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
   d. Help! Here’s my #1 question about board service:

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)

1 Most answers as well as governing tips and templates can be found at 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
8) We do not need Directors & Officers (D&O) Insurance since the state in which we are domiciled provides volunteer immunity.
   a. True
   b. False

9) If a stranger asks for a copy of IRS Form 990 (annual information return), what’s the worst response?
   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) _____ issues (boycotts, price fixing, collusion, etc.)
   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) **Which values are most appreciated by members:**
   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
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.