

Fiji National University

Business Case

Title of Project

**Project Sponsors:**

***(Name & Position)***

**Table of Contents**

|  |  |
| --- | --- |
| Headings  | Page |
| Executive Summary  |  |
| Background |  |
| Rationale and Link to Strategic Plan |  |
| Capital Cost |  |
| Funding the Proposal |  |
| Benefits of the Proposal |  |
| Financial Projections |  |
| Sensitivity and Scenario Analysis |  |
| Risk & Mitigation |  |
| Conclusion |  |
| Appendices |  |

1. **Executive Summary**
* *Provide a brief summary of the proposal.*
* *Focus on the objectives of the proposal and implications for FNU and the budget unit*
* *Outline of the proposal timeline and length of life*
* *Identify the planning and compliance requirements that will need to be met*
* *Describe the timeline from the commencement of the project until it is fully operational and identify the key stages in its implementation*
* *Outline how it is proposed to manage the implementation, to achieve on time, on budget completion*

**2.0 Background**

* *Provide background information on the project proposal.*
* *Description of the proposal that enables reviewers to understand the project, its location and purpose*

**3.0 Link to the Strategic Plan**

* *Describe how the project proposal links to FNU’s Strategic Plan.*
* *Describe the implications of the proposal for FNU and its expected impact on other FNU activities and budget units*

**4.0 Capital Costs**

* *Provide costs & descriptions of the capital costs.*
* *Detailed analysis of the CAPEX required, categorised into:*
	+ *Land and infrastructure*
	+ *Buildings*
	+ *Equipment*
	+ *Information technology*
	+ *Vehicles*
	+ *Other*

*The analysis should describe the types of CAPEX required and include estimates of the costs of each major item of CAPEX in the proposal*

**5.0 Funding the Proposal**

*Describe how the project will be funded (Donor funded, Retained Earnings, Borrowings, FNU Capex).*

**6.0 Benefits of the Proposal**

* + - * *Evaluation of the proposal in terms of:*
				+ *FNU strategic plan*
				+ *Business plans of the budget unit*
				+ *Other FNU priorities*
			* *Discussion of the benefits relating to:*
				+ *Enhancing teaching*
				+ *Improving research*
				+ *Strengthening support services*
				+ *Extending the reach of FNU*
				+ *Increasing income / revenue*
				+ *Decreasing operating expenses*

**7.0 Financial Projections**

* *Provide forecasts of Payback Period and Average Annual Rate of Return.*
* *Provide income, expenditure, surplus/deficit and cash flow forecasts, as well as the financial assumptions*
* *A detailed financial schedule that includes the impact of the CAPEX proposal on:*
	+ *Revenue*
	+ *Types of operating expenses – personnel, consumables, utilities, other*
* *The schedule must distinguish between the impact on the budget unit and other FNU budget units and activities*
* *The schedule must provide information for a minimum of 5 years of the project life (or the years of its life)*

**8.0 Sensitivity Analysis and Scenarios**

* *Provide analysis for Likely, Best and Worst Case Scenarios of various assumptions related to the project, as well as the financial outcomes of each scenario.*
* *The business case must include a minimum of two other options that could achieve the objectives of the proposal and include a “do nothing” option*
* *For each option, the CAPEX required and the benefits / risks to FNU must be stated and discussed*

**9.0 Risk & Mitigation**

*Provide potential risks the project could face, risk rating and the mitigation strategy.*

* + - * *The risk analysis must focus on the risks that the proposal:*
				+ *Will not achieve the identified benefits*
				+ *Will not be completed within the CAPEX sought*
				+ *Will not achieve the revenue and expenses forecasts*
				+ *Will not be completed within the proposal timeframe*

**10.0 Conclusion**

**11.0 Appendices**