

Fiji National University

Business Case

Title of Project

**Project Sponsors:**

***(Name & Position)***

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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**