



**Commitment to Nonprofit Causes and Public Service:  
The Means Matter as Much as the Ends (Part II)**  
**AB 1234 Self-Assessment Test**

**Instructions**

Earn 1 hour of AB 1234 advanced credit by reading *Commitment to Nonprofit Causes and Public Service: The Means Matter As Much as the Ends* (Part II). Then take the attached self-assessment, choosing the *best* answer for each question.

Send the completed Part II test, completed form and payment (**\$25**) to:

Institute for Local Government  
1400 K Street, Suite 301  
Sacramento, CA 95814  
Attn: AB 1234 Ethics Test

You will receive the correct answers and an AB 1234 certificate within four weeks.

**Certification.** The Institute for Local Government certifies that this activity conforms to the standards for approved education activities prescribed by the Fair Political Practices Commission and Attorney General governing AB 1234 ethics education. This activity is eligible for **1 hour** of advanced credit for AB 1234 ethics education for ethics principles and laws related to conflict of interest and bias.

**PLEASE DO NOT CUT**

**PAYMENT INFORMATION**

*The Institute only accepts checks, Visa or MasterCard as payment.*

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1. A nonprofit organization is on the agenda for funding for a youth program. One of the decision-makers is an employee of the nonprofit. What legal issues should the agency be concerned about?
  - a. The prohibition against public officials having certain kinds of interests in contracts involving their agency.  
 True       False
  - b. Laws that require public officials to step aside from decisions and the decision-making process if they have a financial interest in the decision.  
 True       False
2. If an official has a financial interest in the nonprofit, the Political Reform Act says it's usually okay for that official to participate in decisions relating to that nonprofit as long as the official publicly discloses the relationship with the nonprofit.  
 True       False
3. When an official is advised not to vote on a matter involving a nonprofit in which she or he is involved, it's still okay for the official to speak with colleagues or staff to make sure they fully understand the worthiness of the nonprofit's efforts.  
 True       False
4. The requirement to step aside from a decision to support a nonprofit would probably apply under the following circumstances:
  - a. A decision-maker is president of the nonprofit and receives a stipend to attend board meetings.  
 True       False
  - b. A decision-maker's spouse is an employee of the nonprofit.  
 True       False
  - c. A decision-maker pays \$1,000 in dues each year to be a member of the nonprofit.  
 True       False

5. A county has a longstanding agreement with a nonprofit to provide services to supplement the county's efforts. A newly elected county supervisor has a financial relationship with that nonprofit. Because the action is merely a renewal of the agreement, the supervisor's relationship is basically "grandfathered in" and he doesn't need to worry about conflict of interest issues.  
 True       False
6. If a nonprofit board member receives no compensation, reimbursement or other form of gifts or benefits from the nonprofit, then the official doesn't have to worry about stepping aside from the decision-making process when it comes to agency financial relationships with nonprofits.  
 True       False
7. An agency agenda includes a proposal to fund a nonprofit that is a client of an elected official's accounting agency. Should the official step aside from the decision?
  - a. A threshold issue is whether the official received income of \$500 or more from the nonprofit during the 12-month period before the decision.  
 True       False
  - b. The prohibition against having an interest in contracts may apply.  
 True       False
8. A developer will appear at a hearing to request approval of a permit that will result in the loss of habitat for a variety of wildlife. The developer has worked hard to meet all the agency's requirements so the permit can be approved, including contributing to a fund to buy replacement land to be set aside for wildlife habitat. One of the officials who will hear the request is a former president and active fundraiser for the local chapter of the National Wildlife Federation. Knowing of her interest in the issue, the local newspaper interviews her about the upcoming hearing.

The official says there is no way she can support the permit's approval because she believes that the area cannot afford to lose anymore habitat. When this runs in the paper, the developer asks that the quoted official not participate in the decision because she won't be fair. The official says she's simply exercising her First Amendment rights. Should the agency ask the official who made the statement not to participate in the decision?

- Yes       No

9. In the example of an agency affiliated nonprofit, the Attorney General said the council member/board member could participate in decision-making relating to the lease largely because the nonprofit was so closely affiliated with the city and therefore the council member did not have a direct or indirect financial interest in the lease.

True       False

10. When it comes to promoting the good work of nonprofit organizations in one's community, the ends justify the means.

True       False