ASHRAE TREASURER PRACTICE TEST (SAMPLE)

STUDY GUIDE

SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

1. How would you increase employer-level engagement?

A. Employer benefits package - pay once for office's memberships and reward employers for their support.

B. Give away memberships for free.

C. Limit engagement to annual conferences.

D. Prioritize student chapters.

2. Which financial statement shows the organization's revenues and expenses over a period?

A. The Balance Sheet (Statement of Financial Position).

B. The Cash Flow Statement.

C. The Income Statement (Statement of Activities) or the Statement of Revenues and Expenses.

D. The Statement of Changes in Net Assets.

3. Which statement best summarizes the candidate's leadership approach?

A. Unique leadership experience and results across levels, with clear view of what works, aiming for sustained growth.

B. No relevant experience.

C. Prefers to avoid accountability.

D. Focuses only on unrelated issues.

4. What is a bank signatory policy?

A. A policy that designates who can sign checks and authorize payments, with limits and required approvals.

B. A policy that eliminates the need for approvals.

C. A policy that only applies to credit card transactions.

D. A policy that requires signatures from all board members.

5. What best defines a petty cash fund?

A. A small cash fund for minor expenditures.

B. A line of credit for emergencies.

C. An investment fund for long-term growth.

D. A payroll reserve.

6. If you could form one new strategic alliance tomorrow, who and why?

A. The greatest growth in building going forward will be in Asia, Africa, and South America. We must strengthen our alliances with government and organizations in those parts of the world.

B. Alliance with European corporate lobby groups.

C. Alliance with universities in North America.

D. Alliance with small local groups in Atlanta.

7. Why is it important to have a signed contract for major expenditures?

A. To specify terms, costs, timelines, deliverables, risk provisions, and accountability.

B. To avoid any future legal obligations.

C. To ensure vendor always provides a discount.

D. To eliminate insurance requirements.

8. What is the plan to expand ASHRAE's footprint in developing markets without diluting the brand?

A. Enable levels of digital access to the knowledge base and implement an associated fee structure.

B. Open physical offices in every developing country.

C. Offer unlimited free access worldwide.

D. Reduce digital access.

9. Which retention period is suggested to convert members to life-long membership?

A. One year

B. Three years

C. Five years

D. Ten years

10. What is a budget-to-actual report and how is it used?

A. A comparison of actual results to the budget, used to monitor performance and adjust plans

B. A forecast for next year's budget

C. A tax calculation

D. A list of all transactions

Answers

1. A
2. C
3. A
4. A
5. A
6. A
7. A
8. A
9. B
10. A

Explanations

1. How would you increase employer-level engagement?

A. Employer benefits package - pay once for office's memberships and reward employers for their support.

B. Give away memberships for free.

C. Limit engagement to annual conferences.

D. Prioritize student chapters.

Creating value for employers by reducing barriers and offering a structured benefits package drives ongoing engagement. Providing a one-time office-wide investment to cover memberships and recognizing employer support makes participation simpler and more appealing for companies, turning engagement from a one-off event into a sustained relationship. When employers see a clear, tangible return—access to resources, professional development opportunities for their staff, and public acknowledgment of their support—they're more likely to invest time and resources year after year. Giving away memberships for free can erode perceived value and may not create lasting commitment or accountability. Limiting engagement to annual conferences misses the opportunity to maintain ongoing connections and support throughout the year. Prioritizing student chapters shifts focus toward a different audience and doesn't address employer participation directly.

2. Which financial statement shows the organization's revenues and expenses over a period?

A. The Balance Sheet (Statement of Financial Position).

B. The Cash Flow Statement.

C. The Income Statement (Statement of Activities) or the Statement of Revenues and Expenses.

D. The Statement of Changes in Net Assets.

Revenues and expenses over a period are shown on the income statement, which in nonprofit contexts is often titled the statement of activities. This report covers a span of time and pairs what the organization earned with what it spent, producing the net result for that period—net income for a for-profit, or a change in net assets for a nonprofit. It's different from the balance sheet, which captures assets, liabilities, and net assets at a single point in time, and from the cash flow statement, which tracks actual cash movements during the period. The income statement directly reflects performance over the period by matching revenues with the expenses incurred to generate them, and in nonprofits may break out unrestricted and restricted net assets to show how each category changes.

