Nyman Painting Contractors specializes in providing painting services to support residential remodeling projects. Nyman bids jobs based on the following cost assumptions:

1 gallon of paint will cover 450 square feet of interior wall space.
300 square feet can be painted in 1 hour.
1 gallon of paint costs $25.
1 hour of direct labor costs $17.

The Sanchez residence was recently repainted. The job consisted of 18,000 square feet of interior wall space. Nyman received a $1 per gallon discount, and a total of $984 was expended for paint. Nyman paid $1,107 for direct labor. The painters took exactly 61.5 hours to paint the residence.

(a) Calculate variances for direct material and direct labor.

(b) Prepare journal entries to record the acquisition and utilization of materials and labor (variances are recorded into the accounts).