

## 100-Question CAE Practice Exam

1. An association has paid a deposit for an event to be held in the next fiscal year. How would this be classified on the statement of financial position?
  - A. Credit
  - B. Current asset
  - C. Current liability
  - D. Long-term debt
2. The type of insurance which provides financial resources to the association after the death of a chief staff executive is:
  - A. life insurance
  - B. directors and officers liability insurance
  - C. general liability insurance
  - D. key person insurance
3. Which of the following entities within an association's structure focuses on a critical issue at a specific point in time?
  - A. Standing committee
  - B. Task force
  - C. Chapter
  - D. Special interest group
4. A political action committee (PAC) is conducting a fund-raising event at the association's annual meeting. In an attempt to publicize the event, the PAC board has requested pre-publicity in the annual meeting materials and on-site announcements in all sessions. Which of these methods is allowable under Federal Election Commission regulations?
  - A. A separate PAC display booth may be operated on the exhibit floor during the annual meeting to promote the event.
  - B. Promotional materials for the PAC fundraiser may be included in the annual meeting promotional brochure.
  - C. Announcements about the PAC fundraiser may be made from the podium at the end of the general session.
  - D. A PAC board officer may promote the fundraiser during the PAC report to the general session.

5. Which of the following may be considered a lobbying contact?
  - A. Written comments on behalf of the association that are responsive to notices of rulemaking
  - B. Testifying before a regulatory agency
  - C. Written communication disseminated to the public via the media
  - D. Oral communication to a legislative official on behalf of the association
6. Which of the following is the most important reason to build a coalition?
  - A. To develop a broader market for potential members and constituents
  - B. To provide meaningful and varied opportunities for members to become involved in the industry
  - C. To leverage people and resources from different constituencies to act as a single entity
  - D. To develop a wider market for potential products, publications, and services for the industry
7. The most compelling reason to establish a coalition among competing organizations is to
  - A. solve a problem which threatens all of the involved organizations
  - B. pass legislation that benefits coalition members
  - C. maximize financial resources to help implement a government relations program
  - D. develop an opportunity to repair damaged relations between the organizations
8. Which of the following is a critical coalition building strategy?
  - A. Recruit people from the same business or profession.
  - B. Redefine issues to appeal to new or unlikely allies.
  - C. Build the coalition from the top down, not the bottom up.
  - D. Develop a mission statement to meet objectives.
9. Important legislation is introduced in Congress that will benefit two of three coalition associations to the detriment of the third member. To address this situation, the coalition leaders should
  - A. promote the legislation to maintain the integrity of the coalition
  - B. withdraw support for the bill based on the lack of uniform support by the coalition

- C. agree that the issue be pursued outside the coalition by the individual associations
  - D. formally dissolve the coalition because it has not been effective
10. The most effective way to raise money for a political action committee (PAC) is to
- A. include a mass mailing to the membership with dues renewal bills
  - B. write an article in the association's publication explaining the benefits of the PAC
  - C. conduct one-on-one solicitations
  - D. require that members donate to the PAC
11. The board chair of a 501(c)(3) organization has asked the chief staff executive (CSE) to establish a political action committee. The CSE's first step should be to
- A. establish goals for the political action committee
  - B. consult legal counsel
  - C. explain that the political action committee is illegal
  - D. conduct a feasibility assessment
12. An organization is experiencing declining participation in its volunteer committees. Which of the following is most likely to improve member participation?
- A. Create small, well-defined roles with shorter time frames.
  - B. Redefine committee charges.
  - C. Conduct an orientation program for committee members and chairs.
  - D. Assign an association staff member to support each committee.
13. Which of the following factors most significantly affects response rates for a direct mail membership campaign?
- A. List
  - B. Offer
  - C. Copy
  - D. Format
14. Before giving out personal information about its members, an association should
- A. have the board approve the release of information
  - B. ensure that all information being released is accurate

