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Canton Gymnastics Academy

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Canton Gymnastics Academy

Abstract

Canton Gymnastics Academy (CGA) will offer many different programs for athletes looking to enter a cheerleading or gymnastics program. The focus will be on providing professional, knowledgeable advice and training to all athletes who enter the doors. As with any sport, CGA will ensure that athletes know correct techniques to execute skills they are learning. This will help ensure that they suffer less bodily injuries throughout their career and they'll have less issues as adults. CGA will be registered as a Limited Liability Company (LLC) with the state of Michigan.

Specifically, CGA will provide two program areas, each with different programs within. The first area will be cheerleading. In this program, Canton Gymnastics Academy will offer both recreational classes and a competitive team. Each of which will be explained later in this plan. The second area will be gymnastics; the main focus of the gym. This program will consist of recreational classes and a competitive team as well, however, due to the nature of the sport and the crowd it attracts, this program will be on a larger scale than the cheerleading program.

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CANTON GYMNASTICS ACADEMY

By

Melani Kieling

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Honors College

in Partial Fulfillment of the Requirements for Graduation

with Honors in Management

Approved at Ypsilanti, Michigan, on this date April 4, 2017

The Business

Description

Canton Gymnastics Academy (CGA) will offer many different programs for athletes looking to enter a cheerleading or gymnastics program. The focus will be on providing professional, knowledgeable advice and training to all athletes who enter the doors. As with any sport, CGA will ensure that athletes know correct techniques to execute skills they are learning. This will help ensure that they suffer less bodily injuries throughout their career and they'll have less issues as adults. CGA will be registered as a Limited Liability Company (LLC) with the state of Michigan.

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Mission/Slogan

Canton Gymnastics Academy's mission is to provide quality cheerleading and gymnastics instruction to children between the ages of 2 and 25. Canton Gymnastics Academy (CGA) will strive to provide a fun, structured, and motivating atmosphere for athletes to thrive. The main goal at CGA is to help athletes achieve their goals in a safe,

positive learning environment.

CGA's slogan will be "Sore today, stronger tomorrow." This tells any potential customers that we push athletes to work hard, but in the end, it makes them stronger and allows them to achieve any goal they set their mind to. Coaches want to ensure that all athletes know the proper techniques when learning skills and that sometimes, learning these techniques can be hard. However, in the end, when doing a new skill, CGA athletes will be able to flawlessly execute while preserving their body (gymnastics and cheer can be hard on muscles and joints, but proper techniques can ensure this doesn't happen at CGA.)

Products/Services

Canton Gymnastics Academy will offer a wide variety of gymnastics classes such as recreational classes, school field trips, cheerleading classes, and competitive teams. Each class and team will have different focus areas for the athletes. While the skills learned will be relatively similar, the focus areas will concentrate on teaching the athletes the techniques of their particular sport. This will allow the athletes to gain valuable knowledge in their sport that can be used in the future, whether they choose to continue their sport in high school or college.

Recreational (rec) classes will focus on building strong backgrounds and techniques for the athletes' futures in gymnastics. From these classes, the athletes can either choose to move up to the competitive team, or to continue with higher level rec classes. The higher-level rec classes will be determined by age and skill level. The athletes will receive a recommendation from their coaches at the end of each class period

(8 weeks). The recommendation will tell the athletes if they need more time in the current class, if they can move up to the next rec class level, or if they are being invited to try out for the competitive team. Whether they move up to the competitive team or just want to get fit, coaches will focus on building endurance, strength, flexibility, and self-discipline in all rec classes offered.

School field trips will be marketed toward elementary schools. The focus will be to offer fun, educational days for schools that will consist of several activities for the children to enjoy. For example, the kids will be able to rope climb, swing on the bars, and jump on the trampolines. This experience gives parents, as well as their children, exposure to the gymnastics and cheerleading worlds, which could lead to an increase in customers for our gym. This can also be a form of free advertising because the kids and parents will talk about CGA's facility to their friends. The gym will also be able to display character as coaches and parents will see how caring employees are and how well they are able to work with children.

Cheerleading classes will be offered for athletes in grades 1-12. The classes will focus on bettering the athletes' jumps, flexibility, and tumbling skills using cheerleading techniques. CGA will differentiate itself with these classes because major athletic gyms only offer either gymnastics classes or cheerleading classes; Canton Gymnastics Academy will offer both. Each of the skills that will be learned in these classes are a necessity for high school cheerleading or all-star cheerleading, therefore, the goal is to provide a solid foundation and push these athletes to achieve advanced skills as they get older.

Lastly the competitive teams will consist of U.S.A. Gymnastics (USAG) sanctioned levels 1-10, a Michigan High School Athletic Association (MHSAA) approved competitive middle school cheerleading team, and United States All-Star Federation (USASF) approved all-star competitive cheerleading teams levels 1-5. The competitive gymnastics team will train a certain number of hours each week, depending on the level the athletes are in. Generally, the lower levels train less than the upper levels. For example, level 3 athletes train 9 hours per week while level 8 athletes would train 15 hours per week. The gymnastics team would compete at various USAG sanctioned meets throughout the season, as specified by the coaching staff.

