

MBA II Sem III
MCQs: [311] – [Management of Non-profit organizations]
UNIT-I

Sr. No.	Question	Answer
1	The amount of 'Subscription received from members' by a Non-profit organization is shown in which of the following? (A) Debit side of Income and Expenditure Account (B) Credit side of Income and Expenditure Account (C) Liability side of Balance Sheet (D) Assets side of Balance Sheet	B
2	Non-for-profit organizations prepare : (A) Trading Account (B) Trading & Profit and Loss Account (C) Income and Expenditure Account (D) All of the above	C
3	Source of income for a not-for-profit organization is : (A) Subscription from Member (B) Donation (C) Entrance Fees (D) All of the above	D
4	Under the _____, both internal and external corporate governance mechanisms are intended to induce managerial actions that maximize profit and shareholder value. (A) Shareholder theory. (B) Agency theory. (C) Stakeholder theory. (D) Corporate governance theory.	A
5	The funds raised by such organizations through various sources are credited to _____ or _____. (A) Capital Fund & Reserve Fund (B) Capital fund or general fund (C) Reserve fund or general fund (D) Mutual fund & General fund	B
6	Which of the below is not a Good volunteer management practices (A) Making volunteer skills with appropriate assignment (B) Recognizing the contribution of volunteers (C) Measuring the impact of staff annually (D) Providing volunteer training and professional development	C
7	Legal status of Nonprofit organization is not seen in..... (A) Trust (B) Society (C) Corporation (D) Private company	D

8	Corporate Governance is a system of structuring, operating and controlling a company with the specific aims in which one of the below is not the aim : (A) Fulfilling long-term strategic goals of owners; (B) Taking care of the interests of share holders; (C) A consideration for the environment and local community; (D) Maintaining excellent relations with customers and suppliers	B
9	A board that is elected in a classified system is known as a: (A) Diversified board (C) Staggered board (B) Rotating board (D) Declassified board	A
10	final accounts of a 'not-for-profit organisation' consist of the following . (A) Pro action , Defensive, Reinvestment, Reaction (B) Reaction, Defense, Investment, Withdrawal (C) Reaction, Defense, Reinvestment, Pro action (D) Reaction, Defense, Accommodation, Pro action	D
11	Non-profit sector accounts for a considerable percentage of national _____ in many countries. (A) NNP (B) GDP (C) NDP (D) GNP	B
12	Credit side balance in Income & Expenditure Account reveals: (A) Excess of cash receipts over payments (B) Excess of cash payments over receipts (C) Excess of expenditure over income (D) Excess of income over expenditure	D
13	Nonprofit organization need to match volunteer skills with assignments. (A) True (B) False (C) Can't say	A
14	The chairperson of the board of directors and CEO should be leaders with: (A) Vision and problem solving skills. (B) The ability to motivate. (C) Business acumen. (D) All of the above.	D
15	An organization that sets the bar too high in its expectations of _____ may find itself with a severe shortage of this potentially valuable resource. (A) Staff (B) Volunteers (C) Labor (D) Administrator	B

16	Which of the following is not a fundamental role of nonprofit organization? (A) They supposed to be independent from government (B) These organizations are meant for profit (C) They are expected to be value based (D) They are setup to serve public or social purpose or public service mission.	B
17	An organization's appropriate tone at the top promoting ethical conduct is an example of: (A) Ethics sensitivity. (B) Ethics incentives. (C) Ethical behavior. (D) Consequentiality	C
18	Which of the following factors is not the duties of nonprofit organization? (A) Adhering to the conflict of interest policy (B) Not Disclosing all conflicts (C) Avoiding the use of the organization's opportunities for personal gain (D) Maintaining confidentiality of information held by the organization.	B
19	What are the organization not doing for volunteers. (A) volunteer skills with assignments (B) Failing to recognize volunteer contributions (C) Not measuring the value of volunteers (D) All of the above	D
20	The chairperson of the board of directors and CEO should be leaders with: (A) Vision and problem solving skills. (B) The ability to motivate. (C) Business acumen. (D) All of the above.	D