



**Chaminade University**  
OF HONOLULU

***The 2007 Hogan/American Savings Bank  
Non-Profit Business Plan Competition  
(Entry Packet)***



## **ELIGIBILITY REQUIREMENTS**

- ▶ Business plans must be for one of the following:
  - a new non-profit organization
  - a new program of an existing non-profit organization
  - a new for-profit subsidiary of a non-profit organization

(new means in operation less than 12 months prior to entry deadline)
  
- ▶ The proposed venture must be designed to benefit society, i.e., it must generate positive social outcomes.
  
- ▶ Each organization may submit only one business plan for review, even if the organization is developing plans for more than one eligible venture.
  
- ▶ All entrants must be located in the state of Hawai`i.
  
- ▶ The top four winners of the past two non-profit business plan contests are not eligible for this year's competition.

## ENTRY & REVIEW PROCESS

### **STEP 1: SUBMIT A STATEMENT OF INTENT**

Submission Deadline: **Friday, September 21, 2007**

Entrants must submit a simple, typed, one-page statement of intent to participate, briefly summarizing their proposed venture (for convenience see the attached Statement of Intent Form). A signed copy of the statement should be mailed to:

The Hogan Entrepreneurial Program  
Chaminade University of Honolulu  
Attn: Ann Lujan Kishi, Assistant to the Director  
3140 Waiālae Avenue, Honolulu, Hawai`i 96816

Questions may be addressed to John Webster at [jwebster@chaminade.edu](mailto:jwebster@chaminade.edu).

### **STEP 2: SUBMIT A BUSINESS PLAN**

Submission Deadline: **Friday, October 19, 2007**

Entrants must submit 4 paper copies of a complete business plan for the proposed venture. A sample Business Plan Outline is provided on pages 6 and 7. While the entrant's business plan need not conform exactly to this outline, **it must begin with a 1 page Executive Summary which includes, the name of the organization, the key contact person, a brief overview of the venture and its objectives, and a description of the product or service provided.** Materials should be mailed to the address above.

From October 22 through November 15, business plans will undergo a detailed review and will be judged for completeness, quality, and other factors (see Evaluation Criteria). The initial pool of entrants will be narrowed to a set of eight finalists who will move to Step 3. All entrants will receive notification of whether or not they have been selected as one of the eight finalists by Thursday, November 15, 2007.

### **STEP 3: ORAL PRESENTATIONS BY THE EIGHT FINALISTS**

Presentation Date: **Tuesday, December 4, 2007**

The eight finalists' plans will be evaluated and scored by a panel of expert judges comprised of senior executives from banks, foundations, consulting firms, venture capital funds, and leading non-profit organizations. Finalists will need to make an oral presentation of their plans before the judges' panel on December 4, 2007. Travel assistance will be provided to finalists from neighbor islands.

## AWARDS & RECOGNITION

### RECOGNITION

Winners will be announced at an Awards Ceremony held on **Thursday, December 13, 2007**. The event will be open to the public and the press will be invited. Travel assistance will be provided to winners and finalists from neighbor islands.

All entrants may benefit from communications and materials issued by the Hogan Program. A brief one page summary of each entrant's plan will be distributed widely. However, information about entrants' business plans will not be disclosed unless agreed to by entrants.

### AWARDS

Awards will be as follows:

<b>1<sup>st</sup> Place</b>	\$15,000
<b>2<sup>nd</sup> Place</b>	\$10,000
<b>3<sup>rd</sup> Place</b>	\$ 5,000

**Loomis–ISC Most Compelling Award**      120 hours of free integrated communications services

This prize will be awarded to the plan (not one of the above award winners) that is judged the most compelling.

**Note: Cash awards will be distributed in one unrestricted lump sum to the award winners. Prior to distribution, awardees will be required to provide proof of non-profit status, or documentation that they have a non-profit fiscal sponsor (see FAQs for additional information on fiscal sponsors and proof of non-profit status).**

## EVALUATION CRITERIA

Business plans will be evaluated according to the following criteria:

**Need or Demand for Venture.** Given current community conditions and existing programs, is there a need or demand for the venture?

