ACCOUNTING APPLICATIONS SERIES EVENT

CAREER CLUSTER
Finance

CAREER PATHWAY
Accounting

INSTRUCTIONAL AREA
Financial Analysis

PARTICIPANT INSTRUCTIONS

This event is presented to you through your review of the Career Competencies, Performance Indicators and Event Situation.

You have up to 10 minutes to review this information and prepare your presentation. Using the materials provided, you may make notes to use during your presentation.

You will have up to 10 minutes to present to the judge(s).

You will be evaluated on your solution to the event situation, how you incorporate the performance indicators of this event and how you demonstrate the career competencies.

Turn in all your notes and event materials when you have completed the event.

SOLUTION

- Accurate – Demonstrate appropriate finance acumen.
- Practical – Develop an actionable/viable solution in a real-world context.
- Effective – Develop a solution that achieves relevant outcomes.

CAREER COMPETENCIES

- Critical Thinking – Think critically to understand and solve problems.
- Communication – Communicate clearly, effectively and with reason.
- Decision Making – Consider the impacts of decisions.

PERFORMANCE INDICATORS

- Describe the need for financial information.
- Explain the nature of accounts payable.
- Discuss the importance of utilizing ethical purchasing methods.
- Account for purchases.
- Organize information.

EVENT SITUATION

You are to assume the role of the accountant for AUTO SUPPLIES, a store that sells automotive parts and accessories. The owner of AUTO SUPPLIES (judge) wants you to explain accounts payable and ethical purchasing practices.

The owner of AUTO SUPPLIES (judge) just recently opened the store and is seeking to better understand the nature of accounts payable and ethical purchasing practice. The owner (judge) does not have an accounting background and is hoping to gain a better understanding.

This month, AUTO SUPPLIES engaged in the following transactions:

- Purchased 200 windshield wiper for $2 each, on account from MOBILE WINDOWS, a new vendor.
- Purchased 500 brake pads at $4 each, on account from BRAKES-R-US, terms 2/10. AUTO SUPPLIES records purchases using the net method.
- Returned 20 windshield wipers to MOBILE WINDOWS and received a credit.
- Paid MOBILE WINDOWS for the purchase made earlier in the month.
- Paid BRAKES-R-US 9 days after the invoice was received.

In the meeting with the owner (judge), you must:

- Describe the nature of accounts payable.
- Summarize at least 2 ethical purchasing methods AUTO SUPPLIES should adopt.
- Prepare journal entries for the transactions and the impact to the business.

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

JUDGE CHARACTERIZATION

You are to assume the role of the owner of AUTO SUPPLIES, a store that sells automotive parts and accessories. You want the accountant (participant) to explain accounts payable and ethical purchasing practices.

You just recently opened the store and are seeking to better understand the nature of accounts payable and ethical purchasing practice. You do not have an accounting background and are hoping to gain a better understanding.

This month, AUTO SUPPLIES engaged in the following transactions:

- Purchased 200 windshield wiper for $2 each, on account from MOBILE WINDOWS, a new vendor.
- Purchased 500 brake pads at $4 each, on account from BRAKES-R-US, terms 2/10. AUTO SUPPLIES records purchases using the net method.
- Returned 20 windshield wipers to MOBILE WINDOWS and received a credit.
- Paid MOBILE WINDOWS for the purchase made earlier in the month.
- Paid BRAKES-R-US 9 days after the invoice was received.

In the meeting the accountant (participant) must:

- Describe the nature of accounts payable.
- Summarize at least 2 ethical purchasing methods AUTO SUPPLIES should adopt.
- Prepare journal entries for the transactions and the impact to the business.

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. What is the difference between something being illegal and unethical?
2. Why should the owner of a small business have a basic understanding of accounting?

Once the accountant (participant) has presented the 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.

SOLUTIONS

The nature of accounts payable:

Accounts payable (AP) refers to a company's short-term financial obligations it owes to suppliers, vendors, or creditors for goods and services received but not yet paid for. These obligations typically arise from routine business operations and are recorded as current liabilities on the balance sheet. Accounts payable represent a legal obligation to pay as the company has received something of value. Most vendors require payment within 30-60 days so by default, accounts payable are treated as current liabilities. Companies should manage the accounts payable to maximize discounts while also considering the impact to cash flow.

Ethical purchasing practices:

Below are five ethical practices with regard to purchases:

1. Vendor Transparency and Fair Selection: Choose suppliers based on clear, fair criteria, considering quality, price, and ethical standards—not just favoritism or personal gain. Require suppliers to be transparent about their production methods, sourcing, and business practices.

2. Responsible Sourcing: Source materials and products from suppliers who respect labor laws, follow environmental standards, and avoid exploitative practices such as child labor or unsafe working conditions.

