

CFI Financial Modeling Competition – Grading Rubric

Criteria	Does Not Meet Expectations	Meets Minimal / Some Expectations	Meets Expectations	Exceeds Expectations
<p>Investment Rationale and Strategy</p> <p>Investment rationale for the M&A transaction is not clear or has not been expressed effectively. Investment Strategy is not supported by the case materials.</p> <p>Score: /15</p>	<p>Investment rationale for the M&A transaction is not clear or has not been expressed effectively. Investment Strategy is not supported by the case materials.</p> <p>0 to 4</p>	<p>Investment rationale for the M&A transaction is expressed but can be clearer. Investment Strategy is somewhat supported by the case materials but may have flaws in analysis.</p> <p>4 to 8</p>	<p>Solid investment rationale for the M&A transaction is expressed. Investment Strategy is somewhat supported by the case materials.</p> <p>8 to 12</p>	<p>Provides exceptional and clear rationale for the M&A investment. Investment Strategy is supported by the case materials.</p> <p>12 to 15</p>
<p>Drivers and Assumptions</p> <p>Minimal model drivers and assumptions provided that not make sense within the context of the case. Assumptions and drivers are not integrated correctly in the forecasted periods or have flaws that severely impact the outcome of the model.</p> <p>Score: /10</p>	<p>Minimal model drivers and assumptions provided that not make sense within the context of the case. Assumptions and drivers are not integrated correctly in the forecasted periods or have flaws that severely impact the outcome of the model.</p> <p>0 to 2.5</p>	<p>Some model drivers and assumptions are stated and make sense within the context of the case. Assumptions and drivers are integrated for forecasted periods with some errors, but do not severely impact the outcome of the model.</p> <p>2.5 to 5</p>	<p>Model drivers and assumptions are clearly stated and make sense within the context of the case and related materials. Assumptions and drivers are integrated correctly in forecasted periods with minimal errors.</p> <p>5 to 7.5</p>	<p>Model drivers and assumptions are clearly stated and are exceptionally linked to the case materials. Assumptions and drivers are integrated correctly in forecasted periods.</p> <p>7.5 to 10</p>
<p>Target Model</p> <p>Missing components or fundamental flaws with the target model. Multiple errors in linking the three statements. DCF valuation does not make sense with the case materials.</p> <p>Score: /15</p>	<p>Missing components or fundamental flaws with the target model. Multiple errors in linking the three statements. DCF valuation does not make sense with the case materials.</p> <p>0 to 4</p>	<p>Target model meets some expectations. Three statements are linked and driven but some errors are present. DCF is relatively within an accurate range given case materials.</p> <p>4 to 8</p>	<p>Target model meets expectations. Three statements are linked and driven with minimal errors. DCF is within an accurate range given case materials.</p> <p>8 to 12</p>	<p>Exceptional target model. Three statements are linked and correctly driven. DCF valuation is within an accurate range given case materials.</p> <p>12 to 15</p>
<p>Pro Forma Model</p> <p>Acquirer and target model are linked with some errors. Consolidated balance sheet linked with some errors. Synergies are effectively integrated into forecasted periods with minimal errors.</p> <p>Score: /15</p>	<p>Acquirer and target model are linked with some errors. Consolidated balance sheet linked with some errors. Synergies are effectively integrated into forecasted periods with minimal errors.</p> <p>0 to 4</p>	<p>Acquirer and target model are linked with some errors. Consolidated balance sheet linked with some errors. Synergies are integrated into forecasted periods with minimal errors.</p> <p>4 to 8</p>	<p>Acquirer and target model are linked with minimal errors. Consolidated balance sheet accurately linked. Synergies are integrated into forecasted periods.</p> <p>8 to 12</p>	<p>Exceptional linking of acquirer and target models. Consolidated balance sheet is accurately linked. Synergies are effectively integrated into forecasted periods.</p> <p>12 to 15</p>
<p>Follows Accepted Formatting Conventions</p> <p>Financial model does not follow the formatting in the “Financial Modeling Best Practices” guide and the errors inhibit the ability to understand the model.</p> <p>Score: /10</p>	<p>Financial model does not follow the formatting in the “Financial Modeling Best Practices” guide and the errors inhibit the ability to understand the model.</p> <p>0 to 2.5</p>	<p>Financial model follows the “Financial Modeling Best Practices” formatting with some errors. Errors do not inhibit the ability to understand the model.</p> <p>2.5 to 5</p>	<p>Financial model follows the “Financial Modeling Best Practices” formatting with minimal errors. Model is relatively easy to follow.</p> <p>5 to 7.5</p>	<p>Financial model uses accurate formatting in line with the “Financial Modeling Best Practices”. The model is easy to follow in terms of its organization.</p> <p>7.5 to 10</p>
<p>Valuation and Deal Mix</p> <p>DCF valuation of the pro forma business is not within an accurate range given the case materials. Deal mix rationale is not explained and integrated</p>	<p>DCF valuation of the pro forma business is not within an accurate range given the case materials. Deal mix rationale is not explained and integrated</p>	<p>DCF valuation of the pro forma business is relatively within an accurate range given the case materials. Deal mix rationale is not effectively</p>	<p>DCF valuation of the pro forma business is within an accurate range given the case materials. Deal mix rationale is explained and integrated in the M&A</p>	<p>DCF valuation of the pro forma business is within an accurate range given the case materials. Deal mix rationale is clearly explained and integrated</p>

	in the M&A model. Deal mix and valuation does not align with the acquirer's objectives.	explained and integrated in the M&A model. Deal mix and valuation somewhat aligns with the acquirer's objectives.	model but can be done so more effectively. Deal mix and valuation aligns with the acquirer's objectives.	in the M&A model. Deal mix and valuation aligns with the acquirer's objectives.
Score: /15	0 to 4	4 to 8	8 to 12	12 to 15
Effective Sensitivity and Accretion Analysis	Sensitivity analysis is not completed or not properly integrated to show accretion/dilution under different scenarios for the pro forma model and target company.	Some sensitivity analysis completed for accretion/dilution under different scenarios for the pro forma model and target company. Sensitivity assumptions flow through the model with some errors.	Sensitivity analysis completed for accretion/dilution under different scenarios for the pro forma model and target company. Sensitivity assumptions flow through the model with minimal errors.	Exceptional sensitivity analysis completed for accretion/dilution under different scenarios for the pro forma model and target company. Sensitivity assumptions effectively flow through the model.
Score: /10	0 to 2.5	2.5 to 5	5 to 7.5	7.5 to 10
Investment Presentation Slide Deck	Slide deck lacks structure and does not convey the key takeaways from the model and investment recommendation. Deck has many grammatical or formatting errors and fails to within 10 slides.	Slide deck has an unclear structure and has some difficulties conveying the key takeaways from the model and investment recommendation. Deck has some grammatical or formatting errors and is within 10 slides.	Slide deck is structured and showcases the key takeaways from the model and investment recommendation. Deck has minimal grammatical or formatting errors and is within 10 slides.	Slide deck is effectively structured and exceptionally showcases the key takeaways from the model and investment recommendation. Deck has no grammatical or formatting errors and is within 10 slides.
Score: /5	0 to 1.5	1.5 to 3	3 to 4	4 to 5
Comments:				
Presentation Recording	Presentation is not clear and/or fails to articulate the main insights from the investment recommendation and model. Presentation goes over 5 minutes.	Presentation is somewhat clear and attempts to articulate the main insights from the investment recommendation and model. Presentation is under 5 minutes.	Presentation is clear and articulates most of the main insights from the investment recommendation and model with minimal errors. Presentation is under 5 minutes.	Presentation is clear, dynamic, exceptionally articulates the main insights from the investment recommendation and model in a professional manner. Presentation is under 5 minutes.
Score: /5	0 to 1.5	1.5 to 3	3 to 4	4 to 5
Final Grade	/100			
General Comments:				