

# Course Description

## Cost Accounting: Module 2 – Job Order Costing

### Description:

Job order costing is a method of accumulating and assigning costs. This course deepens the learner's understanding of how to account for direct and indirect costs in a job (versus process) environment, assign the cumulative costs to jobs and the risks & controls related to job order costing.

### Learning Objectives:

Upon completion of this course, the learner will be able to:

- Define job order costing
- Identify the basic documents used in a job order costing system
- Identify the accounts used to capture costs in a job order costing system
- Identify journal entries used to record costs
- Identify how overhead is calculated and applied in a job order costing system

**Estimated Course Duration:** 1 hour (1 CPE)

**Delivery Method:** Online Self-Study

**Field of Study:** Accounting

**Program Level:** Overview

**Advance Preparation/Prerequisites:** None

**NASBA Publication/Revision Date:** 6/21/07

### Course Outline:

What is Job Order Costing?

Common Documents Used

- Job Costing Sheet
- Materials Requisition Form
- Employee Time Ticket

Charging Costs

- Direct Costs
- Indirect Costs
- Overhead Costs

Inventory Classifications & Accounting

Materials Requisition Process

Materials Issuance Risks & Controls

Labor Risks & Controls

Calculating Manufacturing Overhead Costs

- How to Calculate POHR

Applying Manufacturing Overhead

- Handling Variance
- Variance & GAAP
- Variance & T Accounts



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