- C. have a lawyer review the information
  - D. have board policies on the release of information
15. Which of the following is the best way to market membership to both new and renewing members?
- A. Create a written annual marketing plan.
  - B. Commit to a plan and avoid making changes.
  - C. Use online marketing strategies.
  - D. Allow the membership staff to take ownership of the marketing plan.
16. A professional society's credentialing program has a code of ethics that members voluntarily agree to uphold. A member is charged by another member with violating the code. What is the first step in dealing with this situation?
- A. Suspend the membership of the accused temporarily while investigating the possible allegation.
  - B. Notify the accused of the charge and arrange a hearing to investigate.
  - C. Take a vote of the board regarding the appropriate course of action.
  - D. Convene a panel to review the case.
17. A state medical association encourages medical students to join. However, student membership has declined during the last three years. What is the best initial action the director of membership should take to increase the number of student members?
- A. Purchase a list of potential student members and send them a personalized communication.
  - B. Invest in an improved member and prospect tracking system.
  - C. Develop the means to better understand the problems faced by medical students.
  - D. Gather testimonials from current student members.
18. The responsibility for assuring ethical behavior of volunteers acting on behalf of the association most appropriately rests with which of the following individuals/groups?
- A. Legal counsel
  - B. Board of directors
  - C. Chief staff executive
  - D. Board chair

19. Very few nominations have been received over the last several years for an association's highest honor. How should an objective evaluation of this award be implemented?
- A. Survey members on the continuation or elimination of the award.
  - B. Assess award criteria to determine what percentage of membership would qualify for the award.
  - C. Assess award criteria in relation to what members deem worthy of recognition.
  - D. Poll former award recipients regarding the impact of the award on their career/professional development.
20. To build an association's standards program, acceptance must first be obtained from
- A. the general public
  - B. the federal government
  - C. those who use standards
  - D. those who develop standards
21. Which of the following is the most effective way of soliciting corporate funds for a scholarship?
- A. Face-to-face solicitation
  - B. Posting on the website
  - C. Writing an article in the newsletter
  - D. Direct mailing to all members
22. Which of the following is the most important reason to implement an e-mail marketing campaign?
- A. It increases targeted response rates.
  - B. It offers improved cost-benefit ratios.
  - C. It reduces staff time necessary for effective marketing.
  - D. It increases the frequency of marketing efforts.
23. An association education professional is developing a new train-the-trainer program for members. Which of the following should be employed to maximize participants' retention of the training material?
- A. A pre-test of participant knowledge of the program subject
  - B. An evaluation based on intended learning outcomes of the program
  - C. Comprehensive handouts and interactive training exercises
  - D. Opportunities for participants to practice what they learned

24. Instructional design strategies for adults use which of the following concepts?
  - A. Adults learn faster in groups than independently.
  - B. Adults learn faster in pairs than in large groups.
  - C. Adults learn best by listening.
  - D. Adults learn best by reading.
25. A cash donation to a 501(c)(3) organization to underwrite an activity in perpetuity is classified as
  - A. a capital campaign contribution
  - B. an endowment
  - C. an annual gift
  - D. a planned gift
26. Which of the following types of insurance is most appropriate for protecting the anticipated revenue of a major convention?
  - A. General liability insurance
  - B. Cancellation and interruption insurance
  - C. Directors and officers liability insurance
  - D. Fiduciary liability insurance
27. Adults are most likely to comprehend and retain information when it is gained through
  - A. independent study
  - B. creative role play
  - C. content expert lectures
  - D. experienced-based learning
28. Which of the following is the primary factor to consider when determining whether to proceed with an affinity program?
  - A. Potential liability
  - B. Amount of revenue that will be generated
  - C. Whether staff time will be used effectively
  - D. Anticipated member demand
29. When considering and prioritizing ideas for new programs, which of the following factors are important to consider?
  - A. Time frame to execute, mission fit, likelihood of failure
  - B. Source of idea, likelihood of adoption, mission fit
  - C. Likelihood of success, resources required, mission fit
  - D. Resources required, project sustainability, member interest

