

# Chapter 14 Cost Control Techniques

## Section 14.1 Calculate Food Costs



### Note Taking

**Directions** As you read, write notes, facts, and main ideas in the Note Taking column. Write key words and short phrases in the Cues column. Then summarize the section in the Summary box.

Cues	Note Taking
<ul style="list-style-type: none"> <li>• specification: a written description of the products a foodservice operations needs to purchase</li>   <li>• as-purchased (AP) price: the bulk price</li>   <li>• yield test: a process by which AP food is broke down into EP and waste</li>   <li>• recipe costing form: helps manage purchasing and preparation</li> </ul>	<p><b>PORTION CONTROL</b></p> <ul style="list-style-type: none"> <li>• A foodservice operation needs to monitor food costs in order to cover operating expenses</li> </ul> <p><b>CALCULATE UNIT COST</b></p> <ul style="list-style-type: none"> <li>• To calculate how much it costs to make one recipe, you must first convert the as-purchased (AP) price to the unit cost</li> </ul> <p><b>YIELD PERCENTAGES</b></p> <ul style="list-style-type: none"> <li>• To find out how cooking affects yield percentage, do a cooking loss test to find the total weight as served</li> </ul> <p><b>COSTING RECIPES</b></p> <ul style="list-style-type: none"> <li>• After calculating the total recipe cost, figure out how much each portion costs</li> </ul>
<p style="text-align: center;"><b>Summary</b></p> <p>It is important to calculate and control food costs to keep a business profitable and running well.</p>	

# Chapter 14 Cost Control Techniques

## Section 14.2 Manage Food Cost Factors



### Note Taking

**Directions** As you read, write notes, facts, and main ideas in the Note Taking column. Write key words and short phrases in the Cues column. Then summarize the section in the Summary box.

Cues	Note Taking
<ul style="list-style-type: none"> <li>• issuing: the process of delivering foods from storage to the kitchen as needed for use</li>   <li>• make certain the items received are the ones that appear on the purchase order</li>   <li>• physical inventory: a list of everything an operation has on hand at one time</li> </ul>	<p><b>COST CONTROL AND PURCHASING GOODS</b></p> <ul style="list-style-type: none"> <li>• You must know how to properly manage and control purchasing, receiving, issuing, and storing</li> </ul> <p><b>RECEIVING GOODS</b></p> <ul style="list-style-type: none"> <li>• Some formal guidelines for receiving goods include: checking purchase orders and invoices, physical inspection of goods</li> </ul> <p><b>INVENTORY CONTROL</b></p> <ul style="list-style-type: none"> <li>• A foodservice establishment must control inventory to control costs</li> </ul>
<p style="text-align: center;"><b>Summary</b></p> <p>Management and control of food cost factors is essential in operating a successful foodservice business.</p>	