The MHSAA middle school competitive cheerleading team will practice 8 hours per week. They will compete at MHSAA sanctioned competitions hosted by various local schools, such as Plymouth High School. The USASF competitive cheerleading team will train 10 hours per week. Level 1-3 teams will mostly compete in the state of Michigan, but they will attend one out-of-state competition per year. Level 4 and 5 will train 12 hours per week and will attend competitions mostly out of state, due to the lack of competitions being hosted for their levels in Michigan.

Market Analysis

Demographics

Canton Gymnastics Academy will pull in customers/gymnasts from several different areas of the population. However, a large portion of clients will be parents between the ages of 25 and 55. The athletes that train at MGA will range from 2 to 18 years old. Most families will be middle class, but CGA will also see several upper-class families due to its location. As far as gender, coaches will mostly see females dropping and picking their kids up from practices. However, it's also possible that we will see some males at competitions. Most of the athlete's parents will be married with full time jobs in order to afford the extracurricular activities.

Location

CGA will be located on Market Drive in Canton, Michigan. The facility is 10,370 square feet, leaving enough room for the equipment required for the programs. CGA will be leasing the space until there is enough money generated to purchase a more permanent location. The monthly payment will be \$4,753, which is about \$5.50 per square foot. The ceiling is 17 feet high, which also ensures that equipment can be used properly by athletes. This facility also has its own parking lot; there's plenty of space for several customers to be at the gym at once. This facility was built in 1988, so it may need a few upgrades initially, but it's still relatively new. Therefore, no dramatic renovation process will need to take place. This facility will be the perfect location for the gym to open and for the coaches and programs to establish themselves.

Primary Market

The main target market will be married moms ages 25-55 living in the Canton, Michigan area. Most customers will have middle to high incomes, meaning they have additional money to spend on extracurricular activities for their children. The moms will value discipline, strength, and fun because those are the main values that gymnastics and cheerleading offer.

Secondary Market

The secondary market will consist of families living near Canton, Michigan. Specifically, these consumers will live in Plymouth, Westland, Wayne, Romulus, Van Buren Charter Township, Ypsilanti, and Superior Charter Township. The families will have medium to high incomes and they'll have the same values as the primary market.

Market Need

In Canton, currently, there is only one major gymnastics training facility; Splitz Gymnastics. Splitz opened in 1997 and moved to their current facility off North Lilley Road in 2002. Although this facility has a long history, they only offer gymnastics classes. This opens up customers for CGA because there will be more offerings, like cheerleading classes as well as gymnastics classes and competitive teams. Therefore, families with cheerleaders will be drawn to CGA as well, but families with both gymnasts and cheerleaders will also come to CGA. Splitz also has a waiting list for people to get into their programs, leaving some room for CGA to get some of their potential customers.

Canton's schools merge into one giant district called Plymouth-Canton Educational Park (PCEP) at the high school level. Each high school has 2,000 kids along with both gymnastics and cheerleading teams. Estimating that each cheer program in those schools has about 60 girls and each gymnastics program has about 20, that leaves about 240 girls that would need Canton Gymnastics Academy's services. They would mostly look to attend classes to keep their skill level up in the off season. However, those same girls could come to gain new skills faster during their respective seasons as well. Due to those 3 schools connecting at the high school level, the lower level schools are also connected. This means that CGA will have connections to families and athletes from at least 9 different schools, expanding market reach and brand awareness.

Competition

The gym will face two main competitors. The first competitor is Splitz Gymnastics, as previously mentioned. Splitz Gymnastics opened in the summer of 1997 and is currently located in Canton on North Lilley Road. Their main focus is on their competitive gymnastics team, although, they do also offer recreational classes. Along with these two programs, Splitz hosts Birthday parties, "Parents Night Out", skill classes, along with summer competition called the "Splitz Olympics". These tasks are made possible by the Splitz coaching staff and parent volunteers. Hosting fun competitions and sleepovers could generate more customers; however, it will be difficult to host these events right when the gym opens. Therefore, CGA will wait at least a year before looking to plan and hold such events.

The second competitor is the Michigan Academy of Gymnastics (MAG). This

gymnastics club has three different locations in Michigan. They are located in Westland, Ann Arbor, and Dearborn Heights. The biggest threat to CGA will be their Westland location. With MAG having three separate locations for their customers, their brand awareness is currently superior. MAG opened in August of 1978 and has outgrown two facilities during their existence. Some of their athletes have gone on to compete in the National College Athletic Association (NCAA) competitive gymnastics program. Their gym offers programs similar to the ones CGA will implement; cheerleading classes, recreational gymnastics classes, and a competitive gymnastics team. However, they lack the competitive cheerleading team that CGA, allowing the gym to, again, step in front of competition.

