

ManageFirst Controlling Foodservice Cost Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. A cost that increases or decreases in direct proportion to sales is known as a**
 - A. Fixed cost**
 - B. Variable cost**
 - C. Sunk cost**
 - D. Marginal cost**

- 2. What is the major benefit of EP costing method?**
 - A. It is more accurate than AP costing method**
 - B. It is less expensive to implement**
 - C. It requires no data**
 - D. It produces identical results to AP costing**

- 3. Which set of items is used to calculate basic food cost?**
 - A. Labor costs, utilities, and rent**
 - B. Marketing costs, insurance**
 - C. Opening inventory, Purchases, Closing inventory**
 - D. Salaries, benefits, overhead**

- 4. Quantity standards measure which of the following?**
 - A. Weight, count, or volume measures**
 - B. Price levels**
 - C. Time required for service**
 - D. Number of staff per shift**

- 5. In budgeting, if revenues increase by 3% and total expenses increase by 2.5%, budgeted profit will generally:**
 - A. Decreases**
 - B. Remains the same**
 - C. Increases**
 - D. Cannot be determined**

- 6. Which factor should be considered when budgeting as a cost-control tool?**
- A. The impact of holidays on demand**
 - B. Weather forecasts**
 - C. The impact of holidays on demand and facility location**
 - D. Marketing campaigns only**
- 7. In forecasting, which component is used to adjust for expected changes in demand?**
- A. Fixed multiplier**
 - B. Percentage of estimated increase or decrease**
 - C. Historical average**
 - D. Seasonal factor**
- 8. Which corrective action directly reduces costs by adjusting serving size?**
- A. Raise menu prices**
 - B. Reduce portion size**
 - C. Increase staff training**
 - D. Expand menu variety**
- 9. Which document is used before preparing a purchase order?**
- A. Purchase order**
 - B. Order guide**
 - C. Delivery receipt**
 - D. Receiving report**
- 10. The standing order purchasing method is best suited for which product?**
- A. Fresh lettuce**
 - B. Spices**
 - C. Heavy cream**
 - D. Frozen shrimp**

Answers

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1. B
2. A
3. C
4. A
5. C
6. C
7. B
8. B
9. B
10. C

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Explanations

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1. A cost that increases or decreases in direct proportion to sales is known as a

- A. Fixed cost**
- B. Variable cost**
- C. Sunk cost**
- D. Marginal cost**

Costs are grouped by how they respond to changes in sales. A cost that rises or falls in direct proportion to sales is a variable cost, because total variable cost moves with the level of activity. As you sell more units, you incur more cost; as you sell fewer, it decreases. This typically includes items directly tied to production and sales, like materials and direct labor, which scale with volume. Fixed costs stay the same across the relevant range, such as rent or a salaried supervisor, regardless of sales. Sunk costs are money already spent and not recoverable, so they don't change with current or future sales. Marginal cost is the cost of producing one additional unit, a specific incremental cost rather than the overall behavior of all costs with changes in sales. So the cost described is variable cost.

2. What is the major benefit of EP costing method?

- A. It is more accurate than AP costing method**
- B. It is less expensive to implement**
- C. It requires no data**
- D. It produces identical results to AP costing**

Edible-portion costing improves accuracy by assigning costs to the portion of each ingredient that actually becomes the dish. It accounts for shrinkage, trimming, bones, and other waste, so the cost you see for a recipe reflects what you can sell, not just what you bought. To use this method, you convert the as-purchased price into an edible-cost per unit by applying the edible yield percentage, then determine the recipe cost from the edible amount used. This makes pricing and profitability more precise than simply using the purchase price, which ignores yield differences and waste. That precision is why this method is favored. It does require data on yields and waste, so it isn't data-free, and it will produce different results from the AP method because yields and waste differ; it isn't inherently cheaper to implement.

3. Which set of items is used to calculate basic food cost?

- A. Labor costs, utilities, and rent**
- B. Marketing costs, insurance**
- C. Opening inventory, Purchases, Closing inventory**
- D. Salaries, benefits, overhead**

The main idea here is how to calculate the cost of food actually used during a period by tracking inventory flow. Start with the opening inventory, add all purchases of food, and subtract the ending inventory. Opening inventory plus purchases gives the total food available for use in the period; subtracting the ending inventory removes what is still on hand, leaving the cost of food used to prepare meals. This is the basic food cost: the raw material cost consumed in the period. Other options mix in costs that aren't part of the raw food cost, such as labor, utilities, rent, marketing, insurance, salaries, benefits, or overhead. Those are operating expenses or overhead and belong in separate cost categories, not the basic food cost.

4. Quantity standards measure which of the following?

- A. Weight, count, or volume measures**
- B. Price levels**
- C. Time required for service**
- D. Number of staff per shift**

Quantity standards focus on the amounts of inputs used in producing goods or services, expressed in weight, count, or volume per unit of output. In practice, you set a standard for how much of an ingredient should be used for each serving—for example, a certain number of ounces of meat per sandwich or a specific cup of sauce per plate. Then you compare actual usage to these standards to calculate variances, which helps you spot over-portioning, waste, or theft and tighten cost control. Other types of standards cover different aspects, such as price standards (cost per unit of input), time standards (how long tasks should take), or staffing standards (how many employees are needed per shift). These do not directly measure the physical amount of materials used, which is why quantity standards are about weight, count, or volume.

