

Finance Plan

SPMGT 489

10/4/13

Team Gleason Skills Challenge

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## **Introduction**

We are hosting a skills challenge before the Washington State University (WSU) football game on October 31, 2013. The event will be located at Grimes Way Playfield from 4 to 7 PST and all proceeds will go to Team Gleason. Grimes Way Playfield is located near many tailgating areas, which include many of the top donors to WSU. For this reason, we are confident our event will attract these tailgaters to participate in the Skills Challenge. The majority of the funds for the event are coming from Snap Fitness and Ferdinand's. Between the two organizations, we are planning to receive 500 dollars, which will go towards equipment and donations to Team Gleason. Our goal is to raise \$1000 for Team Gleason, which seems feasible considering the location of the event. We will attract participants through ambush marketing and making our event as visible as possible. We will have volunteers handing out flyers to tailgaters and a sound system to make announcements. Another goal we have is to make the event enjoyable for the participants in order to bring a positive brand image to all stakeholders. Bringing a positive, energetic, and accommodating attitude to the event will help us achieve this goal. We are confident our event management skills will lead to accomplishing our goals.

## **Use of Funds Statement**

Prior to the event we will be acquiring three sponsors to gain some capital to pay for expenses leading up to the event, as well as on the day of the event. Ferdinand's has already purchased our gold sponsorship package for \$300, and Snap Fitness is going to purchase our silver sponsorship package for \$200. Other sources of income we are working on this week would be locking up a third sponsor preferably a bank, so we can set up an account for the event. Depending on which sponsorship package our third sponsor selects, we will have best case \$800

worst case \$700. There is an option for sponsors to donate above the minimum package, but at this time all our sponsors have paid for the minimum packages.

With the pool of money we receive at the beginning we will be paying for marketing of the event. Our main marketing tactic will be ambush marketing in the form of flyers, for both the day of the event as well as the dad's weekend football game. Following this our money will go towards all equipment we will need for the day of the event. If we have leftover funds after all equipment is paid for we would put more money into marketing the event as well as prizes for participants. Finally, in the absolute worst case scenario if we are in the red post-event we will use entry fees, to bring our event to the breakeven point.

For our event there is no need to fundraise outside of sponsors, because our expenses shouldn't be more than our sponsorship revenue. As the days lead up to our event, if we are low on funds donations would be an option to raise our cash flow. Another option outside of sponsorships would be from Keith a member in our group who is in a fraternity. His fraternity is the RSO (Registered Student Organization) sponsoring Grimes Playfield, and gathering donations from the members of his house would be an option. We don't plan on approaching other businesses for donations. However, if we feel like our expenses are exceeding our revenues approaching businesses are not ruled out.

### **Income Statement Preface**

**Best Case:** The best case scenario expects to have at least one thousand participants and one hundred donations throughout the event. It would involve getting three sponsorships at three hundred dollars each. We eliminated some expenses that could be donated or borrowed for the event, like the cashbox, footballs, cones and garbage cans. We believe that one thousand

participates is a lot but considering the amount of people going to be near Grimes Field it is entirely possible.

**Worst Case:** Our worst case scenario is based on no one participating in our event and receiving zero donations, but both are very unlikely simply due to the thousands of people that will be in the area already. Our sponsorships numbers are based on two sponsors at one hundred dollars each. For our expenses we listed every possible expenditure that we could think of even though most of which we can either get for free or at a much lower cost. Some of the items, like garbage cans and footballs may be provided by the field supervisors as well.

**Most Likely:** Our most likely scenario to happen at our event would involve about five hundred participants and thirty donations from nearby tailgates. We have one sponsorship from Ferdinand's for three hundred dollars and one from Snap Fitness for two hundred dollars. We may pursue Chase Bank as another sponsor as well but it is not definite yet. We included all expenses that we believe will be needed in order to put on the event but prices are based on the lowest possible prices found online and at local businesses. We believe the most likely scenario is very much possible but we will plan for more just in case.

### **Cash Flow Statement Preface**

Week 1 of our cash flow statement consists of a \$300 donation from one of our sponsors Ferdinand's. Our only expense for week 1 is the field rental which we have confirmed. Week 2 we plan to lock down our second donation for \$200 from Snap Fitness. Our expenses are \$35 for small flyers that we plan to hand out at the Dad's weekend game. We also will buy the football tees, rent the audio equipment and table from Beasley Coliseum. Week 3 we do not plan we will not have any revenue coming in and we plan on printing more flyers to put around campus, and

buying the footballs and cones for the field. We will also not have any revenue for week 4 but we will buy the measuring tape for the field and the prizes for the winners of the competition. Week 5 is the week of the event and we plan on getting \$2,500 in registration and \$3,000 in donations for total revenue of \$5,500. The only expenses that week will be \$25 more for flyers to pass out at the tailgates.

### **Fundraising Plan**

Our goals for fundraising will be bringing in enough to cover all equipment costs. All leftover funds will be put toward marketing our event everywhere we can. Some examples of additional marketing if funds were available would be video monitors in the Cub which cost \$40 per week. Also an option would be purchasing some ad space in the Daily Evergreen the week before the event. Finally more flyers wouldn't hurt for the day of the event to ambush market the surrounding area. The timeline for our fundraising would be to have all funds available before the Dad's weekend football game. The main reason for this is we will need all smaller flyers printed by this date to hand out to our target market (Cougar Football Fans & Alumni) at tailgates, and their path to the game. Another reason for having the funds available before this date would be for any emergency costs that come up unexpectedly. Pursuit of donors will be in the form of an area set up at our event for participants who would like to donate more than the entry fee of \$5. Ideally we would like a tent with information on Team Gleason and their mission which would entice people to donate more. Any approach for donation would be done by group members, and not volunteers. In order to make sure the donation aspect of our event is operated as smooth as possible for our participants.

## **Conclusion**

These financial statements are accurate representations of the outcomes and costs of our event. We are confident we can achieve the “most likely” income statement, which includes a net income of \$5,419. As we stated in the introduction, it is feasible to reach this record number due to the location of our event. Some of the numbers found in our statements are estimates and we will adjust our statements if necessary. The knowledge we have gained through the WSU Sport Management program has helped us prepare diligently for this event, which will lead to success.