Barriers to Entry

The main barrier to be addressed is financials. Starting a gymnastics training facility requires a significant amount of startup capital in order to rent a large industrial space and purchase all the equipment required. Employee wages, efficient technology, and general monthly bills must also be considered when calculating the capital. Another barrier would be the other gymnastics clubs in the area. In order to succeed, CGA will need to differentiate itself from the competition. Initially, this will be a large task because the club is new and unfamiliar. However, as the public becomes familiar with our facility, we will gain trust and customer loyalty.

Marketing Plan

SWOT Analysis

<p>Strengths:</p> <ul style="list-style-type: none"> ● Offers programs that other local gyms don't ● Near a major school system ● Only 2 competitors in the area ● Staff will be knowledgeable, reliable, organized, and fun ● USAG, USASF, and MHSAA certified programs can draw in large class/team sizes 	<p>Weaknesses:</p> <ul style="list-style-type: none"> ● New clubs can have a hard time getting established ● No brand awareness ● CGA may have to change some policies and procedures after experiencing situations (EX: number of athletes is larger than expected, so coaching procedures may need to be altered)
<p>Opportunities:</p> <ul style="list-style-type: none"> ● Local schools offer the chance for CGA to bring in large numbers of kids ● Field trips can help build awareness and customer base ● Location allows CGA to cater to large numbers of people (over 90,000 people live in Canton, Michigan) 	<p>Threats:</p> <ul style="list-style-type: none"> ● One competitor is a few minutes from CGA ● People may not want to risk attending a new facility ● No rapport built with the public ● Coaches may not want to work at CGA because it's a new club

Price

Below are the monthly fees for each program offered. Prices are broken down by the number of days the athlete will be training per week. All fees will be processed monthly and guardians must ensure their athletes fees are paid by the 5th of each month, or the guardian is responsible for a \$10 late fee. For further information regarding late fees and other fees, please see the CGA policies and procedures manual. Field trip pricing is based off a class size of 30 children. If more children will be attending the trip, a custom price will be designed by the gym owner or gym manager.

All new and returning athletes are responsible for paying a registration fee of \$40. This is a one-time fee that occurs annually. Returning athletes will be charged the next

year's registration fee on the first day of September. Registration payments that are not paid by the 5th of September will be charged an additional \$10 late fee. Guardians may also be responsible for coach's fees and other fees, depending on the program their child is in. These will be determined by the program coaches and the gym owner. Coaches fees will range from \$100 to \$200 annually. Guardians are also responsible for team apparel as specified by the program coaches.

Classes (per week)	Recreational Gymnastics	Recreational Cheerleading	USASF Cheerleading	MHSAA Cheerleading	USAG Gymnastics	Field Trips
One class	\$75	\$70	Not Offered	Not Offered	Not Offered	\$300
Two classes	\$130	\$120	Not Offered	Not Offered	\$175 (Levels 1&2)	Not Offered
Three classes	Not Offered	Not Offered	\$200	\$160	\$215 (Levels 3-5)	Not Offered
Four classes	Not Offered	Not Offered	Not Offered	Not Offered	\$300 (Levels 6-8)	Not Offered
Five classes	Not Offered	Not Offered	Not Offered	Not Offered	\$350 (Levels 9&10)	Not Offered

Promotion

With any business, the primary image for the ads is the gym's logo; the same will apply for CGA. On any ads or spirit wear purchased, CGA will proudly display the gym logo. This will establish a professional image for the new facility and it will give consumers a visual to remember the gym by. Please see next page for said logo.



Canton Gymnastics Academy will utilize three main marketing strategies in order to get customers to try our facility. The first strategy will be social media marketing. According to a study by Zephoria Digital Marketing, people age 25 to 34 make up the most common age bracket on Facebook, consisting of 29.7% of all Facebook users. CGA will purchase Dynamic Product Ads (DPA) from Facebook in order to generate interest for the facility amongst this age bracket. DPA's target users based on past actions on your website or can be applied at the right time after the user has looked at similar services on Facebook. This ad allows you to upload a product catalog and business, then the workers at Facebook handle the rest! The workers handle automation and targeting, meaning that you get to sit back and watch the ad work. The ad can show up on people's timeline/newsfeed and in the right column. This specific ad type can be viewed on a computer or mobile device, catering to all types of Facebook users.

To build rapport with consumers and facilitate word of mouth marketing, CGA will have a Facebook "fan page." This allows users to "like" the page and receive updates and offers from the gym. All information will show up on their timeline and if they don't want to see the ads anymore, they just "unlike" the page. To go along with the fan page, CGA will purchase "Page Like" ads. These ads post a link to the fan page on user's

timelines so they can easily find and “like” the page. According to AdEspresso, “this is the go-to ad for increasing your page Likes.” As a new business, raising awareness is one of the key factors to increasing customers and this ad can help CGA accomplish that.