5. In budgeting, if revenues increase by 3% and total expenses increase by 2.5%, budgeted profit will generally:

- A. Decreases**
- B. Remains the same**
- C. Increases**
- D. Cannot be determined**

Profit is what's left after subtracting expenses from revenue. When both sides grow, the impact on profit depends on which grows faster in percentage terms. Here revenues rise by 3% and expenses rise by 2.5%. That extra 0.5 percentage point in revenue growth adds more to the top line than the extra 0.5 percentage point added to costs subtracts from the bottom line, so the overall profit tends to rise. You can see this with a simple check: suppose baseline revenue is 100 and expenses are 80. New revenue becomes 103, new expenses become 82. Profit goes from 20 to 21, an increase. So budgeted profit increases.

6. Which factor should be considered when budgeting as a cost-control tool?

- A. The impact of holidays on demand**
- B. Weather forecasts**
- C. The impact of holidays on demand and facility location**
- D. Marketing campaigns only**

When budgeting to control costs, you must anticipate how demand will vary and how costs differ by where you operate. Holidays can cause demand to spike or fall, which affects how much you need to spend on labor, inventory, and overtime. At the same time, the location of your facility shapes your cost structure—rent, utilities, insurance, local taxes, wage levels, and even supplier proximity all influence ongoing expenses. A budget that accounts for both holiday-driven demand changes and location-based costs provides a fuller, more accurate view for controlling costs. Weather forecasts and marketing campaigns can influence operations and revenue, but they don't address the combined impact of demand timing and site-specific cost differences as effectively as considering holidays' effect on demand plus facility location.

7. In forecasting, which component is used to adjust for expected changes in demand?

A. Fixed multiplier

B. Percentage of estimated increase or decrease

C. Historical average

D. Seasonal factor

The main idea is that forecasts are adjusted for changes you expect to happen by applying a percentage change to the base demand. This percentage captures how much demand is anticipated to increase or decrease due to factors like promotions, market trends, pricing, or new product introductions. Using a percentage of estimated increase or decrease lets you scale the base forecast to reflect those expectations precisely, and you can apply it to a baseline forecast to arrive at the adjusted figure. For example, if the base forecast is 100 units and you expect a 20% uplift from a promotion, the adjusted forecast becomes 120 units; if you anticipate a 5% decrease, it becomes 95 units. The other options don't fit this purpose as well: a fixed multiplier is a constant factor not tied to a specific expected change, a historical average is just past data without incorporating forward-looking adjustments, and a seasonal factor accounts for recurring seasonal patterns rather than general expected changes across the forecast period.

8. Which corrective action directly reduces costs by adjusting serving size?

A. Raise menu prices

B. Reduce portion size

C. Increase staff training

D. Expand menu variety

Directly reducing the amount of food served per portion lowers ingredient costs and the cost of goods sold per plate. By dispensing less product in each serving, the quantity of ingredients used declines, so the overall food cost for each dish drops. This is a corrective action because it targets how much product is actually used in production to bring costs back in line with budgeted targets, without necessarily changing prices or labor. Raising menu prices shifts revenue, not the cost of ingredients, so it doesn't directly reduce costs. Increasing staff training can improve efficiency but doesn't guarantee lower ingredient costs. Expanding menu variety often raises costs due to more ingredients, prep, and potential waste. When reducing portions, maintain consistency with standardized measures and monitor guest response and profitability to ensure the change supports cost control without harming value perception.

9. Which document is used before preparing a purchase order?

- A. Purchase order**
- B. Order guide**
- C. Delivery receipt**
- D. Receiving report**

An order guide is used before preparing a purchase order. It lists the items you routinely stock, the standard quantities (par levels) you aim to keep, and often preferred vendors or sizes, turning inventory needs into a concrete plan. This guide provides the exact items and amounts to order, which then becomes the basis for issuing a purchase order to the supplier. The purchase order itself is the formal request sent to the supplier, created from the information in the order guide. Delivery receipts occur after goods arrive and document what was delivered, while receiving reports are used at reception to verify received items against the PO and invoice.

10. The standing order purchasing method is best suited for which product?

- A. Fresh lettuce**
- B. Spices**
- C. Heavy cream**
- D. Frozen shrimp**

Standing order replenishment is best for items with steady, predictable usage and relatively short shelf life, so you can keep them on hand without frequent, time-consuming ordering while avoiding spoilage or stockouts. Heavy cream fits this pattern: it's a dairy staple used regularly in sauces and desserts, and it needs refrigeration, so a reliable, scheduled delivery helps ensure it's available when needed and used before it spoils. Fresh lettuce tends to spoil quickly and usage can be inconsistent, making a standing order wasteful or impractical. Spices have a long shelf life and often see variable demand, so they don't require the same fixed replenishment. Frozen shrimp lasts longer but is typically ordered based on menu projection rather than a fixed routine, so it isn't as well suited as a standing order for this purpose.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://managefirstcontfoodservicecost.examzify.com>

We wish you the very best on your exam journey. You've got this!

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