

## SECTION VII--FOOD SERVICE ACCOUNTING

### ILLUSTRATION 3A

#### A LA CARTE EQUIVALENTS

Ala Carte Equivalent - contains all sales of individual food items. Equivalents are most frequently determined by dividing total sales by the amount of a full price adult meal. For example:

$$\text{Total A la Carte Sales} \div \text{Adult Meal Price or average sale}^* = \text{A la Carte Equivalent Meals}$$
$$\$100 \div \$2.00 = 50 \text{ A la Carte meals equivalent to 50 reimbursable meals}$$

### ILLUSTRATION 3B

#### ALLOCATION OF COST OF FOOD SOLD BY MEAL TYPE

1. Sales:

Breakfasts	100
Lunches	500
A la Carte Equivalent Meals	200
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Total	800
  
2. Standard Food Costs: At least one month's actual food costs are recorded to determine standard food costs per meal.  
Breakfast \$.52, Lunches \$.72, A la Carte \$.75  
  
Total standard cost of food sold:  
(100 breakfasts x \$.52) = \$52.00  
(500 lunches x \$.72) = \$360.00  
(200 A la carte x \$.75) = \$150.00  
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Total \$562.00
  
3. Percentages of Standard Costs by Meal:  
Breakfast \$ 52.00 divided by \$562.00 = 9.25%  
Lunch \$360.00 divided by \$562.00 = 64.06%  
A la Carte \$150.00 divided by \$562.00 = 26.69%
  
4. Total Actual Cost of Food Sold: \$590.75  
(Taken from Operating Statement and includes donated food.)
  
5. Allocation of Total Actual Cost by Meal Type:  
Breakfast 9.25% x \$590.75 = \$ 54.64  
Lunch 64.06% x \$590.75 = \$378.43  
A la Carte 26.69% x \$590.75 = \$157.68
  
6. New Standard Cost Allocation