The next form of advertising that will be used is print advertising. Print ads are trustworthy and are typically less expensive than electronic advertising outlets. CGA will print clear, concise, fun paper ads to handout to consumers to generate interest. In order to make sure consumers aren’t just throwing the flyers out, we will include a coupon for \$15 off the registration fee when they sign their child up for a class or team. This is a 37.5% savings, allowing customers to save money and potentially use that extra money to sign up an additional child. These flyers will be handed out at school functions, such as athletic events and parent-teacher conferences. A CGA representative will be present to hand out the flyers and answer any questions the people may have.

To market toward a more general audience, flyers will be posted in public places, such as grocery stores, coffee shops, and daycares. Each of these places caters to different target markets, each of which are included in CGA’s target market, allowing us to further breach our intended audience. For example, coffee shops attract people ranging in age from about 15 to 60. This covers the entire target market age range and would include both athletes themselves and their parents. Day cares would cater more toward the younger side of the intended population and grocery stores, again, covers all age ranges.

The last form of advertising will be merchandising. At CGA, there will be a spirit store, where customers and athletes can purchase shirts, sweatshirts, car decals, mugs, sweatpants, and other items featuring the CGA logo. When people buy these products,

and wear them around, they are essentially creating inexpensive marketing for the gym. People may ask about CGA and the facilities, giving customers the chance to act as salespeople for the facility.

Short Term Projections

In the first six months, Canton Gymnastics Academy should expect a gradual increase in the number of customers who attend classes. Initially, there will be a surge of new customers or curious consumers coming into the gym to learn more. CGA should have at least one person working the front desk at all time in order to address all questions and concerns and to build rapport with anyone who walks in the door. This person should be friendly, patient, and knowledgeable; the owner would be strongly recommended. CGA may need to hire additional coaches depending on the influx of athletes in each program. This will need to be determined on an as-needed basis by the gym owner or office manager. In these 6 months, CGA should continue advertising using the ventures designated above. This will ensure that the flow of customers remains steady as the gym works to establish itself.

Long Term Projections

In the first five years, Canton Gymnastics Academy will establish a solid customer base which will ensure a steady cash flow in order to keep the business running. During this time, CGA should begin repaying loans so the gym is on good terms with lenders. The gym will be filled with athletes and class sizes may have increased. Based off enrollment numbers, CGA may have hired two to five more employees to keep up with the growing amount of customers. Eventually, enrollment numbers will level off as

the word gets out to all locals.

Within ten years, class sizes will be steady, and any loans taken out will be in the process of repayment. There is a possibility that the facility could move to a larger location to accommodate all the athletes training. For the same reason, new coaches may need to be hired to keep class sizes small and allow further program growth. CGA will have an established reputation as a quality gym with great coaches and a supportive atmosphere. Some equipment will need to be replaced, costing the gym hundreds, if not thousands of dollars. However, the business generated will cover the costs and more, leaving additional funding in case of emergency.

Management and Operations

Policies and Procedures

For details on Canton Gymnastics Academy policies and procedures, please see Appendix A.

Hours

Coaches working hours will be assigned based on the program they are associated with and how many classes or teams they're coaching. Each class or team has different hour requirements. For example, the USASF level one team will have two classes per week and each will be two hours, meaning those coaches will get four hours per week. Recreational classes will be one hour each, but guardians can sign their athletes us for multiple classes as necessary. USASF team classes will be two hours each and the coaches of each level will decide how many days the team will practice per week. The MHSAA cheerleading teams will follow the same hours and practice days as the USASF teams.

The USAG gymnastics teams will vary in hours. Levels one and two will practice two days per week, totaling six hours. Levels three through five will practice three days per week, totaling nine hours. Levels six through eight will practice four days per week, totaling twelve hours. Finally, levels nine and ten will practice five days per week, totaling fifteen hours. CGA's general facility hours will be 4:00pm to 9:00pm, allowing the parents of athletes to bring their kids after they get off work. In general, recreational coaches, USASF cheer coaches, and MHSAA cheer coaches will be able to coach more than one class each night, allowing them to gain more working hours. However, USAG

coaches will only have time for one class, due to the length of practices each night. For a full breakdown of coaching hours, see the chart below.

Classes (per week)	Recreational Gymnastics	Recreational Cheerleading	USASF Cheerleading	MHSAA Cheerleading	USAG Gymnastics
One class	1 hour	1 hour	2 hours	2 hours	3 hours
Two classes	2 hours	2 hours	4 hours	4 hours	6 hours
Three classes	3 hours	3 hours	6 hours	7.5 hours	9 hours
Four classes	4 hours	4 hours	8 hours	10 hours	12 hours
Five classes	5 hours	5 hours	10 hours	12.5 hours	15 hours

Benefits

Health benefits will not be offered at CGA other than vacation time that aligns with local school breaks. According to Zane Benefits, companies with less than 50 employees are not legally required to offer benefits to their employees. Also, the law only requires companies to offer benefits to employees who are full time. Due to the nature and maximum number of hours CGA coaches can attain per week, no employees will reach full time status. Additionally, coaching is an “after work activity”. Coaches can have a day job with normal working hours, where they reach 40 hours per week. Therefore, they would receive benefit offers through that workplace and wouldn’t require benefits through CGA.

