



CAREER CLUSTER

Finance

CAREER PATHWAY

Accounting

INSTRUCTIONAL AREA

Professional Development

ACCOUNTING APPLICATIONS SERIES EVENT

PARTICIPANT INSTRUCTIONS

- The event will be presented to you through your reading of the 21st Century Skills, Performance Indicators and Event Situation. You will have up to 10 minutes to review this information and prepare your presentation. You may make notes to use during your presentation.
- You will have up to 10 minutes to make your presentation to the judge (you may have more than one judge).
- You will be evaluated on how well you demonstrate the 21st Century Skills and meet the performance indicators of this event.
- Turn in all of your notes and event materials when you have completed the event.

21st CENTURY SKILLS

- Critical Thinking – Reason effectively and use systems thinking.
- Problem Solving – Make judgments and decisions and solve problems.
- Communication – Communicate clearly.
- Creativity and Innovation – Show evidence of creativity.

PERFORMANCE INDICATORS

- Distinguish between internal and external audits.
- Explain the roles and responsibilities of accounting professionals.
- Discuss the levels and types of external financial reporting.
- Explain the nature of accounting standards.
- Employ communications styles appropriate to target audience.

EVENT SITUATION

You are to assume the role of the accountant for TASTY DAIRY DELIGHT, a frozen yogurt shop. The owner of the shop (judge) is unclear about accounting standards and has asked you to explain auditing and financial reporting.

The owner of TASTY DAIRY DELIGHT (judge) asked why all the accounting information must be recorded following the Generally Accepted Accounting Principles (GAAP). The owner (judge) is skeptical because if it is just information that applies to the owner of the business, and the owner is the only one who uses it, then why can't the owner simply create their own system of record keeping that only the owner can understand?

You tell the owner (judge) that they are not the only person that requires the accounting information for the business and that there are both internal and external users. The owner (judge) asks for a meeting and would like you to be prepared to discuss the following:

- Define external and internal users.
- Explain why the company must use GAAP.
- Review the list of users below and explain why they are considered internal or external users.
 1. Owner
 2. Bank
 3. External Auditor
 4. Suppliers
 5. Internal Auditor
 6. Marketing Manager

You will present the information to the owner (judge) in a role-play to take place in the owner's (judge's) office. The owner (judge) will begin the role-play by greeting you and asking to hear your ideas. After you have presented the information and have answered the owner's (judge's) questions, the owner (judge) will conclude the role-play by thanking you for your work.

JUDGE INSTRUCTIONS

DIRECTIONS, PROCEDURES AND JUDGE ROLE

In preparation for this event, you should review the following information with your event manager and other judges:

1. Participant Instructions, 21st Century Skills and Performance Indicators
2. Event Situation
3. Judge Role-Play Characterization
Allow the participants to present their ideas without interruption, unless you are asked to respond. Participants may conduct a slightly different type of meeting and/or discussion with you each time; however, it is important that the information you provide and the questions you ask be uniform for every participant.
4. Judge Evaluation Instructions and Judge Evaluation Form
Please use a critical and consistent eye in rating each participant.

JUDGE ROLE-PLAY CHARACTERIZATION

You are to assume the role of the owner of TASTY DAIRY DELIGHT, a frozen yogurt shop. You are unclear about accounting standards and have asked the accountant (participant) to explain auditing and financial reporting.

You asked the accountant (participant) why all the accounting information must be recorded following the Generally Accepted Accounting Principles (GAAP). You are skeptical because if it is just information that applies to the owner of the business, and the owner is the only one who uses it, then why can't the owner simply create their own system of record keeping that only the owner can understand?

The accountant (participant) tells you that they are not the only person that requires the accounting information for the business and that there are both internal and external users. You ask the accountant (participant) for a meeting and would like the accountant (participant) to be prepared to discuss the following:

- Define external and internal users.
- Explain why the company must use GAAP.
- Review the list of users below and explain why they are considered internal or external users.
 1. Owner
 2. Bank
 3. External Auditor
 4. Suppliers
 5. Internal Auditor
 6. Marketing Manager

The participant will present information to you in a role-play to take place in your office. You will begin the role-play by greeting the participant and asking to hear about his/her ideas.

