2025-2026 Competitive Events Guidelines
Accounting Case Competition

Accounting Case Competition challenges members to analyze a comprehensive case that involving key areas of accounting, such as financial, managerial, intermediate, tax accounting, auditing & internal controls, ethics & professional standards. Members evaluate the case and present their findings and recommendations to a panel of judges, demonstrating technical knowledge, critical thinking, and professional communication.

Event Overview

Division	Collegiate
Event Type	Team of 1, 2, 3, or 4 members
Event Category	Case Competition
Event Elements	Presentation with a Topic

Educational Alignments

Career Cluster Framework Connection	Financial Services
NACE Competency Alignment	Career & Self-Development, Communication, Critical Thinking, Professionalism

2025-2026 Accounting Case Competition

The case competition and rating sheet can be found starting on page 5. ***The business entity should not be contacted for additional information.***
This case competition for educational purposes only, offering a real-world scenario to help FBLA Collegiate members develop critical skills.

State

Check with your State Leader for state-specific competition information and deadlines.

National

Required Competition Items

Items Competitor Must Provide	Items FBLA Provides
• Technology and presentation items • Photo identification • Conference-provided nametag • Attire that meets the FBLA Dress Code	• Table

Important FBLA Documents

- *Competitors should be familiar with the Competitive Events Policy & Procedures Manual, Honor Code, Code of Conduct, and Dress Code.*

Eligibility Requirements

To participate in FBLA competitive events at the National Leadership Conference (NLC), the following criteria must be met:

- **Membership Deadline**: FBLA national membership dues must be paid to the specific division by 11:59 p.m. Eastern Time on March 1 of the current school year.

- **Conference Registration**: Members must be officially registered for the NLC and must pay the national conference registration fee to participate.
- **Official Hotel Requirement**: To be eligible to compete, competitors must stay within the official FBLA housing block.
- **State Entry Limits**: Each state may submit up to four entries per event.
- **Event Participation Limits**: Each member may participate in:
  - Two individual or team events, and
  - One chapter event (e.g., *Community Service Project* or *State of Chapter Presentation*).
- **Competitor Responsibility**: Only registered competitors are permitted to plan, research, prepare, and set up their presentations. Advisers and others may not assist.
- **Participation Requirement**: To be eligible for an award, each competitor must complete all components of the event at the National Leadership Conference.
- **Identification at Check-in**: Competitors must present valid photo identification (physical or digital) that matches the name on their conference name badge. Acceptable forms include a driver's license, passport, state-issued ID, or school ID.
- **Late Arrivals**: Competitors will be allowed to compete until such time that the results are finalized, or participation would impact the fairness and integrity of the event, as determined by Competitive Events staff. If judges have left the competitive event area, it is no longer possible to compete. Five penalty points will be assessed for late arrivals in any competitive event.
- **Event Schedule Notes**:
  - Some events may begin before the Opening Session.
  - All schedules are posted in local time for the NLC host city.
  - Schedule changes are not permitted.

Event Administration

This event consists of two phases: a preliminary presentation and a final presentation.

<u>Preliminary Presentation Details</u>

Timing Structure

- **Equipment Set-Up:** 3 minutes
- **Presentation:** 10 minutes (a one-minute warning will be provided)
- **Question & Answer (Q&A):** 5 minutes
- **Important:** Time allocations are exclusive. The presentation must begin immediately after the 3-minute set-up time concludes. Time may not be shifted between segments. Competitors will not interact with judges during the set-up period.

Venue & Format

- Presentations occur in-person at the National Leadership Conference (NLC).
- Competitors/teams are randomly assigned to presentation sections.
- Presentations will take place in a large, open area with a designated space of approximately 10' x 10', which includes a table and chairs for the judges.
- The preliminary round is closed to conference attendees and audience.

Technology Guidelines

- **Internet Access:** Not provided
- Presentations must be delivered using one or two personal devices (laptop, tablet, mobile phone, or monitor approximately laptop-sized).

- If using two devices, one must face the judges and the other must face the presenters.
- Projectors and projector screens are not permitted, and competitors may not bring their own.
- Wireless slide advancers (e.g., presentation clickers or mice) are allowed.
- External speakers are not allowed; audio must come directly from the presenting device(s).
- Electricity will not be available.

Non-Technology Items
- Visual aids, samples, notes, and other physical materials related to the project may be used.
- Items may be placed on the provided table or on the judges table, if space allows.
- No items may be left with the judges following the presentation.

Restricted Items
- Animals, except for authorized service animals.
- Food, which may be used for display only and may not be consumed by judges.
- Links and QR codes, which may be shown but may not be scanned or clicked by judges at any time.

Research
- Information must be supported by credible, well-documented sources.
- Any use of copyrighted material, images, logos, or trademarks must be properly documented.

Team Expectations
- In team presentations, all members must actively participate in the delivery of the presentation.