Compensation

Compensation will be based off coaching experience and tenure with CGA. All

employees will be compensated by the hour due to the fact that they are part time and their hours can change frequently. Coaches with previous experience working with their designated team will start with higher wages than coaches who don't have experience. CGA will also offer wage increases and bonuses for longevity with the facility. For example, coaches who reach one year will receive a \$1 per hour raise and \$100 bonus. Coaches who reach five years will receive a \$2 raise and a \$150 bonus. Lastly, coaches who reach 10 years and each additional 5 years after will receive a \$2 raise and a \$200 bonus. Wages for employees could range from \$10 to \$20 per hour. Additionally, team coaches will receive a coach's bonus at the end of the year. This will be priced out based on the number of athletes on each team they coach. The fee will be paid by the athlete's parents and will compensate the coaches for having to drive to competitions, stay in hotels, and purchase any additional supplies throughout the year.

Personnel

To start off, we will hire seven part-time employees. The first employee will be a coach for our USAG competitive gymnastics team. We will hire more gymnastics team coaches as necessary. Generally, gyms end up with four different coaches specifically for their competitive gymnastics teams. One coach will oversee levels 1-3. Another will oversee levels 4-6 and the last two will oversee levels 7-8 and 9-10. However, it typically takes at least 4 years to build a program with girls in each of these levels. Therefore, hiring would be based off the gym's needs. The next two employees will be coaches for the competitive cheerleading teams; one for the USASF team and one for the MHSAA middle school team. We'll need two different coaches for these teams because cheerleading coaches tend to specialize in one kind of cheer; either all-star (USASF) or

Michigan (MHSAA).

The next coach will oversee the cheerleading recreation program. We may also need to hire more coaches for this program in the future, depending on enrollment numbers for the classes. We will limit class sizes to 8 people so the athletes can receive more attention and coaching. Along with this coach, we will hire two for the recreational gymnastics program; the enrollment numbers for these classes will typically be higher, therefore, we'll allocate for two coaches to start. Again, we may need to hire more coaches as necessary, depending on enrollment numbers. Lastly, we'll hire an administrative assistant to greet guests, answer phone calls, and track payments. This will allow coaches to focus more on their specific programs so the athletes get everything they need.

Financials

Projected Financial Statements

Income Statement

Canton Gymnastics Academy	
Statement of Income	
For the Year Ended 12/31/2018	
Revenues	
Products	4800
Less Returns and Allowances	-2000
Services	328180
Total Revenue	330980
Costs	
Products	2400
Other	150000
Total Cost	152400
GROSS PROFIT	178580
Operating Expenses	
General and Administrative	3000
Insurance	24000
Rent	57036
Salaries and Wages	50200
Sales and Marketing	6000
Utilities	4800
Total Operating Expenses	145036
OPERATING INCOME	33544
Non-Operating or Other	
Depreciation	-5000
Total Non=Operating or Other	-5000
PRE-TAX INCOME	28544
Taxes	
Income Tax Expense	0
NET INCOME	28544

Balance Sheet

Balance Sheet						
						31-Dec-18
Assets						
Current Assets						
	Inventory					152400
	Cash					380984
	Accounts Receivable					4800
	Total Current Assets					538184
Fixed Assets						
	Leasehold improvements					0
	Property, Plant, and Equipment					352400
	Total Assets					890584
Liabilities						
Current Liabilities						
	Accounts Payable					147436
	Accrued Salaries and Wages					50200
	Total Current Liabilities					197636
Long-Term Liabilities						
	Loans Payable					200000
	Other					66768
	Total Liabilities					464404
Owners Equity						
	Retained Earnings					28544
	Loans					200000
	Total Owners Equity					890584

Assumptions to Projected Financial Statements

Financial statements are based off average numbers provided by USA Gymnastics. Due to the fact that Canton Gymnastics Academy will start off as a medium sized gym (10,000-15,999 sqft.) all numbers calculated will be used following statistics provided for that category. CGA's low brand awareness in the first year will cause initial

numbers to be lower than the national average. This was taken into consideration when forming financial projections.

Projections were made with the assumption of class sizes for each program. The recreational gymnastics program is predicted to have 50 girls in 2018. Recreational cheerleading is projected to have 25 girls. MHSAA sanctioned competitive cheerleading program is predicted to have one team with 20 girls. The USASF all-star cheerleading program is predicted to have 50 girls and finally, the USAG program is predicted to consist of 30 girls.

