

## B-19.02

Mary Ann Clark is an artist and is employed by Fenway Racing. Fenway Racing manufactures custom race cars to exact specifications of drivers. Mary Ann's job is to hand paint logos and other custom artwork on each car. Below is her daily time sheet for March 7, 20X6:

Start/Stop Time		Job Number	Task	Client	Admin Hours	Direct Labor Hours
8:00	8:30	set up	Prepare paints and airbrush	n/a	0.50	0.00
8:30	10:45	#11245	Paint race numbers	Mario A.	0.00	2.25
10:45	11:00	repairs	Repair broken compressor	n/a	0.25	0.00
11:00	12:00	#11302	Paint advertising sign on door	AJ F.	0.00	0.75
12:00	1:00	lunch	n/a	n/a	0.00	0.00
1:00	4:30	#11305	Paint hood logo	Jeff G.	0.00	3.50
4:30	5:00	clean up	Clean up equipment	n/a	0.50	0.00
				<b>Total hours</b>	1.25	6.50

- (a) Examine the time sheet and find the error. What is the importance of correctly accumulating time by job? How does the time sheet data track to the cost assignment process?
- (b) How much of Mary Ann's time (after making the correction) is attributable to direct labor and how much to overhead? How does the direct labor cost get assigned to individual jobs, and how does the overhead cost get allocated?