3. Compliance with Laws and Regulations: Ensure all purchases comply with local, national, and international laws pertaining to environmental protection, labor rights, and trade.

4. Promote Sustainable Practices: Prioritize purchasing recycled, recyclable, or sustainably produced goods to minimize environmental impact. Encourage suppliers to adopt green and eco-friendly practices.

5. Avoid Conflicts of Interest: Set policies that prohibit accepting gifts or favors from suppliers that could influence purchasing decisions. Disclose any relationships with vendors that could create a perceived or actual conflict of interest.

Journal entries solution: Using the net method

Debit Inventory – wipers	$400	
Credit Accounts payable – Mobile Windows		$400
Debit Inventory – brake pads	$1,960	
Credit Accounts payable – Brakes-R-Us		$1,960
Debit Accounts payable – Mobile Windows	$40	
Credit Inventory – wipers		$40
Debit Accounts payable – Mobile Windows	$360	
Credit Cash		$360
Debit Accounts payable – Brakes-R-Us	$1,960	
Credit Cash		$1,960

EVALUATION INSTRUCTIONS

- The participants are to be evaluated on their solution and ability to apply the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although the participants may demonstrate other performance indicators, those listed in the Performance Indicators section are the selected ones you are evaluating for this particular event.
- Maintain a consistent expectation when evaluating each participant.
- The maximum score for the evaluation is 100 points. This presentation will be valued at one-third of the total score.

Levels of Evaluation

FOCUS AREA	NOVICE	DEVELOPING	PROFICIENT	EXEMPLARY
Content Understanding	Demonstrates a limited or inaccurate understanding of key concepts.	Demonstrates a basic understanding of key concepts.	Demonstrates a solid understanding of key concepts and clearly explains and supports ideas using appropriate evidence.	Demonstrates comprehensive understanding of concepts and applies them effectively to solve the scenario, including in more complex or extended contexts.
Application of Performance Indicators and Career Competencies	Lists the performance indicators and career competencies, but understanding is incomplete or inaccurate.	Defines the performance indicators and career competencies, but does not connect them to solve the objective of the case study scenario.	Explains the performance indicators and career competencies and connects them to solve the objective of the case study scenario.	Strategically applies the performance indicators and career competencies and connects them to comprehensively solve the objective of the case study scenario.
Reasoning	Ideas are unclear, inaccurate, or lack logical support. There is no application of the ideas and concept.	Ideas are present and somewhat logical but contain gaps in reasoning, development, or supporting evidence.	Ideas are logical, well-developed, and supported with appropriate evidence, with only minor gaps.	Ideas are logical, well-supported using appropriate business concept and theories and demonstrates reasoning with clear practicality and real-world relevance.
Workplace Readiness	Participants represent an employee who requires significant guidance and support to complete tasks.	Participants represent an employee who demonstrates basic skills and can complete routine tasks with some guidance.	Participants represent an employee with solid skills and who works independently to complete tasks effectively.	Participants represent an employee with advanced skills, works independently, and adapts effectively to new or unpredictable challenges.

ACCOUNTING APPLICATIONS SERIES – 2026

JUDGE'S EVALUATION FORM
ASSOCIATION EVENT 2

Participant: ____________________________

ID Number: ____________________________

INSTRUCTIONAL AREA:
Financial Analysis

Rate the participant's ability to:		Novice	Developing	Proficient	Exemplary	Judged Score
PERFORMANCE INDICATORS						
1.	Describe the need for financial information.	0-1-2-3	4-5-6	7-8-9	10	
2.	Explain the nature of accounts payable.	0-1-2-3	4-5-6	7-8-9	10	
3.	Discuss the importance of utilizing ethical purchasing methods.	0-1-2-3	4-5-6	7-8-9	10	
4.	Account for purchases.	0-1-2-3	4-5-6	7-8-9	10	
5.	Organize information.	0-1-2-3	4-5-6	7-8-9	10	
SOLUTION						
6.	**Accurate** Demonstrate appropriate finance acumen.	0-1-2	3-4-5	6-7	8	
7.	**Practical** Develop an actionable/viable solution in a real-world context.	0-1-2	3-4-5	6-7	8	
8.	**Effective** Develop a solution that achieves relevant outcomes.	0-1-2	3-4-5	6-7	8	
CAREER COMPETENCIES						
9.	**Critical Thinking** Think critically to understand and solve problems.	0-1	2-3	4-5	6	
10.	**Communication** Communicate clearly, effectively and with reason.	0-1	2-3	4-5	6	
11.	**Decision Making** Consider the impacts of decisions.	0-1	2-3	4-5	6	
OVERALL IMPRESSION						
12.	Demonstrate overall career readiness through professionalism, poise and confidence.	0-1-2	3-4-5	6-7	8	
					TOTAL SCORE	