Coaches' salaries were computed with assumptions of hourly rates and the coaches experience. USAG coaches will earn \$14 per hour worked. USASF and MHSAA competitive cheerleading coaches will receive \$12 each. Recreational gymnastics and cheerleading coaches will both receive \$10 per hour. Lastly, the administrative assistant is predicted to receive \$12 per hour.

All numbers were calculated assuming there is 50 full weeks in the year. Two weeks were set aside for holiday and school vacation time. The gym closes when the local schools are on break due to the number of athletes and families who will be traveling.

Conclusion

In its first year, Canton Gymnastics Academy will face many obstacles to overcome. While many of these ventures will be successful, others may take longer to accomplish. Based on class size predictions and estimated costs, CGA is predicted to turn a profit of roughly \$28,500 in its first year. Compared to gyms that are established and successful, this number is low. However, making profit in the first year of any business is a good sign.

Employee engagement will be a main focus point for CGA. This is evident in the policies and procedures written for the institution. All employees are encouraged to reach out if they have any questions or concerns on any gym matter. The same goes for our customers and athletes. If either have a question or concern, CGA will make them feel welcomed and heard. Having open communication will be an integral part of CGA's success.

While CGA currently offers five different programs, many other programs or activities could be opened in the future. For example, kid's night out, a time for kids to train at the gym for an extended period of time while their parents are running errands. CGA believes that focusing on these programs at this point in time will be vital to the success of the gym.

Canton Gymnastics Academy will use a variety of marketing techniques in order to spread the word about the new facility. With all employees helping, CGA will be able to spread the word quickly and efficiently, bringing in customers quickly. Selling merchandise will help CGA continue spreading the word without the task being placed

with the employees. Also, the merchandise will help cover some of the start-up costs the gym endured.

With the help and dedication of employees and other gym faculty, Canton Gymnastics Academy will strive to provide high quality service to Canton, Michigan and the surrounding areas. Help and loyalty from customers will help CGA reach any objectives set each year. Following this plan will allow CGA to establish itself as a competitor in the gymnastics and cheerleading worlds.

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Policies and Procedures

At-Will Employment

Your employment with Canton Gymnastics Academy (CGA) is a voluntary one and as such is subject to termination by you or Canton Gymnastics Academy at will, with or without cause, and with or without notice, at any time. Nothing in these policies shall be interpreted to conflict with or to eliminate or modify in any way the employment-at-will status of Canton Gymnastics Academy employees.

This policy of employment-at-will may not be modified by any officer or employee and shall not be modified in any publication or document. The only exception to this policy is a written employment agreement approved at the discretion of the Gym Owner, whichever is applicable.

These personnel policies are not intended to be a contract of employment or a legal document (SHRM).

Employee Medical Exams

Upon approval for employment, new employees will be asked to provide a doctor's note stating they are clear from any health issues that may affect their ability to perform job tasks. No specific details will be required, just a simple "yes" or "no" from their primary care physician. If employees reject this request, they will be asked to sign a form stating they denied the medical check.

Immigration Law Compliance

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and eligibility to work in the U.S. In accordance with the IRCA, the I-9 should be completed within three days of first reporting to work.

Former employees who are rehired must also complete the form if they have not completed an I-9 with Canton Gymnastics Academy within the past three years, or if their previous I-9 is no longer retained or valid.

Employees with questions or seeking more information on immigration law issues are encouraged to contact the Gym Owner. Employees may raise questions or complaints about immigration law compliance without fear of reprisal. (Loyola University, HR)

Conflict of Interest Issues

Employees, candidates, or customers who have an opposing opinion on any matter are encouraged to express their viewpoints to the gym owner or coach. If the coach feels the conflict is out of their expertise, they can advise the individual to contact the gym owner. If the gym owner determines that there is a conflict of interest regarding a decision, the gym owner reserves the right to exclude any coach from the decision topic at hand.

To manage conflict amongst employees, a chain of authority will be established. If there's a disagreement amongst two coaches, those coaches must first ask the opinion

of an additional coach. If the issue remains unresolved, the coaches should approach the gym owner. The gym owner has the final say on the matter and reserves the right to make such decisions (National Council of Nonprofits).

Non-Compete Statement

The Employee specifically agrees that for a period of one year after the Employee is no longer employed by Canton Gymnastics Academy, the Employee will not engage, directly or indirectly, either as proprietor, stockholder, partner, officer, employee or otherwise, in the same or similar activities as were performed for Canton Gymnastics Academy in any business within a 30 mile radius of Canton Gymnastics Academy which distributes or sells products or provides services similar to those distributed, sold, or provided by Canton Gymnastics Academy at any time during the one year preceding the Employee's termination of employment. (SHRM)

Non-Disclosure Statement

This Nondisclosure Agreement (the "Agreement") is entered into by and between Canton Gymnastics Academy and its employees with its principal offices in Canton, Michigan, ("Employees") and Canton Gymnastics Academy, located in Canton, Michigan ("Receiving Party") for the purpose of preventing the unauthorized disclosure of Confidential Information as defined below. The parties agree to enter into a confidential relationship with respect to the disclosure of certain proprietary and confidential information ("Confidential Information").