3. Which statement best summarizes the candidate's leadership approach?

A. Unique leadership experience and results across levels, with clear view of what works, aiming for sustained growth.

B. No relevant experience.

C. Prefers to avoid accountability.

D. Focuses only on unrelated issues.

Strong leadership in this context means building credibility through a proven track record across different levels of an organization, understanding what strategies actually deliver results, and pursuing long-term, sustainable growth. The statement described conveys that breadth of experience, demonstrates practical, effective leadership by knowing what works, and signals a commitment to steady progress rather than short term wins. In a treasurer or governance role, this combination matters because you need to navigate multiple levels of stakeholders, implement sound financial practices, and lay out a plan that keeps the organization financially healthy over time. The other descriptions fall short because they imply no relevant experience, avoidance of accountability, or misalignment with the organization's mission, which would undermine trust and financial stewardship.

4. What is a bank signatory policy?

A. A policy that designates who can sign checks and authorize payments, with limits and required approvals.

B. A policy that eliminates the need for approvals.

C. A policy that only applies to credit card transactions.

D. A policy that requires signatures from all board members.

A bank signatory policy defines who has the authority to sign checks and approve payments for the organization, along with the limits and approvals required for those transactions. This is a key internal control that enforces segregation of duties: different people handle authorization and execution, and there are defined monetary thresholds that trigger additional reviews. By establishing who can sign, what kinds of payments require approval, and when dual signatures are needed, the policy helps prevent unauthorized disbursements, creates an auditable trail, and supports accurate cash management. This policy typically covers more than just checks—it governs all bank disbursements such as wire transfers, ACH payments, and other electronic transactions. It may spell out dual signatures for larger amounts, temporary signatories, and procedures for updating signatory lists and revoking authority when someone leaves the organization. It isn't about eliminating approvals, it isn't limited to credit card transactions, and it doesn't require signatures from every board member. It designates a specific, accountable group of individuals who can authorize payments within defined limits.

5. What best defines a petty cash fund?

A. A small cash fund for minor expenditures.

B. A line of credit for emergencies.

C. An investment fund for long-term growth.

D. A payroll reserve.

A petty cash fund is a small cash-on-hand reserve used for minor, routine expenditures without writing checks or wiring funds. It's kept on hand under the control of a designated custodian, who makes small payments and records them with receipts. When the fund runs low, it's replenished to its pre-set amount, using the receipts to verify each disbursement. This setup lets everyday small purchases be paid quickly while maintaining basic internal controls over cash outflows. It's not a line of credit, which would involve borrowing and repaying funds (often with interest). It's not an investment fund for growth, since petty cash sits as available cash rather than an asset aimed at returns. It's not a payroll reserve, which is specifically allocated to paying employees.

6. If you could form one new strategic alliance tomorrow, who and why?

A. The greatest growth in building going forward will be in Asia, Africa, and South America. We must strengthen our alliances with government and organizations in those parts of the world.

B. Alliance with European corporate lobby groups.

C. Alliance with universities in North America.

D. Alliance with small local groups in Atlanta.

The main idea here is to pick a partnership that matches where future growth will come from and leverages scale across new markets. Since the greatest expansion in building activity is expected to be in Asia, Africa, and South America, forming an alliance with governments and regional organizations there makes the most sense. This kind of partnership helps influence policy and codes, access public and private funding, and connect with large-scale projects, all of which can dramatically expand adoption of standards, education, and best practices globally. For a treasurer, aligning with public-sector and organizational partners in fast-growing regions also improves long-term financial resilience by diversifying markets, creating opportunities for joint ventures and grants, and building a broader revenue and impact base. Why the other options fit less well: partnering with European corporate lobby groups centers on advocacy and political maneuvering rather than broad market growth and technical diffusion, and it may not yield the scalable, mission-aligned impact sought. alliances with universities in North America offer valuable knowledge and credentialing but don't address global growth in the fastest-moving regions. alliances with small local groups in Atlanta have limited reach and impact, making it insufficient to drive widespread growth.

