use it.

- A. Pre-proposal Meetings
- B. Decision Matrix
- C. Letter of Intent
- D. No Bid Letter
- E. Contract Sources
- F. Who Pays if Something is Wrong?

Total = 29 minutes

Chapter 5 – Contract Formatting

***Learning Objectives:** 1) Identify the components of a contract 2) Define consideration as it relates to contracts 3) Understand the many formats a contract can take 4) Understand legal interpretation of written contracts.

- A. Fundamentals
- B. Consideration
- C. Written vs. Oral

Total = 10 minutes

Chapter 6 – Offer and Acceptance

***Learning Objectives:** 1) Describe capacity and how it may affect an agreement 2) Identify what makes an offer valid and what constitutes an adequate acceptance 3) Know what conditions may apply to a contract 4) Describe reliance.

- A. Capacity
- B. Offer and Acceptance
- C. Terms and Conditions

Total = 22 minutes

Chapter 7 - Consideration

**Learning Objectives:* 1) Understand mutuality of obligation in terms of consideration 2) Identify who and what agents represent 3) Describe delegation and assignment of responsibilities 4) Understand the concept of a "reasonable person".

- A. Consideration
- B. Agents
- C. Delegation of Responsibility
- D. Reasonable Person
- E. Beware Mistakes that Bind

Total = 35 minutes

Chapter 8 – Duress and Fraud

**Learning Objectives:* 1) Describe what things make a contract illegal 2) Define duress and undue influence 3) Describe the difference between fraud and a mistake 4) Understand how situational changes can affect a contract.

- A. Illegal Contracts
- B. Duress
- C. Fraud

Total = 18 minutes

Chapter 9 – Breach of Contract

*** Learning Objectives:** 1) Understand how the statute of limitations for malpractice and the statute of repose works for contractors 2) Identify the positive and negative forms of contracts 3) Appreciate the need to read the entire document and get all agreements in writing.

- A. Time Limits
- B. Form Contracts
- C. Fine Print
- D. Get it in Writing
- E. Stopping Work Before a Dispute
- F. Excluding Work from a Contract

Total = 42 minutes

Chapter 10 – Home Solicitation Act

*** Learning Objectives:** 1) Explain what a home solicitation sale is, and what sales are not covered by the Home Solicitation Act 2) Be able to calculate the right-to-revoke period 3) Understand what needs to be included with every contract covered by the Home Solicitation Act 4) Describe what happens if the customer cancels the contract.

- A. What's Covered
- B. Right-to-Revoke
- C. Cancellation

Total = 25 minutes

Chapter 11 – Home Improvement Act

*** Learning Objectives:** 1) Know what the requirements of the Gift Promotion Act are 2) Understand when Truth-in-Lending will affect your

agreement 3) Describe the Home Improvement Finance Act 4) Define the Owner Built Residence Transfer Act.

- A. Gift Promotion Act
- B. Truth in Lending Act
- C. Home Improvement Finance Act
- D. Owner Built Transfer Act

Total = 24 minutes

Chapter 12 – Insurance, Risk and Liability

** Learning Objectives:* 1) Describe a contractor's risk exposure and how to manage it 2) Identify what builders' risk insurance covers 3) List the kinds of property insurance available to contractors 4) Understand liability insurance.

- A. Risk Management
- B. Builder's/Property Insurance
- C. Liability Insurance

Total = 15 minutes

Chapter 13 – Workers' Compensation

** Learning Objectives:* 1) Describe how construction bonds work 2) Distinguish who is required to carry workers' compensation insurance, and who can be excluded from that requirement 3) List the classifications of an independent contractor.

- A. Surety Bonds
- B. Workers' Compensation
- C. Independent Contractors
- D. Classifications

Total = 20 minutes

Chapter 14 – How to Write a Contract

****Learning Objectives.** Using your own company, create a contract making sure to include all elements learned within the course.*

Total = 30 minutes

Course Review

Total = 15 minutes

Total Course Timeline = 7 hours 6 minutes