1. **Definition of Confidential Information.** For purposes of this Agreement, "Confidential Information" shall include all information or material that has or could have commercial value or other utility in the business in which Disclosing Party is engaged. If Confidential Information is in written form, the Disclosing Party shall label or stamp the materials with the word "Confidential" or some similar warning. If Confidential Information is transmitted orally, the Disclosing Party shall promptly provide a writing indicating that such oral communication constituted Confidential Information.

2. **Exclusions from Confidential Information.** Receiving Party's obligations under this Agreement do not extend to information that is: (a) publicly known at the time of disclosure or subsequently becomes publicly known through no fault of the Receiving Party; (b) discovered or created by the Receiving Party before disclosure by Disclosing Party; (c) learned by the Receiving Party through legitimate means other than from the Disclosing Party or Disclosing Party's representatives; or (d) is disclosed by Receiving Party with Disclosing Party's prior written approval.

3. **Obligations of Receiving Party.** Receiving Party shall hold and maintain the Confidential Information in strictest confidence for the sole and exclusive benefit of the Disclosing Party. Receiving Party shall carefully restrict access to Confidential Information to employees, contractors and third parties as is reasonably required and shall require those persons to sign nondisclosure restrictions at least as protective as those

in this Agreement. Receiving Party shall not, without prior written approval of Disclosing Party, use for Receiving Party's own benefit, publish, copy, or otherwise disclose to others, or permit the use by others for their benefit or to the detriment of Disclosing Party, any Confidential Information. Receiving Party shall return to Disclosing Party any and all records, notes, and other written, printed, or tangible materials in its possession pertaining to Confidential Information immediately if Disclosing Party requests it in writing.

4. **Time Periods.** The nondisclosure provisions of this Agreement shall survive the termination of this Agreement and Receiving Party's duty to hold Confidential Information in confidence shall remain in effect until the Confidential Information no longer qualifies as a trade secret or until Disclosing Party sends Receiving Party written notice releasing Receiving Party from this Agreement, whichever occurs first.

5. **Relationships.** Nothing contained in this Agreement shall be deemed to constitute either party a partner, joint venturer or employee of the other party for any purpose.

6. **Severability.** If a court finds any provision of this Agreement invalid or unenforceable, the remainder of this Agreement shall be interpreted so as best to affect the intent of the parties.

7. **Integration.** This Agreement expresses the complete understanding of the parties with respect to the subject matter and supersedes all prior proposals, agreements, representations and understandings. This Agreement may not be amended except in writing signed by both parties.

8. **Waiver.** The failure to exercise any right provided in this Agreement shall not be a waiver of prior or subsequent rights. (NDAs for free)

Access to Personnel Files

Canton Gymnastics Academy employee files are maintained by the gym owner and are considered confidential.

Managers and supervisors, other than the owner and his or her subordinates, may only have access to personnel file information on a need-to-know basis.

A manager or supervisor considering the hire of a former employee or the transfer of a current employee may be granted access to the file, or limited parts of it, in accordance with anti-discrimination laws.

Personnel files are to be reviewed in the owner's office, even by managers and supervisors. Personnel files may not be taken outside the office, even by managers and supervisors.

Representatives of government or law enforcement agencies, in the course of their duties, may be allowed access to file information. This decision will be made at the discretion of Canton Gymnastics Academy or the gym owner in response to the

employee's request, a valid subpoena or a valid court order. (SHRM)

Upon written request, employers must allow employees to view their personnel records. Employers are allowed to charge employees a reasonable copying fee.

"Personnel record" means a record kept by the employer that identifies the employee, and that is used relative to that employee's qualifications for employment, promotion, transfer, additional compensation, or disciplinary action. (HR Specialist)

Drug Testing Policy

Due to the nature of Canton Gymnastics Academy business, all employees will be required to undergo a drug screening. CGA can't endanger the lives of coaches, athletes, or their guardians. The drug test policy is in place to ensure that coaches are healthy and competent when at work. Candidates will undergo a 5-panel drug screen; this tests for the 5 most common drugs, including Cocaine, Amphetamines, Opiates, PCP, THC. If test results are negative, the candidate is approved for work. If the results are negative dilute, the candidate will be required to take an additional drug test. If results are positive or positive dilute, the candidate will be rejected. If the candidate feels they have been unfairly rejected, they can request a meeting with the gym owner to discuss the results. Final screening decisions will be made by the gym owner.

Background check

In addition to the required drug screening, coaches will undergo a background check. Candidates will be asked to sign a release form stating that CGA can run a background check for the past 10 years. This is to ensure that our athletes can train in a

safe environment without worry of any form of danger. Any felonies or violent, theft or drug related misdemeanors will cause for immediate rejection. All final hiring decisions will be made by the gym owner, who holds the authority to reject candidates based on background findings not mentioned in this policy. If candidates feel they have been unfairly rejected, they can arrange to meet with the gym owner to discuss the matter.

