When raw materials are purchased, the Work in Process Inventory account is debited. False

Manufacturing costs are generally incurred in one period and recorded in a subsequent period. False

Under an effective system of internal control, the authorization for issuing materials is made on a prenumbered materials requisition slip. 

There should be a separate job cost sheet for each job. True

When raw materials are received, there is no effort at this point to associate the cost of materials with specific jobs true.

When a job is completed and all costs have been accumulated on a job cost sheet, the journal entry that should be made is Finished Goods Inventory Work In Process Inventory.

Usually, under- or overapplied overhead is considered to be an adjustment to cogs.

Raw Materials Inventory, Factory Labor, and Manufacturing Overhead are all control accounts in the general ledger when a job order cost accounting system is used. False

The predetermined overhead rate is based on the relationship between estimated annual overhead costs and expected annual operating activity expressed in terms of a common activity base. True

Requisitions for direct materials are posted daily to the individual job cost sheets. True

Kinney Company applies overhead on the basis of 150% of direct labor cost. Job No. 176 is charged with $100,000 of direct materials costs and $120,000 of manufacturing overhead. The total manufacturing costs for Job No. 176 is $300,000.

If the entry to assign factory labor showed only a debit to Work In Process Inventory, then all labor costs were direct labor.