Final Presentation Details
The presentation guidelines outlined above will apply to the final presentation.

Advancement to Finals
- The top-scoring competitors or teams from each preliminary section will advance to the final round in equal numbers.
- The number of competitors or teams advancing to the final round depends on the number of preliminary sections:
    - 2 sections: Top 6 from each section advance
    - 3 sections: Top 4 from each section advance
    - 4 sections: Top 3 from each section advance
    - 5 sections: Top 3 from each section advance
    - More than 5 sections: Top 2 from each section advance

Scoring
- The rating sheet will be released with the case competition.
- Preliminary round scores are used to determine which competitors or teams advance to the final round from each section.
- Final round scores determine the final rankings and top award winners.
- Judges are responsible for breaking all ties in both preliminary and final rounds.
- All judging decisions are final. Results announced at the National Leadership Conference are considered official and will not be changed after the conclusion of the National Leadership Conference.

Penalty Points

- Competitors may be disqualified if they violate the Code of Conduct or the Honor Code.
- Five points are deducted if competitors do not follow the Dress Code or are late to their assigned presentation time.

Recognition

- A maximum of 10 entries (individuals or teams) may be recognized per event.

Americans with Disabilities Act (ADA)

- FBLA complies with the Americans with Disabilities Act (ADA) by providing reasonable accommodations for competitors. Accommodation requests must be submitted through the conference registration system by the official registration deadline. All requests will be reviewed, and additional documentation may be required to determine eligibility and appropriate support.

Recording of Presentations

- Unauthorized audio or video recording is strictly prohibited in all competitive events.
- FBLA reserves the right to record presentations for educational, training, or archival purposes. Competitors should be aware that their presentations may be recorded by FBLA-authorized personnel.

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Problem Statement

Desert Edge Tax and Accounting is a mid-sized accounting firm known for its personalized audit and tax services for regional businesses. As the accounting industry undergoes rapid technological change, the firm's partners are evaluating whether to invest $2.8 million in a next-generation AI-powered audit automation platform that promises to automate 65% of audit testing and data analysis tasks.

The partners must determine whether this investment will strengthen Desert Edge Tax and Accounting's long-term financial stability and client relationships—or risk the firm's culture and reputation for personal service.

Overview and Background Information

Founded 15 years ago, Desert Edge Tax and Accounting has built its reputation on providing hands-on service and strong client relationships. The firm serves over 350 business clients across Arizona, Nevada, and New Mexico, specializing in manufacturing, construction, and nonprofit audits.

Staffing Breakdown (120 total employees):
- 6 Partners – responsible for client acquisition, firm strategy, and major audits.
- 10 Senior Managers – oversee multiple audit teams and training programs.
- 64 Accountants/Auditors – perform audit testing, data validation, and client communication.
- 30 Administrative & Support Staff – handle billing, scheduling, and client services.
- 10 IT & Operations Staff – manage software, cybersecurity, and internal systems.

Over the past three years, Desert Edge Tax and Accounting has faced increasing pressure from competitors using automation to deliver faster audit results at lower cost. The new AI-AuditPro system, developed by a reputable vendor, claims to:
- Reduce average audit completion time by 40%
- Lower total labor costs by 20%
- Improve accuracy and fraud-detection rates by 25%
- Require annual maintenance costs of $350,000

However, implementing the system will also require:
- A $2.8 million upfront investment, financed through debt or equity
- A six-month training and transition period, reducing productivity by an estimated 10% during rollout
- Potential downsizing of up to 15 junior audit positions over two years

Financial Summary (in thousands)

Year-Ended	12/31/2024	12/31/2023	% Change
Revenue	$18,900	$17,100	10.5%
Operating Profit	$2,500	$2,050	22.0%

Year-Ended	12/31/2024	12/31/2023	% Change
Total Payroll & Benefits	$10,800	$10,400	3.8%
Cash Reserves	$1,400	$1,200	16.7%
Debt-to-Equity Ratio	0.8 : 1	0.7 : 1	—

Stakeholder Feedback

Partners	Senior Managers	Audit Staff	IT Department
"This is our chance to modernize and stay competitive."	"AI will streamline audits but could hurt our mentorship culture."	"If AI handles testing, will our jobs disappear?"	"Cybersecurity and data-integrity protocols must be top priority."
"The ROI looks promising—labor cost savings alone could cover financing in three years."	"Clients value our personal attention, not automation."	"Training sounds great, but only if we're not replaced afterward."	"We'll need major upgrades to our data-storage system to support AI."
"Larger firms are already using this tech—we can't fall behind."	"We might lose talent morale before seeing efficiency benefits."	"Audits are about judgment, not just data."	"We'll need to invest in ongoing monitoring and ethical AI compliance."

Specific Elements to Address

The partners must determine whether this investment will strengthen Desert Edge Tax and Accounting's long-term financial stability and client relationships—or risk the firm's culture and reputation for personal service.