**Appropriateness of Venture Model.** Is the plan for starting and operating the venture appropriate to address the need or demand in an efficient and effective way?

**Financial Viability.** Does the plan address how the venture will be funded and sustained?

**Implementation Capacity.** Will those associated with the venture have the combined capacity to implement the plan?

**Risk Factors.** Have major risks to the venture been addressed?

**Social Return on Investment.** Are the venture's anticipated social impacts high relative to its cost?

**Social Innovation.** Is the idea so good that others wonder "why didn't we think of that?" Is the venture likely to be a model that can change the practice of other non-profits in the field?

**Loomis – ISC Most Compelling Award.** As noted, a separate award for the "Most Compelling" plan will also be presented. This award will be given to the plan that is judged most inspiring, stirring, and emotionally persuasive. While the criteria above will also be considered, this plan will be judged first and foremost on its ability to 'tug at the heartstrings' and move readers in an emotional way.

## SAMPLE BUSINESS PLAN OUTLINE

The following outline is provided as an **example** of a non-profit business plan outline. Not every component of this outline will be applicable to your venture. The organization and content of plans will vary based upon the unique character of each venture. **However, every submission must begin with an Executive Summary.**

- (1) Executive Summary.** This section is a brief overview (one page maximum) providing the name of the organization, the key contact person, a brief overview of the proposed venture, its objectives, and a description of the product or service provided.
- (2) Description of the Need or Demand for the Venture.** This section should describe the need for your proposed venture. It should answer questions such as: Who will benefit from this program? Who are the program's target customers or clients? How many customers or clients will be served? Is there a demonstrated need for what your venture will offer? Answers to these questions might include relevant statistics and trends, if appropriate. This section should also include your assessment of the competition (if any exists) and an explanation of your venture's advantages over the competition.
- (3) Marketing/Outreach Plan.** This section should describe how you plan to attract your target customers or clients to the venture's product or program. It might include a description of things like advertising, outreach efforts, marketing plans, and the pricing of your product or service (if applicable). If you plan to create and sell a product, this section should also include a description of your plan to distribute your product. It should include sales or service goals and timelines.
- (4) Operations Plan.** This section should include a description of how you will produce your product or provide your service (e.g., it might describe your production process). It should also include a description of any of the systems, infrastructure, or physical assets needed to operate your venture (e.g., data collection systems, software, equipment, office space, etc.) including how and when they will be obtained.
- (5) Management Capacity & Staffing Plan.** This section should describe key positions including any key staff, board or volunteers, their responsibilities, and their qualifications vis-à-vis the proposed venture. The section should be designed to answer questions such as: Who will be responsible for implementing key parts of the business plan? Do key staff or board members have the experience or expertise

required to implement the plan successfully? If key positions are vacant, the section should also address how you plan to recruit, hire, and train those who will fill key positions.

- (6) Financial Plan.** This section should be designed to illustrate the venture's financial feasibility and set financial goals. At a minimum, it should include a 3-year projected Statement of Cash Flows or Statement of Activities (also referred to as an Income Statement). A start-up budget should also be included if applicable. Any assumptions used in developing financial projections or analyzing the venture's feasibility should be explained. If grants, donations or other subsidies are required to operate the venture, this section should include a description of your fundraising plan, its goals and timelines, and the targeted sources of funding.
- (7) Social Return on Investment.** This section should describe the social outcomes your venture is designed to produce. To the extent possible, results should be defined in quantitative terms, with targets and timelines. This section should also include a description of the measures that will be used to monitor and assess the social impact of your venture.
- (8) Risk Factors.** If any *major risk factors* are not addressed in previous sections of the plan, a description of these risks and your backup plans/risk mitigation strategies should be described in this section.

## FREQUENTLY ASKED QUESTIONS

### **All I have is an idea for a non-profit organization or a social venture. Am I still eligible to enter the Competition?**

Yes, absolutely. You should develop a business plan for your idea and enter it in the competition. However, if you are selected as one of the Cash Award Winners (First, Second, Third Place) you will be required to obtain a non-profit designation from the IRS or a qualified fiscal sponsor before a cash award can be distributed to you.

