

DECA ACT GUIDE

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Contents

Preface	2
1 Introduction	3
2 Roleplays	4
3 Accounting	8
3.1 Accounting Equation	9
3.2 Accounts (DEA — LER)	9
3.3 Debits & Credits	9
3.4 Accrual vs Cash-Basis	10
3.5 Double Entry Accounting	10
3.6 Single Entry Accounting	10
3.7 § Accounting Cycle (7 Steps) ¹	10
3.8 Cost Accounting	11
3.9 Depreciation	11
3.10 Ownerships	11
3.11 Documents	11
4 Clusters	12
5 Competitions	13
6 Practice & Resources	14

¹It's generally 8 steps however the General Ledger and General Journal can be combined into one step

Preface

Welcome to my Accounting Guide for High school DECA. I've compiled everything I've learned throughout my DECA career into this one document. Feel free to change this and good luck on your DECA journey. Win that coveted DECA glass.

Special Thanks to Brice Liu for guiding me and inspiring me do so for others.

LWHS, Sept 2024
Brendan Tea

Chapter 1

Introduction

This small guide will go through all the knitty-gridy of DECA including doing Roleplays and Clusters. If you already are accustomed to DECA, you may skip to the Accounting Section.

Chapter 2

Roleplays

What are roleplays?

A roleplay is a 10-minute presentation to a volunteer judge with 10 minutes of preparation. In those 10 minutes of your presentation, you be graded on your ability to explain the Performance Indicators in a comprehensive and creative way. Additionally, you will also be graded on 21st century skills which all total up to a composite maximum score of 100 points per roleplay.

How are they graded

You will be given approximately 5 PI's and the 5 base 21st Century Skills. Totaling up, you can obtain a max score of 100. Attached below is an example rubric from a practice roleplay.



ACCOUNTING APPLICATIONS SERIES 2022

JUDGE'S EVALUATION FORM
ASSOCIATION EVENT 1

Participant: _____

INSTRUCTIONAL AREA:
Financial Analysis

ID Number: _____

Did the participant:		Little/No Value	Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
PERFORMANCE INDICATORS						
1.	Journalize and post closing entries?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
2.	Prepare a post-closing trial balance?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
3.	Identify and correct accounting errors?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
4.	Demonstrate the effects of transactions on the accounting equation?	0-1-2-3-4	5-6-7-8	9-10-11	12-13-14	
5.	Describe the need for financial information?	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						

Figure 2.1: ACT-22 Practice Roleplay Rubric

How to do a Roleplay

Preparation

1. Read PI's
2. Plan how you would describe them in a way that is related to the roleplay.
3. Focus on PI's and also a solution to the roleplay that incorporates those PI's
4. Create Visuals: Large Topic, 3-4 Bullet Points, Picture/Graph
5. ACT Visuals include: Financial Statements, Journal Entries, etc.

6. Visual example

insert visual example

7. REPEAT until done

Presenting — Structure

1. Introduction

- Name
- Company
- Background
- Permission to sit down

2. Agenda

- Before we get started here is a breakdown of what I'll be showing today
- List PI's

3. Explaining

- Begin explaining **ALL PI's** using the DECA acronym
- **D:** Describe
- **E:** Explain
- **C:** Connect
- **A:** Actions

4. Recap (Agenda p2)

- Summarize everything you discussed about
- Clarify and Solidify any topics
- Talk about CTA (Call to Action)
- **Ask for questions!**

5. Questions [**CALM DOWN**]

- Usually 2 Questions
- Make or Breaks.
- You can bs this.

KEY Tips

- THEY ARE VOLUNTEERS, Always assume they aren't real accountants so **explain very thoroughly**.
- Always connect the PI's back to the roleplay.
- Make sure to always **SMILE**
- Eye Contact is key.
- Confidence is king.
- Fake it until you make it.
- Leave 1-2 minutes for questions
- Write the company name & position behind your agenda.

Chapter 3

Accounting

Now to the good part. Everything is very **fundamentally important** so heads up.

What is Accounting?

Accounting is a very broad topic almost like a tree. It includes managerial accounting, financial accounting, and auditing. However, in the context of this competition, we will most likely be talking about Financial Accounting.

Financial Accounting

The process of recording, summarizing, and analyzing financial transactions for our creditors, lenders, and investors. They report financial information externally.

Managerial Accounting

Focuses on summarizing, analyzing, and internally information to managers for the purpose of driving towards an organization/company's goal. They report internally.

