

Controlling Costs in Foodservice

Updated: January 2019

Overview: The Certified Dietary Manager, Certified Food Protection Professional (CDM®, CFPP®) controls all costs in their department to run an efficient operation. Costs include utilities, staffing, food and paper products. This involves running an efficient department that limits waste.

Supplemental Material: Access the [Gap Analysis Tool](#) to supplement your practices.

Standard 1

The Certified Dietary Manager, Certified Food Protection Professional (CDM, CFPP) uses portion control and standardized recipes to run an efficient operation.

CRITERIA	IMPLEMENT & EVALUATE																
<p>1.1 Food and paper products are purchased using specifications and from vendors offering the best pricing and service.</p>																	
<p>1.2 Standardized Portions are determined for all menu items.</p>	<ul style="list-style-type: none"> ✓ If portions are by weight, such as meat items or frozen vegetables, standards are established for small, medium, and large sizes in a range of weights. ✓ If portions are by volume, such as soups, juices, and milk, standards are established for small, medium, and large sizes by the ounce. ✓ If portions are by count, such as bacon, eggs, and bread, standards are established for small, medium, and large sizes by number. ✓ Portion sizes for a general diet may be equivalent to the following: <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Casserole</td> <td style="text-align: right;">1 cup</td> </tr> <tr> <td style="padding-left: 20px;">Cooked Veggies</td> <td style="text-align: right;">1/2 cup or 4 oz spoodle</td> </tr> <tr> <td style="padding-left: 20px;">Pureed rice, pasta or vegetables</td> <td style="text-align: right;">1/3 cup or #10 disher</td> </tr> <tr> <td style="padding-left: 20px;">Rice or mashed potatoes</td> <td style="text-align: right;">1/2 cup or #8 disher</td> </tr> <tr> <td style="padding-left: 20px;">Tossed Salad</td> <td style="text-align: right;">1 cup</td> </tr> <tr> <td style="padding-left: 20px;">Canned fruit</td> <td style="text-align: right;">1/2 cup or 4 oz spoodle</td> </tr> <tr> <td style="padding-left: 20px;">Fresh or sliced fruit</td> <td style="text-align: right;">1/2 cup</td> </tr> <tr> <td style="padding-left: 20px;">Whole meat</td> <td style="text-align: right;">3 oz cooked</td> </tr> </table>	Casserole	1 cup	Cooked Veggies	1/2 cup or 4 oz spoodle	Pureed rice, pasta or vegetables	1/3 cup or #10 disher	Rice or mashed potatoes	1/2 cup or #8 disher	Tossed Salad	1 cup	Canned fruit	1/2 cup or 4 oz spoodle	Fresh or sliced fruit	1/2 cup	Whole meat	3 oz cooked
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1.3 Standard Portion/
Recipe costs are determined for all menu items including catering, cafeteria service and employee meals.

Calculating Standard Portion Cost

Formula: Purchase price per unit DIVIDED by the number of portions per unit.

Example: to determine the cost of a serving of canned green beans:

Step 1: Determine purchase price per unit: Purchase price per case: 6-#10 cans = \$16.95 $\$16.95 / 6 = \2.82 per #10 can or per unit

Step 2: Determine number of portions per unit Number of portions per #10 can: 25, 4 oz portions

Step 3: Divide purchase price per unit by the number of portions per unit $\$2.82 / 25 = \0.11 per 4 oz serving

Calculating Portion Cost with Yield Loss

Step 1: Look up the yield loss on red potatoes (81 percent).

Step 2: Look up the price per pound of red potatoes from the produce invoice: \$.70/pound

Step 3: Determine the number of servings from one pound=4.7.

Step 4: Divide the original price per pound by the yield $\$.70 + .81 = \$.86$. (Note: 81 percent is .81 as a decimal)

Step 5: Divide the new cost per pound of potato by the number of 1 oz (1/2 cup) servings of potato. $\$.86 + 4.7 = \$.18$ per serving of potato

Consider the following factors that vary yield loss:

- ✓ Employee skill and experience (a skilled employee will waste less)
- ✓ Size of the product (large potatoes will have less waste than small)
- ✓ Freshness of your product (older potatoes will have more bruising and waste)

1.3 Standard Portion/
Recipe costs are determined for all menu items including catering, cafeteria service and employee meals.

Calculating Standard Recipe Cost

Formula: List of each ingredient's cost ADDED together DIVIDED by the recipe yield

Example: Egg Bake for 50 clients: 50 eggs @ 1.60/doz. (\$.133/egg) $50 \times \$1.33 = \6.67 for 50 eggs

2 cups milk @ \$4.25/gallon (16 cups/\$4.25 for 1 gallon = \$.266/cup) $2 \times \$0.266 = \0.53 for 2 cups milk

2 cups croutons @ \$4.25 4 cups cheese @ \$11.80 $\$6.67 + \$0.53 + \$4.25 + \$11.80 = \$23.25$

Total Cost per Client/Portion

Food Cost \$23.25
DIVIDED by # of clients: + 50
\$.47 per client/portion of egg bake

A good reference text (such as Food for Fifty) provides tables of common can sizes and approximate numbers of portions, common pan capacities, cooking yield or loss and common ladle and disher equivalents to help you determine standard portion sizes.

