Study Plan: Job Costing

Knowledge Targets

I can define the following terms as they relate to our unit:

Applied Overhead	**Goods (or work) in process**	**Finished Goods**	**Job Costing**
Allocation Base	**Cost driver**	**Cost of goods sold**	**Under-applied Overhead**
Predetermined overhead rate	**Cost of Goods Sold**	**Cost of Goods Manufactured**	**Over-applied Overhead**
Gross Margin (or Profit)	**Direct materials**	**Direct Labor**	**Actual Overhead**

Reasoning Targets

- I can identify job costs as **direct materials**, **direct labor** and **overhead**.
- I can track job costs from **raw materials** to **goods in process** to **finished goods** and **cost of goods sold**.
- I can identify accounts to use in recording the flow of job costs.
- I can identify the **allocation base** used in calculating **predetermined overhead rate**.
- I can identify the difference between **actual overhead** and **applied overhead**.
- I can determine **under-** or **over-applied overhead**.
- I can understand a manufacturing statement with **cost of goods manufactured** calculated.

Skill Targets

- I can prepare and post journal entries for **job costing** from raw materials to cost of goods sold.
- I can calculate the **predetermined overhead rate** for a company.
- I can calculate the amount of **applied overhead** using the **predetermined overhead rate.**
- I can calculate the amount of **under-** or **over-applied overhead** using **applied overhead** and **actual overhead**.
- I can compute the total cost of a job and determine the job's **gross margin**.
- I can prepare a manufacturing statement, schedule of **cost of goods sold**, and income statement for **job costing**.