

## STANDARD RECIPE COSTING FORM INSTRUCTIONS

### Step 1: Preparing the Standard Recipe Costing Form.

**a. Transfer information from standard recipe form.** Using the information on the standard recipe form previously prepared, fill in the name of the recipe and other information using the guidelines below.

**b. Portion Size and Portion Control Tool.** The standard portion is the size of the serving consistently served to each person. It is usually stated in ounces or quantity/number that each person is served. State the tool that will be used to guarantee the portion stated.

**c. Standard Yield.** The standard yield is the expected quantity of food that results from a standard recipe. It is usually stated in the number of portions it produces. Place the number of portions the recipe produces in the area indicated. Nothing other than numbers should be entered. For example a recipe serves 30-6oz portions, only the number 30 should be entered, 6 oz. is the portion size. Enter numbers only.

**d. Ingredients, Recipe Quantity and Unit.** Write the name of the ingredient, the quantity and unit the recipe calls for in the appropriate column. When entering the Ingredient quantity, be certain to convert all fractions of ingredients to their decimal equivalent before entering them into the quantity column. For instance  $\frac{1}{2}$  would be entered as .5, or  $\frac{3}{4}$  would be entered as .75. Also, be certain that the recipe quantity is in the Edible Portion form.

**e. Invoice Cost per Unit.** Post the invoice cost and the purchase unit in the appropriate column. The invoice cost per unit is the price that is provided by the purveyor when the product is purchased. It is found on the invoice or purveyor bid sheet.

### Step 2 Calculate the Individual Ingredient Cost

**a. Edible Yield %** Is the ingredient listed in its edible portion form? If no, post the edible yield % to the Edible Yield % column. If yes, post 100%. If an edible yield % is not needed, be certain to post 100% in all used and unused cells in the edible yield % column or the total ingredient cost will not calculate.

**b. As Purchased Quantity.** Determines how much quantity of product is required to be purchase or used to produce the standard recipe.

RECIPE AMOUNT  $\div$  EDIBLE YIELD % = AS PURCHASED QUANTITY

**c. Invoice Cost per Unit** As stated in Step 1e, post the purchase price and unit of each ingredient to the Invoice Cost per Unit column.

**d. Recipe Cost per Unit** Is the recipe quantity and the invoice cost quantity stated in the same unit? If yes, transfer the invoice cost and unit to the recipe cost and unit. If no, covert the invoice cost and unit to the cost of the unit the recipe calls for. You can do this by hand or write a formula using a cell address to convert the invoice cost per unit to the recipe cost per unit. The generic formula to do this would be +g(line number) and the equation you would need to perform if you were using a calculator.

### **e. Individual Ingredient Cost: The Last Step**

AS PURCHASED QUANTITY PER UNIT x RECIPE COST PER UNIT = INDIVIDUAL  
INGREDIENT COST

**Step 3: Totaling the Individual Ingredient Costs.** The Total Ingredient Cost is the total cost of all of the ingredients for which the chef/manager is able to determine a cost. If the spreadsheet does not total, check to be sure that there is 100% in all unused Edible Yield column cells.

**Step 4: Calculating The "Q Factor" (the Questionable Ingredient Factor).** Are there certain ingredients to which an actual cost cannot be assigned? A *Q Factor* is an immeasurable ingredient cost. The Q Factor is calculated by multiplying the Total Ingredient Cost by the Q Factor % chosen. Most often chef/managers will use a q factor whether or not immeasurable ingredients are found in the recipe to cover items such as condiments, garnishes, etc.

$$\text{TOTAL INGREDIENT COST} \times \text{Q FACTOR \%} = \text{Q FACTOR \$ AMOUNT}$$

**Step 5: Calculating the Recipe Cost.** The Recipe Cost is the total cost of measurable ingredients and the estimated immeasurable ingredients (Q Factor cost).

$$\text{TOTAL INGREDIENT COST} + \text{Q FACTOR DOLLARS} = \text{RECIPE COST}$$

**Step 6: Calculating the Standard Portion Cost .**

$$\text{RECIPE COST} \div \text{STANDARD YIELD} = \text{STANDARD PORTION COST}$$

If the spreadsheet does not solve, check the standard yield box to be certain only numbers are entered.

**Step 7: Additional Portion Cost .** The Additional Portion Cost can be used to combine the Standard Portion Costs of all items that are needed to prepare the Menu Listing. If needed, list the portions cost of other items that will be part of the menu listing.

**Step 8: Standard (Total) Plate Cost** The Total Cost to prepare the Menu Listing.  
 $\text{PORTION COST} + \text{ADDITIONAL PORTION COSTS} = \text{STANDARD PLATE COST}$

**Step 9: Desired Cost %** What is the desired food cost % that is trying to be achieved. Post the desired food cost %.

**Step 10: The Preliminary Selling Price** is the least amount of money that a foodservice operation should charge for a menu item in order to guarantee that all costs are covered (food, beverage, labor overhead, profit).

$$\text{TOTAL PLATE COST} \div \text{DESIRED COST \%} = \text{PRELIMINARY SELLING PRICE}$$

**Step 11: Post the Actual Selling Price.** The Actual Selling Price, sometimes referred to as the Menu Selling Price, is the price that is found on the menu. The menu selling price and is not determined mathematically. Using the theory found on the CD and in your text, post the price that the menu listing will be found on the menu.

**Step 12: The Actual Food Cost %.**

$$\text{STANDARD PLATE COST} \div \text{MENU SELLING PRICE} = \text{ACTUAL FOOD COST \%}$$