

Quiz 4 – Nonprofit Financial Management

1. What is the difference between a market failure and a government failure?
2. True or False: the same person who signs checks should also create the payroll.
3. Which is NOT part of an internal control system:

Separation of Duties

Safeguard Assets

Fidelity Insurance

Budget Checks

4. Name the four strategies for increase nonprofit revenues.
5. True or False: there are ten basic nonprofit funding models.
6. Describe the Public Provider funding model.
7. True or False: Sarbanes-Oxley applies to nonprofits in its entirety.
8. What is NOT a component of a public good?

Rival

Charitable

Excludable

9. True or False: nonprofits can only provide public benefits.

10. Describe the Member Motivator funding model's sources of revenue.

11. Which is one of the four funding model types:

Non-government

Donor

Public Goods

Public Charity

12. Explain the difference between a private benefit and a group benefit.

13. Which is the main revenue source for nonprofits in 2013:

Government Funding

Investment Income

Earned Revenue

14. What are key considerations for nonprofits considering alternate revenue streams?

15. Describe the difference between the Heartfelt Connector and the Big Bettor funding models.

16. How can providing trade benefits be a win-win for nonprofits and other organizations?

17. Does the Policy Innovator funding model involve legislative approval?

18. True or False: the Public Provider funding model usually rely on government funding.

19. Which documents does the Independent Sector NOT encourage a nonprofit to include on its website, in order to increase transparency:

Form 990

Code of Ethics

Mission Statement

Adopted Budget

20. Name 3 positive benefits of diversifying nonprofit revenues.

21. Name 3 negative benefits of diversifying nonprofit revenues.

22. What are the key areas of Sarbanes-Oxley that apply specifically to nonprofits?