BUSINESS FINANCE SERIES EVENT

CAREER CLUSTER
Finance

CAREER PATHWAY
Corporate Finance

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

- Discuss the issuance of stock from a corporation.
- Explain forms of dividends.
- Discuss the nature of Initial Public Offerings.
- Write informational messages.
- Explain the role of finance in business.

EVENT SITUATION

You are to assume the role of a financial analyst for HOME AND MORE, a retail chain. The chief financial officer (judge) wants you to write an informational message to the owner of the company about issuing public stock.

The owner of HOME AND MORE is thinking about allowing the public to invest in the company by issuing stock (also known as going public). The owner wants to know about the different types of dividends the company could offer to shareholders if the company decides to issue stock. The chief financial officer (judge) wants you to write an informational message to the owner with the following:

- The various types of dividends that publicly traded companies can offer to its shareholders (for example: cash dividends, stock dividends, and property dividends).

You should provide the information clearly and simply so the owner can make an informed decision about dividend options if the company decides to offer shares to the public.

The chief financial officer (judge) wants to review your informational message before it is presented to the owner.

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

JUDGE INSTRUCTIONS

JUDGE CHARACTERIZATION

You are to assume the role of the chief financial officer for HOME AND MORE, a retail chain. You want the financial analyst (participant) to write an informational message to the owner of the company about issuing public stock.

The owner of HOME AND MORE is thinking about allowing the public to invest in the company by issuing stock (also known as going public). The owner wants to know about the different types of dividends the company could offer to shareholders if the company decides to issue stock. You want the financial analyst (participant) to write an informational message to the owner with the following:

- The various types of dividends that publicly traded companies can offer to its shareholders (for example: cash dividends, stock dividends, and property dividends).

You want the financial analyst (participant) to provide the information clearly and simply so you can make an informed decision about dividend options if the company decides to offer shares to the public.

You want to review the financial analyst's (participant's) informational message before it is presented to the owner.

The participant will provide 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 the information.

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

1. Who do we need to notify about the initial public offering (IPO)?
2. How does public stock help the company?

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

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

SOLUTIONS

Issuance of stock:

Issuing stock is the process by which a company sells stock to investors, which represents an ownership in the company by the investors. The main purpose of stock issuance is to raise cash for the issuing company for operations, expansion or for special purposes. Companies may issue common stock or preferred stock or both.

Common stock has voting rights and may receive dividends, if declared by the Board of Directors. Common shareholders are paid after debt holders and preferred stockholders in case of a liquidation.

Preferred stock does not provide voting rights to investors, but does provide a preference for dividends, if declared.

A company must receive approval to issue stock by the state in which it is chartered via articles of organization and the Securities and Exchange Commission. Issuing stock allows a company to raise capital without incurring debt and may attract attention/credibility. However, the company dilutes its ownership and must follow applicable regulations.

Forms of dividends:

Dividends are non-deductible expenses to the company; however, investors may prefer to own the stock of company that pays regular dividends over a company that does not pay dividends.

Cash dividends are as stated, cash to the investor. The amount of dividend is generally a dollar value per share, such as $.40 per share. A company may be interested in paying cash dividends when there is excess cash or liquid assets on the balance sheet.

Stock dividends provide the investor with additional stock in the company. A small stock dividend is generally one that is 25% or less and a large stock dividend would be greater than 25% of the current stock outstanding. A company may want to declare a stock dividend when it does not want to use cash or is not concerned with diluting shares in the marketplace or the company’s own ownership portion.

Property dividends are dividends issued as property, such as inventory or other assets. The company must adjust the property to fair market value, which may trigger gain, before recording the declaration of the dividend.

Liquidating dividends are a return of capital to the shareholder instead of a share of profits. For the company, the transaction is an adjustment to paid in capital in excess of par instead of retained earnings.

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.

DECA

BUSINESS FINANCE 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.	Discuss the issuance of stock from a corporation.	0-1-2-3	4-5-6	7-8-9	10	
2.	Explain forms of dividends.	0-1-2-3	4-5-6	7-8-9	10	
3.	Discuss the nature of Initial Public Offerings.	0-1-2-3	4-5-6	7-8-9	10	
4.	Write informational messages.	0-1-2-3	4-5-6	7-8-9	10	
5.	Explain the role of finance in business.	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	