1. Financial Viability – Operating Income/Loss and Pro Forma Statement
   - Estimate the operating income/loss impact of adopting the AI-AuditPro system.
   - Include assumptions for cost savings, training downtime, maintenance, and financing.
   - Prepare a pro forma income statement for the following fiscal year showing the effect on revenue, expenses, and profit margins.
   - Justify your assumptions to ensure a realistic and transparent projection.

2. Financial Ratios and KPI Analysis
   - Analyze at least two key financial ratios (e.g., ROI, operating margin, liquidity, debt-to-equity) and explain their relevance to the investment decision.
   - Discuss cash flow implications of the $2.8 million investment. Should Desert Edge Tax and Accounting finance through debt or equity? Explain the pros and cons of each.
   - Evaluate non-financial KPIs, such as audit quality, employee morale, and client satisfaction, that could affect long-term firm value.

Final Decision – Accept, Delay, or Reject?

- Recommend one of three options: Accept the investment and implement AI-AuditPro; Delay adoption pending further evaluation or pilot testing; Reject the investment to preserve the firm's current strategy.
- Support your decision using both financial and non-financial analysis.
- Provide actionable next steps for implementation, risk mitigation, or future planning.

Accounting Case Competition Presentation Rating Sheet

Expectation Item	Not Demonstrated	Below Expectations	Meets Expectations	Exceeds Expectations	Points Earned
Content					
Demonstrates understanding of the case and issues to be solved	*No description or case synopsis provided, and no issues defined*	*Describes and provides case synopsis OR defines the issues*	*Describes and provides case synopsis AND defines the issues*	*Demonstrates expertise of case synopsis AND definition of the issues*	
	0 points	1-6 points	7-8 points	9-10 points	
Financial Analysis *Includes operating income/loss calculations and prepares pro forma statement with realistic assumptions*	*No financial analysis presented*	*Some financial analysis is presented, but incomplete or inaccurate*	*Financial analysis and pro forma statement are provided, but key details are missing*	*Financial analysis is thorough, with accurate calculations, complete pro forma statement, and justified assumptions*	
	0 points	1-6 points	7-8 points	9-10 points	
Financial Ratios and Cash Flow *Evaluates financial ratios and cash flow implications, considering funding options*	*No ratios or cash flow analysis presented*	*Some ratios and cash flow details are included, but not targeted or incomplete*	*Ratios and cash flow impacts are presented, but key details are missing*	*Ratios, cash flow impacts, and funding options are thoroughly analyzed and explained*	
	0 points	1-7 points	8-13 points	14-15 points	
Non-Financial Factors *Addresses employee morale, customer relationships, and ownership considerations*	*No discussion of non-financial factors*	*Some non-financial factors are mentioned but not explored in detail*	*Non-financial factors are discussed, but key points are underdeveloped*	*Non-financial factors are thoroughly analyzed with clear connections to the overall decision*	
	0 points	1-7 points	8-13 points	14-15 points	
Recommendation and Justification *Provides a clear recommendation and actionable next steps supported by financial and non-financial analyses*	*No recommendation provided*	*Recommendation is vague or poorly supported*	*Recommendation is clear, but missing strong justification or action plan*	*Recommendation is well-supported with actionable next steps and thorough justification*	
	0 points	1-6 points	7-8 points	9-10 points	
Substantiates and cites sources used while conducting research	*Sources are not cited*	*Sources/References are seldom cited to support statements*	*Professionally legitimate sources & resources that support statements are generally present*	*Compelling evidence from professionally legitimate sources & resources is given to support statements*	
	0 points	1-6 points	7-8 points	9-10 points	
Presentation Delivery					
Statements are well organized and clearly stated	*Competitor(s) did not appear prepared*	*Competitor(s) seemed prepared, but flow was not logical*	*Presentation flowed in logical sequence*	*Presentation flowed in a logical sequence; statements were well organized*	
	0 points	1-6 points	7-8 points	9-10 points	
Demonstrates self-confidence, poise, assertiveness, and good voice projection	*Competitor(s) did not demonstrate self-confidence*	*Competitor(s) demonstrated self-confidence and poise*	*Competitor(s) demonstrated self-confidence, poise, and good voice projection*	*Competitor(s) demonstrated self-confidence, poise, good voice projection, and assertiveness*	
	0 points	1-6 points	7-8 points	9-10 points	
Demonstrates the ability to effectively answer questions	*Unable to answer questions*	*Does not completely answer questions*	*Completely answers questions*	*Interacted with the judges in the process of completely answering questions*	
	0 points	1-6 points	7-8 points	9-10 points	
Staff Only: Penalty Points (5 points for dress code penalty and/or 5 points for late arrival penalty)					
Presentation Total (100 points)					

Name(s):		
School:		
Judge Signature:		Date:

Comments: