

**Explanation of use for page 5 (Financial Balance Sheet) of Placement Proficiency  
Applications for judging**

**What does the rubric say about pg. 5?**

Candidate shows significant SAE earnings, application shows that funds were utilized in such a way as to support identified goals.

**What should appear in line 1a?**

Candidate should report all dollars they have in their possession, in checking or savings for both the beginning of the first record year and as of December 31 of the last record year. This amount should be inclusive of all dollars whether related to the SAE program or not.

**What should appear in line 1b?**

Candidate should report cash value of all stocks, bonds and life insurance at the beginning of the first record year and as of December 31 of the last record year whether earned through the placement SAE program or not.

**What should appear in line 1c?**

Candidate should report all notes and accounts receivable (money owed to them) at the beginning of the first record year and as of December 31 of the last record year from all sources whether related to the placement SAE program or not.

**What should appear in line 1d?**

Candidate should report the value all current operating assets in inventory at the beginning of the first record year and as of December 31 of the last record year whether they relate to the placement SAE program or not, even if these are held in a separate entrepreneurial enterprise not related to the proficiency award they are applying for.

**What should appear in line 3?**

Candidate should report the value of all non-current assets in inventory at the beginning of the first record year and as of December 31 of last record year whether related to the placement SAE program or not, even if these are held in a separate entrepreneurial enterprise not related to the proficiency award they are applying for.

**What should appear in line 4?**

Candidate should report the value of all current liabilities at the beginning of the first record year and as of December 31 of last record year whether related to the placement SAE program or not, even if these are held in a separate entrepreneurial enterprise not related to the proficiency award they are applying for.

**What should appear in line 5?**

Candidate should report the value of all non-current liabilities at the beginning of the first record year and as of December 31 of last record year whether related to the placement SAE program or not, even if these are held in a separate entrepreneurial enterprise not related to the proficiency award they are applying for.

**What should appear in line 9?**

Candidate should have accounted for all earnings for the enterprise contained in this proficiency category accounted for in the application. That figure will transfer to this line.

**What should appear in line 10?**

Candidate should report in this line the sum of all other earnings from SAE enterprises that do not apply to this proficiency category whether they are placement or entrepreneurial.

**What should appear in line 11?**

Candidate should report in this line all earnings that were not part of any of their SAE enterprises.

**What should appear in line 12?**

Candidate should report in this line the sum of all non cash earnings such as gifts, inheritances, scholarships, (Note: scholarships received and reported should be off set as educational expenses) capital gains on stocks and bonds

**What should appear in line 14a?**

Candidate should report the sum of all educational expenses such as tuition, conference or course registrations, etc.

**What should appear in line 14b?**

Candidate should report the sum of all personal expenses. This is inclusive of but not exclusive to items such as food, gas, clothing, federal taxes/FICA, entertainment, etc. It

can normally be assumed that once you know all of a student's sources of income that any amount not productively invested or on hand should appear in this line.

**How do I know that my balance sheet is correct?**

The balance sheet can be balanced can best be evaluated by the following formula:

**Total Earnings (line 13) = Use of Funds (line 15) + the change in Net Worth (column B - column A) (line 8)**

This equation should balance on both sides. Reasonable discrepancies can result from loses due to depreciation of non-current items in inventory and with students who report non-current assets and liabilities this can be forgiven. However, large discrepancies or discrepancies in the absence of the previous situation indicate that a candidate has not properly reported assets, earnings or expenses and would be penalized.

**Why do we ask that you include all enterprises and for accuracy on this page?**

This can help determine if the student is reaching stated goals. For example, if a student states that they would like to use their placement earnings to start a business showing the entrepreneurial figures further supports that goal is being reached. If you did not see these numbers you would have to assume it was not being reached. The same can be said for a student who states a goal of earning money for college. They should be showing a solid amount of savings to justify this. Also, since you get to include the income from other sources if you did not also show the assets and liabilities form other sources it would be impossible to balance the sheet.