30. In order to gather the most relevant and useful information, the evaluation tool for an educational program should be developed as soon as the
- A. program is developed
  - B. audience is determined
  - C. speakers have been confirmed
  - D. program has been delivered
31. A professional society has developed an online educational program based on a member survey. An online course has been conducted every Tuesday night for four months, but minimum enrollment and financial goals have not been met. The best course of action is to
- A. cancel the program
  - B. conduct research to determine why enrollment is low
  - C. revise enrollment and financial targets
  - D. offer the class at different times
32. The lack of consistency and quality among an industry's programs has become a significant issue. An association's board of directors determines that the association should recognize individuals who conform to established qualifications and standards. Which of the following types of credentialing programs would best meet this need?
- A. Certification
  - B. Licensure
  - C. Registration
  - D. Accreditation
33. The chief staff executive (CSE) of a state association is notified that the board chair has been indicted for insurance fraud. The board has been discussing a crisis communication plan, but the plan has not been finalized. What should be the CSE's first step?
- A. Identify an individual to handle all inquiries and disseminate information.
  - B. Call the board chair to obtain a better understanding of the situation from the board chair's perspective.
  - C. Inform the staff and board that all media inquiries should be deferred until more information is obtained.
  - D. Work with a public relations agency to develop an immediate press release and post information on the website.

34. What is the most common reason for an association to create a subsidiary?
- A. To establish a 501(c)(3) for non-dues revenue growth
  - B. To avoid jeopardizing the association's federal tax exemption
  - C. To reduce the amount of taxes that the parent association is required to pay
  - D. To create additional volunteer opportunities
35. An association's website includes a grassroots advocacy center that rarely generates action by members. Which of the following is the first step to take to improve its performance?
- A. Redesign the site to make it more attractive.
  - B. Rewrite the text to make it more user-friendly.
  - C. Review the site traffic logs to determine usage patterns.
  - D. Convert the grassroots area into an e-mail newsletter.
36. An association's members have become the subject of public attention in connection with a threat to public safety. In responding to inquiries, the chief staff executive (CSE) should
- A. select certain media outlets with whom to communicate
  - B. provide background information off the record
  - C. admit when information is not known and commit to obtaining it
  - D. say "no comment" when in doubt
37. An association's board has instructed the chief staff executive (CSE) to provide an online educational video, but there is no funding source. After researching existing training programs, the CSE identifies an existing video training program that would be of value to members, but some of the video may need to be altered. The provider has offered to allow the association to "use the copyrighted video without restrictions." Which of the following options is the best for the CSE to pursue?
- A. Accept the offer and draft a business agreement documenting the association's usage rights.
  - B. Accept the offer and draft a business agreement to include the association as a co-owner of the official U.S. copyright.
  - C. Accept the offer and draft a work for hire memorandum of understanding that outlines the material donation.
  - D. Accept the offer and begin alterations to the video.



38. A new industry provides a financial service to the public but is subject to severe criticism by consumer groups and others who portray the industry as taking advantage of low-income working people. The industry has also been subject to adverse publicity and increasing scrutiny by legislators and regulators. They have formed an association with an initial budget of \$2 million. The chief staff executive's most appropriate long-term approach should be to
- A. develop an issue management plan
  - B. develop industry best practices
  - C. seek to place favorable stories in media about the industry
  - D. seek out legislators more friendly to the business to tell them the "industry side"
39. When reporting data in a research publication, which of the following is the most critical?
- A. Validating historical data from prior years
  - B. Identifying data sources
  - C. Reporting the data in aggregate
  - D. Including descriptive charts and graphs
40. The membership department of an association is crafting a plan to increase membership recruitment. Which of the following strategies will best contribute to that goal?
- A. Interview dropped members to determine why they left.
  - B. Customize messages for targeted subsets within the prospective membership.
  - C. Offer a discounted membership for the first year of a new membership.
  - D. Develop a recruitment letter and send it to a purchased mailing list.
41. The retirement of a long-time journal editor raises the issues of journal management and budget. Moving the journal to an electronic-only version is proposed. What is the first step that should be taken?
- A. Determine reader acceptance of a web-only journal.
  - B. Review savings of paper, printing, and mailing costs.
  - C. Develop a strategy to present to the board and members to build support.
  - D. Recommend moving ahead to web publication of the journal.

