Board of Directors Quiz (8 Questions)
Bob Harris, CAE

1. The strategic planning retreat was a success. What’s the wrong way to implement the new plan?
   a. Consider it a to-do list for the executive director.
   b. Align committees with projects and strategies in the new plan.
   c. Appoint a “plan champion” who reports on progress to the board.
   d. Determine performance measures and set timelines.

2. The board reads and abides the governing documents; which choice represents their hierarchal order from high to low?
   a. Budget, Mission, Business Plan and Minutes
   b. Policies, Bylaws, Strategic Plan and Financials
   c. Mission, Articles of Incorporation, Bylaws and Policies
   d. Procedures, HR Manual and Crisis Plan

3. What does not belong in the board minutes?
   a. Starting and ending times.
   b. Details describing why the proposal failed and an attached report.
   c. Approval of the prior minutes.

4. The IRS defines the board’s role as governance and the staff as implementing the decisions of the board. Which describes the “altitude” at which a visionary board should operate?
   a. Board at 50,000’ level, committees 25,000’ and staff at 10,000’
   b. Staff at 60,000’ level, committees at 5,000’ and board at 25,000’
   c. Committees in the clouds, boards in the weeds.

5. Committees go by many names; which label does not apply to committees?
   a. Standing Committee
   b. Task Force or Ad Hoc
   c. Quick Action Team
   d. Strike-Force or Brain-Trust
   e. The Do Nothings

6. At the board meeting the treasurer gives the financial report, what is the next step:
a. No motion; move on to the next item on the agenda.
b. Motion to accept the financial report.
c. Motion to approve the financial report.

7. The IRS requires the board to report “diversions” annually. What could be included in a diversion of assets?

a. Embezzlement and theft.
b. Misuse of the organization’s credit card by the chief elected officer.
c. Pocketing the golf funds.
d. $6.9 million wire transfer to the CEO
e. All of the above.

8. Which does not afford protection to the board of directors?

a. Directors and Officers Insurance (D & O)
b. Golf Hole in One Insurance
c. Volunteer Immunity
d. Indemnification
e. Incorporation of the Organization

Answer Key: #1 – a; #2 – c; #3 – b; #4 – a; #5 – e; #6 – b; #7 – d; #8 - b
Board Responsibilities Quiz (12 Questions)

1. “Not for profit” is best described as:
   a. Board members will not be reimbursed for travel costs.
   b. A designation by state government.
   c. A designation by the IRS.

2. A “Mission” for an organization refers to:
   a. A building from where to defend one’s beliefs or territory.
   b. A project after a keg party, frequently in a fraternity.
   c. A statement of the organization’s purpose for existence.

3. An “Agenda” typically refers to:
   a. Ulterior motives of individual board members.
   b. Something hidden.
   c. A written outline of topics, times, and purpose of items to be covered in a Board or Committee meeting.

4. "Motions" commonly mean:
   a. Proposals for action.
   b. Moves on the dance floor.
   c. Description by the weatherman relative to a cold front.

5. A "Second" typically refers to:
   a. An understudy in a play.
   b. A stand in at a duel or gun fight.
   c. Concurrence to discuss the original motion.

6. "Tabling" commonly means:
   a. Proposing a topic for discussion.
   b. Postponement of a topic from discussion.
   c. An appetizer table with multiple options.

7. "Minutes" typically refer to:
   a. A written record of time, location, quorum and outcomes of the meeting.
   b. Units of time as in 60 minutes in an hour.
c. The chance to keep minutes while losing hours in a poorly planned meeting.

8. The term "Standing" is most often used to describe:
   a. Committees identified in the bylaws with work that is ongoing annually.
   b. Meetings held in rooms with no chairs for efficiency.
   c. Characterize long lasting differences of opinion.

9. A “Conflict of Interest” can be avoided by:
   a. Denying one exists, ignoring the sacred cows and elephants in the room.
   b. Refusing to talk about it.
   c. Proactively disclosing the conflict and/or recusing oneself from discussions or votes.

