



**CAREER CLUSTER**

Finance

**CAREER PATHWAY**

Corporate Finance

**INSTRUCTIONAL AREA**

Information Management

**BUSINESS FINANCE SERIES EVENT**

**PARTICIPANT INSTRUCTIONS**

**PROCEDURES**

1. The event will be presented to you through your reading of these instructions, including the Performance Indicators and Event Situation. You will have up to 10 minutes to review this information to determine how you will handle the role-play situation and demonstrate the performance indicators of this event. During the preparation period, you may make notes to use during the role-play situation.
2. You will have up to 10 minutes to role-play your situation with a judge (you may have more than one judge).
3. You will be evaluated on how well you meet the performance indicators of this event.
4. Turn in all your notes and event materials when you have completed the role-play.

**PERFORMANCE INDICATORS**

1. Explain the nature of project management
2. Identify resources needed for project
3. Explain the nature of overhead/operating costs
4. Evaluate project results
5. Develop project plan

## EVENT SITUATION

You are a **Capital Budgeting Specialist** that was hired by your **local municipality**. The governing board official in charge of the municipality, Mr./Miss Randy Stanley (judge) has asked you to develop a plan to finance the rest of the capital project which is a community center.

Your local area foundation announced a \$4.2 million dollar capital campaign to build an area community center. The total cost of the community center will be \$4.7 million to build and will need approximately \$138,000 a year to operate in addition to memberships, donations, etc. Memberships would be approximately \$30 a month for individuals or \$55 per family. The community center will be a 22,000 square feet complex that will include a gym, walking track, teen area, community rooms, and other space for meetings and events. Ground will break in the spring of 2016 with the hopes of opening in early 2017. The idea is that this center would be for all ages and generations. This center will help people interact so youth are understood by seniors, and senior citizens are viewed by our youth as valuable members.

There are three municipalities that could donate to the space. One has agreed to donate five acres which is worth \$460,000 in which the community center will be built on. The area foundation has raised \$80,000 prior to the campaign starting.

The municipality's board of directors Mr./Miss Randy Stanley (judge) has asked you to meet and make recommendations on financing the project along with fundraising opportunities.

- Determine a rental rate per hour assuming you will rent out the facility 6 hours per day 5 days a week in order to break even on the facility. How many hours would you need to rent out in order to exceed expenditures? (You should base your number off of the \$138,000)
- What types of incentives would you offer to donors? Put together a strategic plan for a donor wall, include dollar amounts and promotional strategies.

You will present your findings to the judge.

## **JUDGE'S INSTRUCTIONS**

### **DIRECTIONS, PROCEDURES AND JUDGE'S ROLE**

In preparation for this event, you should review the following information with your event manager and other judges:

1. Procedures
2. Performance Indicators
3. Event Situation
4. Judge Role-play Characterization  
Participants may conduct a slightly different type of meeting and/or discussion with you each time; however, it is important that the information you provide and the questions you ask be uniform for every participant.
5. Judge's Evaluation Instructions
6. Judge's Evaluation Form  
Please use a critical and consistent eye in rating each participant.

### **JUDGE ROLE-PLAY CHARACTERIZATION**

You are, Mr./Miss Randy Stanley, and are on the governing board of your local municipality. You have asked your capital budgeting specialist (student) that was hired by your local municipality to develop a plan to finance the rest of the capital project to build a local community center.

Your local area foundation announced a \$4.2 million dollar capital campaign to build an area community center. The total cost of the community center will be \$4.7 million to build and will need approximately \$138,000 a year to operate in addition to memberships, donations, etc. Memberships would be approximately \$30 a month for individuals or \$55 per family. The community center will be a 22,000 square feet complex that will include a gym, walking track, teen area, community rooms, and other space for meetings and events. Ground will break in the spring of 2016 with the hopes of opening in early 2017. The idea is that this center would be for all ages and generations. This center will help people interact so youth are understood by seniors and senior citizens are viewed by our youth as valuable members.

There are three municipalities that could donate to the space. One has agreed to donate five acres which is worth \$460,000 in which the community center will be built on. The area foundation has raised \$80,000 prior to the campaign starting. You have asked the student to meet and make recommendations on financing the project along with fundraising opportunities.