42. An annual fund campaign is the most effective approach for
- A. raising funds to meet current financial needs
  - B. developing funds to meet future financial needs
  - C. meeting financial goals for a specified purpose
  - D. helping donors meet annual requirements for asset distribution
43. Which of the following factors is the most important in developing product standards programs?
- A. Structuring the program so that members' products meet the standards
  - B. Using members to develop the standards
  - C. Developing an impartial process for complaints and appeals
  - D. Developing a communications plan to inform the industry of the new standards
44. As a series of meeting on product liability progresses, there is agreement on three out of five critical points. At this stage, it is appropriate for CSE to
- A. review the decisions to date and secure direction on the remaining issues
  - B. publicize progress to date to members
  - C. request guidance from the regulatory agency on the remaining issues
  - D. seek favorable trade media coverage of the purpose of the negotiations
45. The provisions of the Family and Medical Leave Act must be incorporated as policy in associations with a minimum of how many employees?
- A. 15
  - B. 30
  - C. 50
  - D. 150
46. An association is budgeting for a workshop. If fixed costs are \$10,000, variable costs per registrant are \$100, and the tuition is \$300 per registrant, how many registrants are needed for the workshop to break even?
- A. 50
  - B. 150
  - C. 300
  - D. 500

47. The main purpose of the statement of financial position is to provide a summary of which of the following?
- A. Revenues and expenses for a given period
  - B. Assets and liabilities
  - C. Realized and unrealized gains on securities
  - D. Direct and indirect operating costs
48. A 501(c)(6) organization can establish a 501(c)(3) organization to
- A. create a tax shelter
  - B. conduct educational research
  - C. lobby the federal government
  - D. operate association affinity programs
49. Which of the following types of research utilizes data previously collected by other sources?
- A. External
  - B. Proprietary
  - C. Primary
  - D. Secondary
50. Which of the following statements is true regarding financial reserves for associations?
- A. The bylaws must specify the authority for a reserve before one can be established.
  - B. Total reserves in any one year cannot exceed the previous year's revenue.
  - C. The Internal Revenue Service has been aggressive in taxing the proceeds of reserves invested by tax-exempt associations.
  - D. The Internal Revenue Service has not defined a formula to determine the appropriate level of reserves.
51. The main purpose of a statement of financial position is to
- A. compare the current financial status with the established budget
  - B. assess the organization's financial condition over a period of five years
  - C. examine the organization's financial status at a particular point in time
  - D. evaluate the current financial situation with respect to overall financial goals

52. An association's board is requesting an executive summary of the marketing plan's effectiveness. Which of the following should be included in the report?
- A. All available organizational statistics from the individual departments
  - B. The number of positive press releases regarding the association last year
  - C. The calculated lifetime value of all members
  - D. Evaluations that quantify and measure predetermined success factors
53. The market-driven association is directed by the needs of the
- A. governing board
  - B. finance committee
  - C. members and customers
  - D. public
54. A new communications director is hired by the chief staff executive (CSE) of an association employing 20 staff members. The association's annual meeting will occur in six weeks, and the monthly newsletter is due to the printer in one week. Which of the following should be the CSE's primary objective during the new communications director's first week on the job?
- A. Ensure that the director understands the association's mission and goals.
  - B. Ensure that the director understands the tasks that need to be completed in preparation for the annual meeting.
  - C. Orient the director to the newsletter and what is involved in completing the upcoming issue.
  - D. Introduce the director to all of the other department directors, their responsibilities, and interdepartmental projects.
55. Which of the following is the most important consideration when preparing an association budget?
- A. Previous year's expenses
  - B. Desires of the leadership
  - C. Strategic plan
  - D. Financial constraints of the association
56. Which of the following is an important consideration when evaluating the feasibility of mergers and consolidations?
- A. Overlapping or complimentary purpose
  - B. Ability to charge higher dues
  - C. Disparate needs of members
  - D. Different tax statuses of organizations considering merger

57. A professional association is seeking to expand its international activities. The chief staff executive (CSE) receives an email stating that an international company has a group of qualified trainers. It is requesting authorization and copies of the association's training materials to be translated into the predominant language of the country. The company offers to pay the association a fee for every person who completes the training program. The CSE should recommend that the board develop a task force to carry out which of the following activities?
- A. Research professional practices in the foreign country.
  - B. Develop an overall international strategy.
  - C. Perform a financial analysis.
  - D. Conduct a risk assessment.
58. Which of the following financial reports will best help a board of directors decide when to make expenditures for a strategic plan initiative?
- A. Balance sheet
  - B. Income statement
  - C. Trial balance
  - D. Cash flow projection
59. A staff team has been tasked with developing a project plan for a new educational offering. Which of the following are elements that the team should concentrate on to ensure success?
- A. Needs analysis, program development, and speaker selection
  - B. Needs analysis, program development, and evaluation
  - C. Location selection, topic selection, and staff assignments
  - D. Program development, location selection, and speaker selection
60. Which of the following reports provides a snapshot view of the association's financial status?
- A. Statement of financial position
  - B. Statement of revenues and expenses
  - C. Cash flow report
  - D. Investment report
61. An association's website is creating interest among many international individuals in joining and participating in the association. Which of the following concerns should the CSE address first?
- A. What are the financial implications of permitting international expansion?
  - B. What other associations are currently serving these potential members?

