***If this page confuses you more than it helps, ignore it!***

**Outputs** **Outputs** \*formula at Level 4 \*\*formula at Level 3

Act Quantity Act Quantity Act Quantity\*\* Bud Quantity\*\*

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**Inputs** (Direct Materials, Direct Labor, and Overhead) **Inputs** (Direct Materials, Direct Labor, and Overhead)

Act Q St Q

Act $ St $ Inputs are NON-APPLICABLE

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Actual Flexible Static/Master

Results Budget Budget

Level 4

Level 3

“why”

Level 2 Flexible Budget Sales Volume

“how much” Variance Variance

Level 1 Static/Master Budget Variance

“misleading”