Personnel Status Changes

It is the responsibility of each employee to promptly notify the gym owner of any changes in personal data. Personal mailing addresses, telephone numbers, individuals to be contacted in the event of an emergency, an educational accomplishment, and other such information should be accurate and current at all times. (Loyola University)

Employees are asked to update personal data as soon as possible. Changes can be submitted by filling out a “status change” form found in the owner office. Change of names will only be processed with legal documentation, i.e. court order, marriage certificate, or divorce decree and a new Social Security Administration (SSA) card or documentation of application for a new card. Processing changes can take from 1 to 3 business days, depending on the availability to the owner (Loyola University).

Probationary/Training Period

After passing all hiring requirements, coaches will undergo a probationary period of one month from the date of hire. During this period, they will co-coach their respective program and/or level with another coach. The gym owner will monitor the new employees training to ensure proper methods and procedures are being learned. If the

owner finds that the new employee is not meeting requirements, the owner may release the new employee. If the employee feels that they have been unfairly let go, they may arrange to meet with the gym owner to discuss the results of their probationary period.

Rest and/or Meal Periods

Coaches who work from 4:00pm to 9:00pm will be allowed a meal period of 30 minutes. In addition, coaches will be allowed 5 minutes of rest between classes, if they teach more than one class per night. If they teach one class for the entire night, they are allowed to take a 5-minute break, as long as another coach temporarily takes over their coaching duties until they return.

Business Expenses

Employees are able to submit business expense requests for items or services they provide for CGA. Employees may submit requests for things like: banquet awards, hotel expenses for meets or food purchased for team parties. The owner reserves the right to deny any expenses that were deemed unnecessary. If an employee has a question regarding their expenses, they can arrange to meet with the gym owner to discuss the matter in further detail. If necessary, a list of approved expenses can be posted in the gym office space for all employees to see.

Emergency Action Plans

In case of fire, coaches will be trained to direct all persons in the gym toward the nearest available exit. All people in the gym will be directed to remain calm and quickly

and orderly, head toward the specified exit to a predesignated area for each teacher/coach. Once all guests/athletes have been escorted out, the coaches will take attendance to ensure all students/athletes made it out of the building. After all athletes are accounted for, the fire department will be called. Then, parents will be contacted via a group message using the Group Me phone application and by email. Emergency protocol requires that parents are added to this message and email group when they register their child, yearly. Each program and class will have their own designated message group or email group. The head coach of each program will contact all parents.

In case of severe weather, the coaches will direct all customers and athletes to the office space on the lower floor of the gym. Blankets will be kept in the offices to protect everyone from flying debris. Customers will be asked to stay as far away from window as possible and to get as low to the ground as they can. If all customers don't fit in the office space, they will be asked to follow the same directions while in the hallway. Once the coaches determine the weather has cleared, all parents will be contacted using the same outlets as mentioned above.

Use of Company Equipment and Vehicles

All uses of company equipment besides classes must be pre-approved by the gym owner. Employees must submit an "equipment request form" stating the day, time, and reason for use. Employees must also sign a form stating they will be responsible for any damage that happens to the equipment while outside of the gym. If the equipment is in the gym, employees will not need to use this form. If the equipment is being transported to competitions, the employee doesn't need to assume the risk of damage. If anyone has a

question regarding this policy, please meet with the gym owner to address the issue.

Tobacco use

Canton Gymnastics Academy will be a Tobacco-Free campus in order to ensure the health of athletes and customers is not compromised. Employees who are spotted using or smelling like Tobacco on CGA property will be asked to leave immediately and will be given a warning. The second warning will be written, stating that one more offense could result in termination. After the third warning, employees will be terminated immediately and asked to leave the premises. Employees are expected to handle all Tobacco related needs an hour before coming to the gym or after leaving the gym for the night. Any employee who has a question or concern with this policy can discuss it with the gym owner.

Uniforms

Employees are allowed to use their discretion regarding their work uniform. Due to the nature of the gym environment, coaches must be able to move freely in order to spot gymnasts and demonstrate proper technique. CGA recommends that employees wear gym merchandise to show support for the gym, teams and its athletes. This also allows coaches to display the spirit wear available in the gym store. If gym/spirit is not worn, the only request from the gym owner is that the clothing is kid friendly, meaning clothing that displays drugs, alcohol, or firearms is not acceptable. The owner reserves the right to ask employees to change or leave the premises.

Refunds

Refunds will be addressed on a case by case basis. No refunds will be issued for class fees after the first week of classes closes. No refunds will be issued for registration fees regardless of the situation. The gym owner will resolve any disputes with customers. If anyone has comments or concerns regarding this policy, please meet with the gym owner. Yup Did you see my change to the emergency section?