### **What do you mean by “proof” of the Winner’s non-profit status or non-profit fiscal sponsor?**

In the case of an established non-profit organization, an IRS 501(c)(3) Designation Letter will suffice as proof of non-profit status. In the case of an individual or group using a non-profit fiscal sponsor, a signed commitment letter from the sponsor and proof of the sponsor’s non-profit status (i.e., IRS Determination Letter for the sponsor) will suffice as proof of sponsorship.

### **What is a fiscal sponsor and how do I get one?**

Obtaining a designation as a “501(c)(3) non-profit” organization from the IRS can be a time consuming and costly process. In the start-up phase, many venture organizers use the tax-exempt status of an existing non-profit organization – a “fiscal sponsor” or “fiscal agent” – to obtain funding without having to secure their own non-profit designation. The fiscal sponsor agrees to let the venture organizers use its non-profit status to obtain funding and to separately manage funds received for the venture. In exchange, the fiscal sponsor may charge the venture organizer(s) a fee for administration, typically between 5% and 15% of the gross funds raised by the venture organizers. The terms of fiscal sponsorship are typically spelled out in a contract or a Memorandum of Agreement between the fiscal sponsor and the venture organizer(s). A good fiscal sponsor will be an established non-profit organization with strong financial management capacity and experience in fiscal sponsorship. **If you need assistance identifying a fiscal sponsor you may contact us via email at [jwebster@chaminade.edu](mailto:jwebster@chaminade.edu).**

### **Are one-time events, campaigns, or workshops eligible for this competition?**

Yes. Note, though, that plans will be judged, in part, on their potential to generate substantial social impact and their level of innovation, particularly innovations that may influence the practices of other organizations. Workshops, public awareness campaigns, conferences, benefit events, and similar endeavors are eligible entries, but will need to score well on these criteria.

**As a start-up venture, I currently have no director, staff or board? What should I describe in my plan to address the “Implementation Capacity” criteria?**

Start-up ventures without existing staff or board capacity should focus on describing what combination of staff, board or volunteers will be needed to implement other components of the business plan. For example, key positions, their roles and responsibilities, and the qualifications sought, might be discussed in the plan. If you anticipate that it will be difficult to find qualified staff or board members, a description of how staff will be recruited might be appropriate as well.

**What do you mean by “Financial Viability”? Does this mean that I have to prove my venture’s feasibility and sustainability?**

The “Financial Viability” criteria merely indicates that a plan should address how the venture will be supported and sustained financially. If grants or donations are required, a good plan will provide some sense of where these funds might come from or how they might be obtained. A plan does not have to prove that a venture will be financially sustainable in perpetuity. Rather, it should show that some thought has been devoted to what feasibility and sustainability require and what steps will be taken to achieve them.

**What do you mean by “Social Return on Investment”? Does this mean that my venture’s impacts must be quantified and compared to costs?**

Ventures will be judged on the quality and quantity (where possible to quantify) of the social benefits they aim to produce. We recognize that social benefits are not always quantifiable, and that in many cases quality matters as much, or more than, quantity. In general, your plan should make the strongest case possible as to why your venture is important and worth the financial investment. Comparisons to similar ventures and their outcomes and costs may be helpful in this regard.

## STATEMENT OF INTENT

I intend to participate in the ***Hogan/American Savings Bank Non-Profit Business Plan Competition*** and will submit a Business Plan by October 19, 2007.

Description of Proposed Venture:

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Date: \_\_\_\_\_

Organization \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Name (printed): \_\_\_\_\_

Signed: \_\_\_\_\_

(Project Champion)

Mail or fax back by **September 21** to:

The Hogan Entrepreneurial Program  
Chaminade University of Honolulu  
Attn: Ann Lujan Kishi, Assistant to the Director  
3140 Waiālae Avenue, Honolulu, Hawai'i 96816  
Phone: 808-739-4673 Fax: 808-440-4249