10. “Strategic Planning” is best described as:
    a. A process resulting in a document nobody; best stored in a notebook on the shelf.
    b. Enables a board to consider opportunities, anticipate the future, and make course corrections for the organization.
    c. Is a rare event that creates a load of work for staff.

11. Board members who act with “Care” are most often protected by:
    a. Renters’ insurance.
    b. Personal health insurance or the Affordable Care Act.
    c. Volunteer immunity and D & O liability insurance.

12. “Duty of Obedience” refers to:
    a. Always agreeing with the Chair or chief paid staff.
    b. Process taught in pet training school.
    c. Complying with the organization’s governing documents.

Answer Key: 1-b; 2-c; 3-c; 4-1; 5-c; 6-b; 7-a; 8-a; 9-c; 10-b; 11-c; 12-c.

Note: Bob Harris, CAE provides free governance tips and templates at [www.nonprofitcenter.com](http://www.nonprofitcenter.com). The laminated Board Responsibilities Guide© is available to support leadership training and orientation for $10 each for a minimum of ten plus S/H. Email quantity and street address to bob@rchcae.com.
Board Member Pre-Orientation Quiz

Bob Harris, CAE

Name: ________________________ Date: ________________________

Please fill out this quiz and bring a copy with you to the leadership orientation meeting. **For some questions there are more than one correct answer; mark all the answers you believe to be correct.** The intent of the quiz is to increase knowledge and improve governance.

1) **How familiar are you with the responsibilities of being a board member of a nonprofit organization/corporation?**
   a. Very Familiar
   b. Somewhat – A Refresher is Appreciated
   c. Not Familiar – My First Board Seat
   **Help! Here’s my #1 question about board service:**
   d. _____________________________

2) **Which duty is not a director’s fiduciary responsibility or legal principle?**
   a. Duty of Care
   b. Duty of Attendance
   c. Duty of Loyalty
   d. Duty of Obedience

3) **Rank the following governing documents in order of hierarchy starting with most important:**
   a. Articles of Incorporation (state law)
   b. Statement of Purpose (mission statement acknowledged by the IRS)
   c. Board Polices (wisdom of the board)
   d. Bylaws (relationship to members)

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1 Most answers as well as governing tips and templates can be found at 
[www.nonprofitcenter.com](http://www.nonprofitcenter.com). **Revised 2017.** Adapted with permission from Alpha Phi Omega.
4) ____ Which is not an explicit responsibility of most boards?
   a. Convention Planning
   b. Governance of the Organization (corporate)
   c. Setting Strategic Direction
   d. Policy and Position Development
   e. Fiduciary Duties and Financial Oversight

5) ____ Which of the following is not a policy developed by the board?
   a. Conflicts of Interest
   b. Apparent Authority, Who Speaks for the Organization
   c. Style Guide
   d. Record Retention, Document Destruction

   "Duty of Obedience" can best be characterized as which two of the following?

6) ____
   a. Complying with Articles of Incorporation and Bylaws
   b. Obeying State and Federal laws
   c. Following your Conscience and Gut
   d. Obeying the President’s Directives

7) ____ Executive sessions are:
   a. Meetings of the Executive Officers prior to the Board Meeting
   b. Closed Door Meeting without Guests and Staff Generally
   c. Opportunities to Air Grievances and Chat about Personnel

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We do not need Directors & Officers (D&O) Insurance since the state in which we are domiciled provides volunteer immunity.

8) ____
   a. True
   b. False

   **If a stranger asks for a copy of IRS Form 990 (annual information return), what’s the worst response?**

9) ____
   a. Tell Them to Ask the Executive Director
   b. Provide a Copy or Access to the Form
   c. Say, "Sorry, it's confidential."
   d. Encourage them to Reference it at GuideStar.org

10) ____
    Our goals or core competencies can be found in:
    a. Annual Atlas
    b. Strategic Plan
    c. President's Diary
    d. Committee Conclave Report

11) ____
    My personal liability as a director may be limited as long as I:
    a. Work within the Governing Documents
    b. Act in Good Faith and with Due Diligence
    c. Keep Personal Interests from Prevailing over Organization Interests
    d. Understand my Responsibilities as a Board Member
    e. All of the Above