- C. Do the association's mission and strategic objectives encourage this initiative?
  - D. Can the association's structure accommodate international participation?
62. The primary purpose for forming a subsidiary corporation is to
- A. generate additional non-dues income
  - B. shift expenses from the parent organization
  - C. remove financial controls from the board of directors
  - D. avoid loss of the parent association's tax-exempt status
63. A national vendor approaches an association to enter into an affinity agreement. To avoid unrelated business income tax on revenue received from the vendor, the contract between the vendor and the association should
- A. omit all references to payments or revenues
  - B. require association approval of vendor pricing as it relates to the agreement
  - C. emphasize extraordinary marketing services that the association will provide to the vendor
  - D. state that payment from the vendor is a royalty for use of the association's name
64. An association has made the choice to set up a subsidiary organization to meet the needs of a segment of its membership. The parent board has decided that it will serve as the board of the subsidiary. Which of the following is an advantage of this arrangement?
- A. Growth by the subsidiary may increase the number of similar issues that require the attention of the parent organization.
  - B. Business of the subsidiary can be conducted at regular meetings of the association.
  - C. Board members may use the subsidiary organization to promote the parent organization.
  - D. This structure meets the "arms length" regulations of the Internal Revenue Service.
65. The liquidity ratio measures an association's
- A. ability to manage profits and losses
  - B. segmentation of dues and nondues revenue
  - C. ability to pay short-term obligations
  - D. cash flow

66. Who is most responsible for ensuring that the association's assets are protected?
- A. Chief staff executive
  - B. President
  - C. Board
  - D. Finance chair
67. Which of the following functions should be performed by an association's board?
- A. Hiring and firing executive-level staff
  - B. Developing budgets for specific programs
  - C. Approving and evaluating programs
  - D. Preparing and evaluating monthly financial statements
68. Developing new leaders is primarily the responsibility of the
- A. committee chairs
  - B. CSE
  - C. board chair
  - D. current leaders
69. A national association has decided to implement a new program to share membership data with its constituent chapters. Which of the following should be taken into consideration prior to offering this service?
- A. Organizational policies and procedures
  - B. Constituent chapter bylaws
  - C. Articles of incorporation
  - D. Tax status of the constituent chapters
70. When developing an effective training program for volunteer leaders, it is important to identify
- A. the potential interests of the volunteers
  - B. member needs and concerns in order to achieve organizational goals and objectives
  - C. organizational goals in the strategic plan
  - D. a planning process to develop relationships with external stakeholders
71. Which of the following is the most critical element in creating open communication between a national association and its components?
- A. Frequently scheduled leadership meetings
  - B. Regular orientation programs for all staff

- C. Development of volunteer leadership resources
  - D. Development of community outreach programs
72. A board member has been unable to participate in recent board meetings. The best remedy to this situation would be for the chief staff executive to
- A. schedule future board meetings around her availability
  - B. offer her the ability to assign a proxy to another member to participate on her behalf
  - C. ask her to submit a briefing on the issues to be addressed prior to the board meeting
  - D. ask the board chair to speak with the member about her attendance
73. In order to benefit from a national association's directors and officers insurance program, components must demonstrate they are in good standing with the national association. Which of the following documents best governs the relationship between the national association and its components?
- A. Bylaws
  - B. Affiliation agreement
  - C. Strategic plan
  - D. Articles of incorporation
74. Which of the following provides personal liability protection for board members?
- A. Key person insurance
  - B. Directors and officers insurance
  - C. Bylaws indemnification
  - D. General liability insurance
75. An association automatically enrolls newly licensed professionals in their first year. Over the past five years, second year retention rates have declined from 75% to 45%. The board has asked for input to address this problem. Which of the following is the best recommendation to offer?
- A. Design a "buddy" or "mentor" program in which experienced members reach out to new members during the first year.
  - B. Develop an aggressive marketing campaign to heighten awareness of benefits to new members during their first year.
  - C. Revamp the dues structure to offer dues on a sliding scale based on years in the profession.
  - D. Collect data on the needs, interests, and perceptions of the new professionals.



