

BUSINESS OPERATIONS

Standard 4: Calculations for Menu Planning

A CDM, CFPP is responsible for managing financial aspects of menu planning by:

- Calculating food costs and meal production metrics to support accurate budgeting, cost control, and operational efficiency in menu planning.
- Developing menu pricing to ensure cost-effective and efficient menu planning by applying food cost percentages and factors methods to determine accurate sales prices.

PERFORMANCE INDICATORS	KEY ACTIONS
1.0 Calculating food costs	
1.1 Demonstrate the ability to provide a clear and accurate summary of food costs incurred during the monthly reporting period.	<ul style="list-style-type: none"> • Accurately calculate monthly food cost
1.2 Demonstrate the ability to provide a clear and accurate summary of raw food costs incurred per meal during the reporting period.	<ul style="list-style-type: none"> • Accurately calculate raw food cost per meal
1.0 RESOURCES Online Resources ANFP Calculate Price Per Unit Scaling a Recipe Raw Food Cost Meal Equivalents Monthly Food Cost ANFP Nutrition & Foodservice Edge Magazine Your Menu at the Root of Cost Control	
2.0 Measuring meal production & calculating meal equivalents	
2.1 Demonstrate the ability to provide a clear and accurate summary of the costs incurred for each recipe during the reporting period.	<ul style="list-style-type: none"> • Accurately calculate cost per recipe

<p>2.2 Demonstrate the ability to provide a clear and accurate summary of meal equivalents served per labor hour during the reporting period.</p>	<ul style="list-style-type: none"> • Accurately calculate meals (equivalents) per labor hour
<p>2.3 Demonstrate the ability to provide a clear and accurate summary of the total cost per meal, including raw food, labor, and supplies.</p>	<ul style="list-style-type: none"> • Accurately calculate total cost per meal
<p>2.4 Demonstrate the ability to provide a clear and accurate summary of the cost per patient, per day, including raw food, labor, and supplies.</p>	<ul style="list-style-type: none"> • Accurately calculate cost per patient day (PPD)
<p>2.5 Demonstrate the ability to provide a clear and accurate summary of retail meal equivalents used to convert retail sales income into meals during the reporting period.</p>	<ul style="list-style-type: none"> • Accurately calculate retail meal equivalents used to convert retail sales income into “meals.”
<p>2.6 Demonstrate the ability to provide a clear and accurate summary of raw food cost meal equivalents used to convert food items supplied to other departments at cost into “meals”. This would include items such as floor stock, snacks, nourishments, supplements, and tube feedings.</p>	<ul style="list-style-type: none"> • Accurately calculate raw food cost meal equivalents used to convert food items supplied to other departments at cost into “meals.”
<p>2.0 RESOURCES</p> <p><u>Online Resources</u></p> <p> ANFP Make or Buy Calculate As Purchased and Edible Portion Recipe Cost Per Serving Meal Equivalents Per Labor Hour Labor Cost Per Meal Equivalent Raw Food Cost Per Patient Day Calculate Total Cost Per Meal/PPD Retail Meal Equivalents </p> <p> ANFP Nutrition & Foodservice Edge Magazine 2024 Benchmarking Study Highlights Great Reasons to Participate in ANFP’s Benchmarking Program How to Use Benchmarking in Your Operation </p>	

3.0 Determining menu item prices

3.1 Demonstrate the ability to provide clear and accurate menu pricing using the food cost percentage method.

- Accurately calculate menu sales price using food cost percentage method.

3.2 Demonstrate the ability to provide clear and accurate menu pricing using factor method

- Accurately calculate menu sales price using factor method

3.0 RESOURCES

Online Resources

[ANFP](#)

[Cost of Food as a Percentage of Sales](#)

[Menu Sales Pricing Using Food Cost](#)

[Menu Sales Pricing Using Factor Method](#)

[Top 10 Strategies for Menu Planning - Balancing Cost, Labor, and Compliance](#)

[ANFP Nutrition & Foodservice Edge Magazine](#)

[Controlling Food Costs](#)

[A Lean Management Approach to Controlling Cost in Food Service](#)

[Your Menu at the Root of Cost Control](#)