

COURSE OVERVIEW:

Business Accounting and Job Costing: A Road Map to Profitability

Purpose of this Course:

The financial score card, or measurement of an owner's or a company's success, is based on managing your finances effectively. This course provides you with the basics of financial planning, budgeting, construction business accounting, job cost systems and financing options that will enable you to track and analyze cost of goods, overhead and individual job costs as well as communicate about them effectively. Topics include accounting terminology, a chart of accounts, types of records and reports to be maintained, and loan products that can provide financing alternatives.

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Audience

Everyone who has responsibility to govern the success of a company, in whole or in part, needs to understand the process of business accounting and job costing. That is not to say that everyone must be an accountant, but rather everyone should understand the principles by which the process is made orderly. This course is designed for:

- Business owners
- Vendors
- Trade contractors
- Trade professionals
- Service professionals
- Project managers
- Office staff

Course Objectives

As a graduate of this course, participants will be able to:

- Define concepts and terminology basic to construction business accounting.
- Describe the value and use of common financial reports in measuring business performance, job cost accounting and variance analysis.
- Explain the importance and process of measuring and analyzing job cost against performance.
- Identify the essentials of operating capital funding methods.
- Identify common construction and permanent mortgage products and the relative builder/client positions.
- Recognize the differences between active and passive income endeavors.
- Access templates for a personal budget, a company budget, a chart of accounts, an income statement and balance sheet reports.

Topics Covered

Section 1: Organization and Business Planning

The Importance of Starting Right

Accounting Terminology

Balance Sheet and Income Statement

Chart of Accounts

NAHB Chart of Accounts

Customizing Balance Sheets and Income Statements

Creating Your View

Goal Setting
Personal Budgeting
The Intersection of Balance Sheet and Income Statement
Business Budgeting
Financial Planning: Active vs. Passive Income

Section 2: Operating the Business by the Numbers

The Key to Financial Management
Business Cost Estimates
Markup and Break-Even Pricing
Job Costing Budgets
Reporting Costs
Construction Schedule and Daily Job Log
Other Financial Reports
Methods of Accounting and Recognition of Business

Section 3: Measuring Business

The Importance of Measurement
Using the Balance Sheet and Income Statement
Comparative Use of Reports
Contingency Planning
Monitoring GA&O Expenses
Determining Cash Flow and Working Capital Status
Analyzing the Job Cost Variance Report
Financial and Operating Ratios

Section 4: Financing Business

General Banking Relationships
Lender Expectations
Loan Products
Raising Operating Capital
Client Funds in Your Company

Section 5: Arrival, Exit and Next Steps

Goals Achievement
Reasons to Exit
Options for Exit
Planning Next Steps
Continuing Education

CE and Designation Criteria

- Required for NAHB Designations: CGB, CGR
- 6 CE for NAHB Designations: CAPS, CGA, CGB, CGR, GMB, GMR, CSP, Master CSP, CGP, Master CGP, CMP, MIRM
- 6.0 AIBD CE

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Questions? Contact the NAHB Designation Help Line: 800-368-5242 x8154 or email education@nahb.org