76. Any association publication needs first and foremost
- A. a written statement of purpose
  - B. to deliver essential information
  - C. a targeted audience
  - D. to be financially viable
77. An association's code of conduct could be in violation of antitrust law if it
- A. recommends adequate education for individuals in the business
  - B. requires uniform terms and conditions of sale and credit
  - C. dictates safety practices
  - D. allows prepaid service plans
78. An association's code of ethics states that members are dedicated to producing a safe and reliable product. It is discovered that a member has knowingly produced a product of inferior quality and that several people have been seriously injured by it. Which of the following responses on the part of the association would represent fair treatment of that member and also would protect the association from liability?
- A. Appoint a committee to implement disciplinary procedures.
  - B. Bring a civil lawsuit against the member.
  - C. Take no action but encourage the member to resign.
  - D. Prepare a public statement indicating that the membership has been terminated.
79. The board asks the chief staff executive (CSE) to look into distributing all future publications electronically. What is the most appropriate first step for the CSE to take?
- A. Partner with an online media vendor.
  - B. Conduct a cost/benefit analysis.
  - C. Develop a plan to research member preference.
  - D. Determine the appropriate technology.
80. Which of the following is a key to mass customization?
- A. Set benchmarks for the amount of information sent to members.
  - B. Identify the problems that are important to each membership segment.
  - C. Develop one consistent brand message for the association.
  - D. Create member home pages on the association website.

81. Self-regulation is a process by which a trade association sets and enforces rules and standards for
- A. maintenance of high-quality control processes
  - B. systems regulated by governmental agencies
  - C. restraint of unfair trade practices
  - D. development and delivery of products and services
82. An association's standards program may be considered anticompetitive if it
- A. includes design standards
  - B. incorporates due process
  - C. reflects current technology
  - D. involves interested parties in development
83. An association is planning a new professional development program for its annual convention. A needs assessment related to the program has been conducted. When analyzing the results of the research, which of the following will best serve the professional needs of the program participants?
- A. Addressing both declared and unanticipated needs of respondents
  - B. Giving equal weight to the opinions of active members and nonmembers
  - C. Targeting the content and the teaching method to the lowest level of expertise of respondents
  - D. Incorporating multiple delivery modes into the program
84. Ten years ago, an association developed a credentialing program. Since that time, the technology within the industry has changed dramatically and, according to some members, the credential is no longer relevant to their daily practices. The first course of action to address this issue is to
- A. discontinue the credential temporarily
  - B. develop new marketing materials to promote the credential
  - C. survey the public regarding the relevance of the credential
  - D. examine the duties and tasks that members are performing in their work
85. Which of the following individuals should participate in developing a fundraising plan?
- A. Executive board members
  - B. The chief staff executive and the board chair
  - C. Staff, board, and volunteers
  - D. Budget and finance committee members

86. An association decides to sponsor an insurance affinity program as an added value service to its members. Which of the following is a responsibility of the sponsoring association to the program?
- A. Actively market the program to members through the association's publications.
  - B. Provide the insurance affinity program with free exhibit space and program advertising at the annual meeting.
  - C. Appoint a senior staff member to write a marketing plan for the affinity program.
  - D. Appoint a staff liaison to review and approve use of the association's name and logo.
87. The advertising revenue of an association's quarterly magazine has declined by 25% over the past three years due to the magazine's advertisers purchasing smaller ads. The chief staff executive (CSE) has observed an increase in the number of advertising pages in competitive magazines during the same period. The association's publication committee recommends that the association phase out publication of the print magazine and begin to develop a Website that has an electronic magazine component. Which of the following does the board need first in order to make the most informed decision?
- A. A list of vendors capable of implementing a quality product
  - B. Analysis of member's needs and technical capabilities
  - C. A comparison of costs of alternative media approaches
  - D. Vendor proposals for content development
88. An association's board chair recently vacationed at an exclusive resort and asks the chief staff executive (CSE) to find a way to utilize it for an association convention. Which of the following options should be taken by the CSE?
- A. Recommend that the issue be put on the board agenda for action.
  - B. Explain to the board chair that the association is not in a financial position to do this.
  - C. Begin discussions with the resort's sales office to arrange an upcoming event.
  - D. Engage in an evaluation process to assess the recommendation.
89. An association's board believes that the Internet is the best way to offer continuing education and wants the association to move in that direction. What should the chief staff executive do first?
- A. Survey the membership to determine their preferences for delivery of continuing education courses.

