

Portion Costs – AP vs EP (p. 513)

NFS 1240
Assignment 2 Guidelines

Food Costs

- Unit Costs
 - The amount of an ingredient purchased is rarely the amount used in one recipe
- Recipe costs
 - May be used to set the selling price of individual menu items, or to stay within a budget

AP vs EP Unit Costs

- Some ingredients are used As Purchased (AP)
 - Flour, sugar, butter, ground beef
- For others, we use only the Edible Portion (EP)
 - Broccoli florets, diced potato

Calculating AP Unit Costs

e.g. Cost per oz of flour

25 lb bag = \$8.00

25 lb x $\frac{16 \text{ oz}}{1 \text{ lb}}$ = 400 oz

Cost per oz = $\frac{\text{Total Cost}}{\text{Total Units}}$

Calculating EP Unit Costs

Two Steps:

% Yield = $\frac{\text{EP weight}}{\text{AP weight}}$

EP Unit cost = $\frac{\text{AP Unit cost}}{\% \text{ Yield}}$

Cost per lb of potatoes for French Fries



- 10 lb bag = \$2.50
- Cost per AP lb = $\frac{\$2.50}{10 \text{ lb}} = \0.25



- AP weight = 1 lb, EP weight = 12 oz
- % Yield = $\frac{12 \text{ oz}}{16 \text{ oz}} = 0.75$

- Cost per EP lb = $\frac{\$0.25}{0.75} = \0.33

**Assignment #2 is Due
Wed, Feb 17**

- Will be included on Exam 2
- You will need weights from Lab 3 to do it!
- Available on Blackboard page:
 - These guidelines
 - Copy of the assignment