

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:

Fenway Racing					Daily Time Sheet	
Employee:		Mary Ann Clark				
Date:		03/07/20X6				
Start Time	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	AJF	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 equipment	n/a	0.50	0.00
Total Hours					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 is the direct labor cost assigned to individual jobs, and how is the overhead cost allocated?