During the course of the role-play, you are to ask the following questions of each participant:

1. How can improper accounting affect customers?
2. How can improper accounting lead to illegal activity?

Once the accountant (participant) has presented information and has answered your questions, you will conclude the role-play by thanking the accountant (participant) for the work.

You are not to make any comments after the event is over except to thank the participant.

SOLUTION

1. Define external and internal users.

External users do not work for the company, and they use the financial statements for decision making such as investing and giving credit. Internal users work for the company and are focused on managerial decision making.

2. Explain why the company must use GAAP.

GAAP are a common set of standards (rules) set by the Financial Accounting Standards Board. These rules allow external users of the financial information to be able to compare the performance of companies.

3. Review the list of users below and explain why they are considered internal or external users.

- a. Owner: internal, the owner works for the company and has access to internal reporting including quantities sold, employee's salaries, etc. The owner uses the information for strategy and to improve operating efficiency.
- b. Bank: external, the bank will use financial information that must usually conform to GAAP in order to assess credit worthiness
- c. External Auditor: external, an external auditor is a party that is independent from the company that examines the financial information and expresses an opinion on the accuracy of the information.
- d. Suppliers: external, suppliers supply products to the company and may use financial information of the company to make sure the company is a going concern and will not affect the supplier's future sales.
- e. Internal Auditor: internal, the internal auditor works for the company and tests internal controls.
- f. Marketing Manager: internal, the marketing manager will use the financial information for forecasting decisions.

EVALUATION INSTRUCTIONS

The participants are to be evaluated on their ability to perform the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although you may see other performance indicators demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event.

Evaluation Form Interpretation

The evaluation levels listed below and the evaluation rating procedures should be discussed thoroughly with your event director and the other judges to ensure complete and common understanding for judging consistency.

Level of Evaluation	Interpretation Level
Exceeds Expectations	Participant demonstrated the performance indicator in an extremely professional manner; greatly exceeds business standards; would rank in the top 10% of business personnel performing this performance indicator.
Meets Expectations	Participant demonstrated the performance indicator in an acceptable and effective manner; meets at least minimal business standards; there would be no need for additional formalized training at this time; would rank in the 70-89 th percentile of business personnel performing this performance indicator.
Below Expectations	Participant demonstrated the performance indicator with limited effectiveness; performance generally fell below minimal business standards; additional training would be required to improve knowledge, attitude and/or skills; would rank in the 50-69 th percentile of business personnel performing this performance indicator.
Little/No Value	Participant demonstrated the performance indicator with little or no effectiveness; a great deal of formal training would be needed immediately; perhaps this person should seek other employment; would rank in the 0-49 th percentile of business personnel performing this performance indicator.



**ACCOUNTING APPLICATIONS SERIES
2023**

**JUDGE'S EVALUATION FORM
DISTRICT EVENT 1**

Participant: _____

**INSTRUCTIONAL AREA:
Professional Development**

ID Number: _____

Did the participant:		Little/No Value	Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
PERFORMANCE INDICATORS						
1.	Distinguish between internal and external audits?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
2.	Explain the roles and responsibilities of accounting professionals?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
3.	Discuss the levels and types of external financial reporting?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
4.	Explain the nature of accounting standards?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
5.	Employ communications styles appropriate to target audience?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
21st CENTURY SKILLS						
6.	Reason effectively and use systems thinking?	0-1	2-3	4	5-6	
7.	Make judgments and decisions, and solve problems?	0-1	2-3	4	5-6	
8.	Communicate clearly?	0-1	2-3	4	5-6	
9.	Show evidence of creativity?	0-1	2-3	4	5-6	
10.	Overall impression and responses to the judge's questions	0-1	2-3	4	5-6	
TOTAL SCORE						