1.4 The department is stocked with utensils to portion foods such as dishers, spoodles, ladles, and portion scales.

1.5 Standardized recipes are followed for every possible menu item.

1.6 Production Schedules are implemented.

Production Schedules:

- ✓ Document what to produce, how much to prepare, who will prepare it.
- ✓ May include a pull list for items on future meals.
- ✓ Include standardized recipes, portion sizes and portion devices.

<p>1.7 Continuous Quality Improvement (CQI) studies and variance reports are done on plate waste, portion control and appropriate use of serving utensils.</p>	<p>CQI:</p> <ul style="list-style-type: none"> ✓ Policies and Procedures reflect criteria for regular CQI studies in the department. ✓ Adjust diet orders and client portion size based on actual intake (as indicated in intake records and plate waste studies). <p>Variance Reports:</p> <ul style="list-style-type: none"> ✓ Variance reports are done between expected and actual serving size/costs. ✓ Variances are corrected with training, documentation and follow-up.
<p>1.8 Policies and Procedures are in place for Inventory Management.</p>	<p>Policy & Procedure:</p> <ul style="list-style-type: none"> ✓ Should indicate par levels. ✓ Use an inventory management system that helps control food cost/purchases yet maintains adequate levels of product needed for menu production. ✓ Also accounts/allows for emergency preparedness food and supplies.
<p>1.9 Staff receives training on portion control measures and on the impact of over portioning & food waste.</p>	<p>Competence Training:</p> <ul style="list-style-type: none"> ✓ CDM, CFPP trains staff on proper portion sizes for all menu items, how to use portion control devices (such as meat slicers and pan guides), & the impact of over portioning and food waste. ✓ CDM, CFPP documents competence training/in-service attendance and competence skill testing evaluation ✓ CDM, CFPP keeps records in the department

Standard 2

The Certified Dietary Manager, Certified Food Protection Professional (CDM, CFPP) ensures efficiency & adherence to the budget by reducing food waste in the department.

CRITERIA	IMPLEMENT & EVALUATE
2.1 Purchasing standards such as par inventory amounts are established and utilized.	Policies & Procedures on purchasing standards are updated and available.
2.2 Standardized receiving procedures are used to ensure proper rotation of inventory.	Policy & Procedure on receiving and stock rotation is updated and available.
2.3 Standards for labeling leftovers that include a use-by date are established and monitored.	Leftovers: <ul style="list-style-type: none">✓ Document leftovers on a form.✓ If leftovers are used in a meal, changes to the menu are implemented and documented.✓ A menu cycle that includes use of previous day's foods can be utilized when quality can be maintained.
2.4 A method for recording shortages or wasted food is utilized and monitored.	Shortages: <ul style="list-style-type: none">✓ Document shortages on a form.✓ Keep this record for 2-3 menu cycles for each meal.✓ Adjust forecasting accordingly.
2.5 Inventory is monitored regularly to check for atypical usage.	Policy & Procedure for inventory management is updated and available.
2.6 Dietary staff receives training on recording food waste, theft policy, and maintaining a par inventory.	Competence Training: <ul style="list-style-type: none">✓ CDM, CFPP trains staff on recording food waste & par inventory P&P✓ CDM, CFPP documents competence training/in-service attendance and competence skill testing evaluation✓ CDM, CFPP keeps records in the department✓ Theft policy is implemented and staff is aware of consequences if theft occurs

Standard 3: Controlling Utility Costs

The Certified Dietary Manager, Certified Food Protection Professional (CDM, CFPP) ensures efficiency & adherence to the budget by controlling utility costs.

CRITERIA	IMPLEMENT & EVALUATE
3.1 The CDM, CFPP controls energy usage within the department.	<ul style="list-style-type: none">✓ Use LED or energy efficient lightbulbs✓ Turn off lights when not in the department✓ Turn off equipment when not in use
3.2 The CDM, CFPP implements energy saving strategies.	✓ Utilize your local energy company for on-site visits and test reports. They may also provide you with recommended actions to cut usage.
3.3 The CDM, CFPP uses energy efficient equipment.	✓ When remodeling or building new kitchens, install energy efficient equipment.

References

Food for Fifty (can also be purchased as a CD-ROM), by Mary Molt, 14th Ed., Prentice Hall, 2017.

Legvold, Dee, and Salisbury, Kristi. *Foodservice Management by Design*. Association of Nutrition & Foodservice Professionals, 2nd Edition, 2018.

Principles of Food, Beverage, and Labor Cost Controls, by Paul R. Dittmer & Desmond Keefe III, 9th Ed., John Wiley & Sons, 2008

Kristin Klinefelter, MS, RDN, LD has been in the dietetics field for 20 years, working in a variety of consulting and education capacities. She has been working with the University of North Dakota's Nutrition and Foodservice Training Program for ten years and served on the Certifying Board for Dietary Managers (CBDM) for six years.