- B. Solicit proposals from providers who are experienced with the development and delivery of online courses.
  - C. Investigate how to transition the association's existing educational programs to online delivery.
  - D. Have volunteer membership take an online course to understand how it works.
90. A 501(c)(3) organization is holding a special fundraising event. What portion of the \$50 ticket price is tax-deductible if the ticket price includes a dinner valued at \$20?
- A. \$0
  - B. \$20
  - C. \$30
  - D. \$50
91. Which of the following is the most effective means by which to deliver an education program to an adult professional audience?
- A. A lecture by an expert in the field
  - B. An experientially-based learning experience
  - C. A panel presenting varying views
  - D. An online course
92. An association's board chair has requested that the association provide a new service to its members that will be an important source of nondues revenue. The chief staff executive's first step should be to
- A. evaluate the proposed new service in accordance with the association's strategic plan
  - B. place the service on the agenda for discussion at the next board meeting
  - C. determine how the proposed new service ties into the association's branding strategy
  - D. calculate the net revenue potential of the service and its impact on the association's budget
93. What source would provide the most crucial information needed to calculate meeting value to a host city?
- A. Association meeting budget
  - B. Historical meeting data

- C. Post-program evaluations
  - D. Past meeting income and expense statements
94. In creating a culture for proper negotiations, what is the most important concept to impart?
- A. Each party should anticipate an equal win.
  - B. Neither party should present a “take it or leave it” proposition.
  - C. The process should be consistent with the industry or profession’s practice for negotiations.
  - D. Each party should foster an environment of trust.
95. Which of the following is the most important element of a diversity initiative?
- A. A survey of minority stakeholders
  - B. Creating a diversity committee at the board level
  - C. Holding a minority event at the annual meeting
  - D. Integrating diversity into strategy and daily operations
96. A board member of a 501(c)(6) association who has a personal financial interest in an issue before the board should
- A. recuse herself from voting on the issue
  - B. disclose her personal interest to the board prior to any discussion of the issue
  - C. resign from the board
  - D. base her vote solely on what is in the association’s best interest
97. A supervisor has approached an association’s chief staff executive (CSE) and is upset because she has discovered that one of her staff members has a mentoring relationship with a supervisor from another department. Which of the following is the best course of action for the CSE to take?
- A. Speak to the mentoring supervisor and ask that the employee be directed to his own supervisor for mentoring and skill development.
  - B. Facilitate a discussion between the two supervisors to develop a mentoring plan for the employee that will benefit the association as a whole.
  - C. Speak to the employee to determine which department is more suited to his interests and career goals and then set up a mentoring relationship within that department.
  - D. Have the employee’s supervisor speak to the employee about circumventing the appropriate chain of command.

98. A board has a history of long meetings, confusing agendas, and inability to reach resolutions. To improve this situation, the chief staff executive (CSE) has agreed to work with the chair to improve the meeting. What should the CSE recommend with regard to the agenda?
- A. Relate each agenda item to the organization's mission and goals.
  - B. Encourage discussion by not imposing time limits on agenda items.
  - C. Distribute the agenda two weeks prior to the meeting.
  - D. Include all committee reports and allocate time for all interests.
99. A delegate or director elected to the board is primarily responsible for representing
- A. a profession or trade
  - B. the organization as a whole
  - C. the public interest
  - D. his or her constituents
100. The chief staff executive of an association that has been operating with a budget deficit for the past four years is responsible for presenting a balanced budget proposal to the board. It is clear that several popular programs will need to be eliminated in order to achieve a balanced budget. The initial element in the presentation should be
- A. a list of programs proposed for elimination
  - B. an analysis of the fiscal reserve balance
  - C. a draft of the balanced budget proposal
  - D. a review of association financial status