    **Since we are a nonprofit we should not be concerned with antitrust issues** (boycotts, price fixing, collusion, etc.)

12) ____
    a. True
    b. False
13) An IRS audit might request which of these documents as part of the examination?
   a. Meeting Minutes and Newsletters
   b. List of Vendors and Individuals Receiving $600 or More
   c. Contracts, Leases, Agreements.
   d. All of the Above and More

14) A standing committee is best described as:
   a. Committee Meeting without Chairs or Minutes
   b. Task Force Appointed for a Precise, Short Term Task
   c. Ad Hoc - a Greco-Roman Phrase for "Meeting in the Coliseum"
   d. Committee Identified in the Bylaws

15) "Apparent Authority" can best be described as:
   a. Authority One Can Believe a Director has to Speak for the Organization
   b. The Authority a Director Would Hope Comes with the Position
   c. The Person Who Wields the Gavel
   d. Authority of the Board to Discipline a Subordinate Chapter

16) Meeting minutes should always contain the following?
   a. Detailed Summaries of In-Depth Discussions
   b. Who was Assigned What and When
   c. Voluminous Notes about Who Voted How
   d. Notice of a Quorum, Record of Motions, Start and Ending Time

17) When the treasurer or staff present the periodic financial report, the best thing to do is:
   a. Take a Phone Call
   b. Rely Entirely on a Finance Committee; Neglecting Fiduciary Duties
   c. Start by Asking Questions about the Smallest Line Items
   d. Review it Carefully; Support a Motion to Accept the Report as Presented
18) ___ Three reasons to maintain a healthy savings reserve include:
   a. President's Inaugural Gala
   b. Positioned to take Advantage of Opportunities
   c. Prepared to Act in a Financial Crisis
   d. Ability to Remain in Existence if Major Income Sources Fails

   If values are the organization’s guiding principles, which values are
   most appreciated by members:

19) ___
   a. Diversity and Inclusiveness
   b. Transparency and Accountability
   c. Fun and Collegiality
   d. When They Go Low We Go High

20) ___ What advice seems most appropriate for directors on the board:
   a. Think Beyond Your Term of Office
   b. Leave Conflicts of Interest at the Door
   c. Board Governs and Staff Manages
   d. All of the Above

Bonus – Extra Credit

21) ___ Who speaks for the organization?
   a. I Do – I’m on the Board Now
   b. The Chief Elected Officer and Who He/She Appoints to Speak
   c. All of the Staff Members
   d. Anybody So Long as They Get the Message Right

Answer Key: 1 – a; 2 – b; 3 – b; 4 – a; 5 – c; 6 – a/b; 7 – b; 8 –b; 9 – c; 10 – b; 11 – e; 12 – b; 13 – d; 14 – d; 15 – a; 16 – d; 17 – d; 18 – b/c/d; 19 – b; 20 – d; 21 - b
Board Member Checklist and Considerations

Legal Designation of the Organization
- □ 501 (c) (3) exempt
- □ 501 (c) (6) exempt
- □ 501 (c) ( ) exempt
- □ For-Profit or Not-for Profit Corporation

Mission and Vision Statement
- □ I can state them from memory or easily find.
- □ Know these statements from our work.
- □ Why does it matter?

Finances
- □ I know the size of our budget.
- □ I know how much we have in reserve/savings.
- □ I understand the value of a periodic financial independent audit.
- □ I know the importance of maintaining diverse streams of income.

Member Benefits
- □ I can describe the top 3 benefits unique and relevant to our organization.
- □ We have a “golden handcuff”—a valued benefit attracting and retaining members.

Board Meetings
- □ I know the purpose and use of a consent agenda.
- □ I know the difference between governance and management.
- □ I understand our committee structure and the relationship to the board.
- □ I expect meetings of the board to produce significant results.
- □ I prepare for meetings by reading advance reports and being accountable.

Strategic Plan
- □ I am aware of the plan and rely on it to frame discussions of the board.
- □ I am familiar with the goals or core competencies in the plan.
- □ I recognize the plan is the roadmap for board, committees and staff.