- Determine a rental rate per hour assuming you will rent out the facility 6 hours per day 5 days a week in order to break even on the facility. How many hours would you need to rent out in order to exceed expenditures?
  - $\$89 \text{ per hour } \$138,000/260 \text{ (5days a week)}=530.77 \text{ per day}/6 \text{ hours used per day}=88.47 \text{ or } \$89 \text{ per rental hour}$   
*Anything above 30 hours rented per week would be above expenditure*
- What types of incentives would you offer to donors? Put together a strategic plan for a donor wall includes dollar amounts and promotional strategies.
  - *Possible incentives: Wall with donor name on it, name listed on promotional materials, etc.*

The student will initiate the conversation by answering the above questions.

During the course of the role-play you are to ask the following questions of each participant:

1. Do you feel there will be enough community involvement to support this venture?
  - a. *Possible Solution: Yes, with only having to rent out 6 hours 5 days a week in a growing community this shouldn't be a problem.*
2. Are the projected rental fees and hours conservative enough to cover the expenses?
  - a. *Possible Solution: Yes, it is only based on 6 hours 5 days a week or 30 hours with the potential of being open 94 hours a week.*
3. In your studies will the membership fees deter involvement and drive members to other local facilities such as the YMCA, local universities, etc.
  - a. *Possible Solution: No, because it's part of the community and rates are very competitive and lower than the competition.*

After the capital budgeting specialist (student) has answered your (judge's) questions, you (judge) will conclude the meeting by thanking him/her for his/her work.

You are not to make any comments after the event is over except to thank the participant.

## JUDGE'S EVALUATION INSTRUCTIONS

### Evaluation Form Information

The participants are to be evaluated on their ability to perform the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although you may see other performance indicators being demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event.

### Evaluation Form Interpretation

The evaluation levels listed below and the evaluation rating procedures should be discussed thoroughly with your event chairperson and the other judges to ensure complete and common understanding for judging consistency.

<b>Level of Evaluation</b>	<b>Interpretation Level</b>
Exceeds Expectations	Participant demonstrated the performance indicator in an extremely professional manner; greatly exceeds business standards; would rank in the top 10% of business personnel performing this performance indicator.
Meets Expectations	Participant demonstrated the performance indicator in an acceptable and effective manner; meets at least minimal business standards; there would be no need for additional formalized training at this time; would rank in the 70-89 <sup>th</sup> percentile of business personnel performing this performance indicator.
Below Expectations	Participant demonstrated the performance indicator with limited effectiveness; performance generally fell below minimal business standards; additional training would be required to improve knowledge, attitude and/or skills; would rank in the 50-69 <sup>th</sup> percentile of business personnel performing this performance indicator.
Little/No Value	Participant demonstrated the performance indicator with little or no effectiveness; a great deal of formal training would be needed immediately; perhaps this person should seek other employment; would rank in the 0-49 <sup>th</sup> percentile of business personnel performing this performance indicator.



**BUSINESS FINANCE SERIES, 2016**

Participant: \_\_\_\_\_

**JUDGE'S EVALUATION FORM**  
DISTRICT EVENT

I.D. Number: \_\_\_\_\_

**INSTRUCTIONAL AREA: INFORMATION MANAGEMENT**

Did the participant:

Little/No Value	Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
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**PERFORMANCE INDICATORS**

		0-1-2-3-4-5	6-7-8-9	10-11-12-13	14-15-16	
1.	Explain the nature of project management	0-1-2-3-4-5	6-7-8-9	10-11-12-13	14-15-16	
2.	Identify resources needed for project	0-1-2-3-4-5	6-7-8-9	10-11-12-13	14-15-16	
3.	Explain the nature of overhead/operating costs	0-1-2-3-4-5	6-7-8-9	10-11-12-13	14-15-16	
4.	Evaluate project results	0-1-2-3-4-5	6-7-8-9	10-11-12-13	14-15-16	
5.	Develop project plan	0-1-2-3-4-5	6-7-8-9	10-11-12-13	14-15-16	
6.	Reason effectively, use systems thinking, make judgments and decisions, and solve problems?	0-1-2-3	4-5-6	7-8	9-10	
7.	Overall impression and responses to the judge's questions	0-1-2-3	4-5-6	7-8	9-10	
<b>TOTAL SCORE</b>						