7. Why is it important to have a signed contract for major expenditures?

A. To specify terms, costs, timelines, deliverables, risk provisions, and accountability.

B. To avoid any future legal obligations.

C. To ensure vendor always provides a discount.

D. To eliminate insurance requirements.

Having a signed contract for major expenditures establishes a clear, enforceable record of what will be delivered, by whom, when, and at what cost. It lays out terms, costs, timelines, deliverables, risk provisions, and accountability so everyone knows the exact expectations and who is responsible for what. This clarity helps prevent misunderstandings, provides a framework for handling changes, and sets acceptance criteria and remedies if performance doesn't meet the agreed standards. It also protects the organization by allocating risk, detailing warranties and insurance requirements, payment terms, and dispute-resolution mechanisms, all of which support reliable budgeting and risk management. The other ideas aren't the purpose of a contract: a contract does not aim to avoid legal obligations; it creates them and provides a path for enforcing them. A contract does not guarantee discounts from a vendor, since pricing depends on negotiation and market factors. And a contract does not eliminate insurance requirements; if anything, it often specifies the insurances needed to protect both parties.

8. What is the plan to expand ASHRAE's footprint in developing markets without diluting the brand?

A. Enable levels of digital access to the knowledge base and implement an associated fee structure.

B. Open physical offices in every developing country.

C. Offer unlimited free access worldwide.

D. Reduce digital access.

The plan being tested focuses on growing ASHRAE's reach in developing markets by providing digital access to the knowledge base while applying a fee structure. This approach scales across borders with minimal physical footprint, making information widely available online while ensuring a revenue stream that supports quality, updates, translations, and local support—preserving the brand's value and standards as you expand. Opening offices in every developing country would be prohibitively costly and hard to manage, risking inconsistent service and brand dilution. Offering unlimited free access would undermine the financial sustainability needed to maintain high-quality content. Reducing digital access would block growth and accessibility, limiting the organization's ability to reach new markets.

9. Which retention period is suggested to convert members to life-long membership?

A. One year

B. Three years

C. Five years

D. Ten years

The idea is to give members enough time to experience the value of their participation before presenting the life-long membership option. Three years strikes a practical balance: it provides a solid period for members to engage with programs, attend events, benefit from resources, and feel the organization's value firsthand. When members have seen sustained value over multiple renewal cycles, they're more likely to view the life-long option as a worthwhile investment and a natural step in their relationship with the organization. If the period were too short, like one year, members may not yet feel the depth of value or loyalty needed to commit long-term. If it were much longer, such as five or ten years, the decision point would come too late, potentially missing the opportunity to capitalize on a favorable conversion window and risking waning momentum. Conceptually, three years provides enough proof of value while keeping the upsell timely and compelling.

10. What is a budget-to-actual report and how is it used?

A. A comparison of actual results to the budget, used to monitor performance and adjust plans

B. A forecast for next year's budget

C. A tax calculation

D. A list of all transactions

Budget-to-actual reports compare what was planned in the budget with what actually occurred in a given period. They reveal variances between actual results and the budget, helping you see where performance is on track or off track. This information is used to monitor financial performance, understand why those differences happened, and adjust plans, spending, or resource allocation to keep goals achievable. It's not a forecast for next year, not a tax calculation, and not simply a list of all transactions. Regularly reviewing these reports improves control and informs more accurate planning going forward.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://ashraetreasurer.examzify.com

We wish you the very best on your exam journey. You've got this!