3.1 Accounting Equation

$$\overbrace{Assets}^{\text{Own}} = \underbrace{Liabilities}_{\text{Owes}} + \underbrace{Equity}_{\text{Residual Value}} \quad (3.1)$$

$$\underbrace{\text{for gods sake you don't need any of the underbraces}}_{\notin \mathbb{R}} \quad (3.2)$$

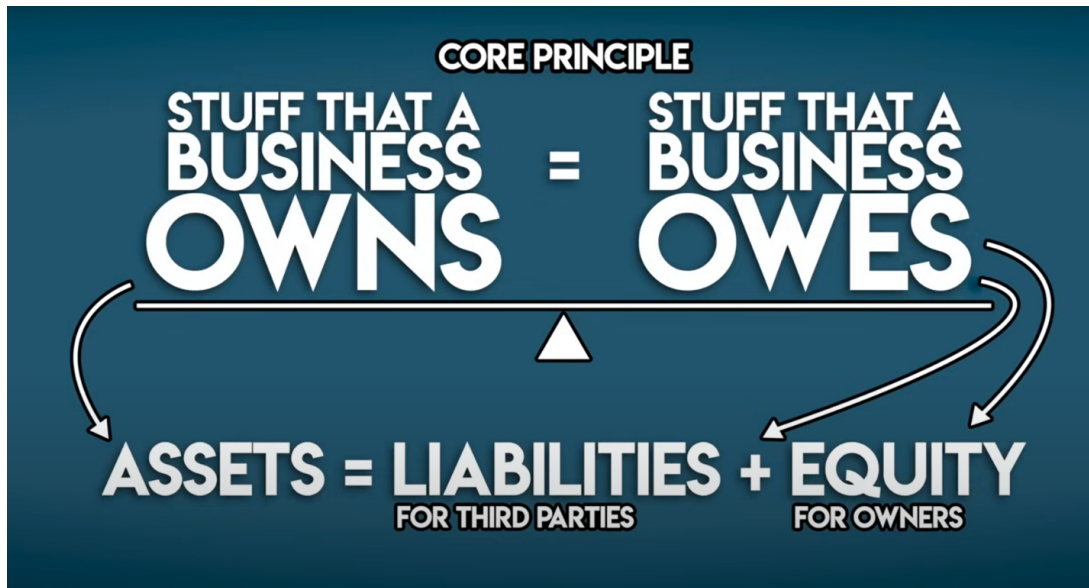


Figure 3.1: Accounting Stuff Principles

3.2 Accounts (DEA — LER)

Debits	Credits
Dividends	Revenue
Expenses	Equity
Assets	Liabilities

3.3 Debits & Credits

They both don't mean negative or positive. They both counteract each other to make the accounting equation equal. We'll see this more depth in the journal entry.

3.4 Accrual vs Cash-Basis

Accrual vs Cash-Basis is the system recording accounts based on **different timings**. This happens when money leaves and enters the system at different intervals like someone paying with their credit-card versus someone paying with cash. This allows better organization of accounts within the same period alongside following the General Accepted Accounting Principles [**GAAP**] or International Financial Reporting Standards [**IFRS**].

Accrual: Expenses are recorded when they are incurred
Revenue is recognized when it earned, not changed hands.

Cash-Basis: ¹ Expenses are recorded when they are made
Revenue is recorded when it has changed hands.

3.5 Double Entry Accounting

3.6 Single Entry Accounting

3.7 § Accounting Cycle (7 Steps) ²

1. Journal Entries
2. General Ledger & Journal (2 steps just combined)
3. Unadjusted³ Trial Balance
4. Adjusting Entries
5. Adjusted Trial Balance
6. Financial Statements
7. Post-Trial Balance

¹Both are regardless on whether money has been exchanged yet

²It's generally 8 steps however the General Ledger and General Journal can be combined into one step

³Unadjusted and Adjusted refer to whether it was recorded with cash basis or accrual

3.8 Cost Accounting

Cost Volume Profit Analysis [CVP] Activity Based Costing (ABC) Direct and Indirect Costs Variance Analysis Overhead and Operating Costs LIFO-FIFO Sarbanes Oxley Act of 2002

3.9 Depreciation

Single Line Accelerated Decline Reflecting real world usage

3.10 Ownerships

- Ownership
- Partnership
- Corporations
 - Limited Liability Company [LLC]
 - S-Corp (liability but limited to 100)
 - C-Corp (unlimited stock quantity)

3.11 Documents

Executive Summary Annual Report Newsletter 10-K 10-Q 8-K 6-K S-8 FORM 3 FORM 4 FORM 5 FORM 144 Proxy Statement EDGAR

Chapter 4

Clusters

A 100 multiple choice question test worth 1/3 of your test. There are 4 different clusters test but the one we'll be focusing on will be the Finance Cluster Exam. Clusters are created on three difficulty levels: Districts, Association, and ICDC.

To study clusters, you must do a lot of practice tests and improve upon your mistakes. Here is a document where you can track your mistakes and learn:
Answer Sheet

Here are some key topics:

- Lead Methodology
- 6 Sigma
- Cost Accounting
- Fiduciary
- Stockholders & Competitions
- Corporations
- Equity Market
- Due Diligence

Chapter 5

Competitions

Area (Districts) January 10th:

- 30~ Competitors — 235+ Score
- 75+ Average on Cluster
- 85+ Average on Roleplays

State (Association) February 28/29th:

- 85~ Competitors — 255+ Score
- 80+ Average on Cluster
- 90+ Average on Roleplays

ICDC (Nationals) April 27th — 30th:

- 180~ Competitors — 295~ Score (**FINALIST**)
- 20 Competitors (2 from each section) — 300 Score **GLASS**
- 100 Cluster
- 100 Roleplays

Chapter 6

Practice & Resources

Roleplays:

-

Clusters:

-

Resources:

-

Exercises: