

EFFECTIVE: JANUARY 2012 CURRICULUM GUIDELINES

A.	Division:	Academic	Ef	fective Date:		January 2012		
B.	Department / Program Area:	Commerce & Business Admin. Hospitality Management	Re	vision:	X	New Course		
	C			Revision, Section(s) vised:		A, B, C, H, J, L		
				te of Previous Revision		November 2009		
				te of Current Revision:		October 2011		
C:	HOSP 2330		erage Cost Controls E: 3					
	5		Descri	riptive Title		Semester Credits		
F: G:	Calendar Description:This course focuses on the principles and procedures involved in an effective system of food, beverage and labour controls for the hospitality industry. This course provides the fundamentals for gathering information, developing forms and procedures, assessing and evaluating the information and applying the results to maintain efficient food, beverage and labour cost control. Topics include: the basic control procedures used, food and beverage costing, labour cost analysis, pricing methods and computer applications.Allocation of Contact Hours to Type of Instruction / Learning SettingsH:Course Prerequisites:Primary Methods of Instructional Delivery and/or Learning Settings:(HOSP 1120 or CSIS 1110) and (HOSP 1135 or HOSP 1145) and HOSP 1235 and (HOSP 1210 or ACCT 1110)							
	Lectures and Seminars Number of Contact Hours: (per week / semester for each descriptor)		I:	Course Corequisites:				
			Nil					
	Lecture: 3 Hou Seminar: 1 Hou	J:Course for which this Course is a Prerequenceecture: 3 HoursHoursHourHOSP 2455 (may be taken as a corequise		as a corequisite) a				
	Number of Weel	ks per Semester:	K:	Maximum Class Size	:			
	15 Weeks X 4 H	fours Per Week = 60 Hours		35				
L:	PLEASE INDIC	CATE:	1					

Non-Credit

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M:	I: Course Objectives / Learning Outcomes:						
	The student will be able to:						
	1.	Calculate actual and standard food cost and beverage cost for an operation manually and using a					
		spreadsheet					
	2.	Distinguish between standard, actual and budget food cost and food cost %					
	3.	Develop and use an inventory control system for beverage control					
	4.	Use revenue, covers and average cheque historicals to forecast sales					
	5.	Discuss the importance of cost controls in the successful operation of a food and beverage					
		business					
	6.	Create and use a budget for identifying control issues					
	7.	Use a spreadsheet to develop a flexible budget					
	8.	Use breakeven analysis for planning and decision making					
	9.	Understand and identify control procedures, forms and systems used in the purchasing, receiving,					
		storage, issuing, production and service of both food and beverage					
		Create and use labour productivity standards					
		Discuss the role of effective human resource management in reducing labour cost					
		Create and use a staffing guide and align to budget					
		Discuss the control of other direct operating costs					
		Analyze a menu's pricing structure with respect to profitability and popularity					
		Set menu prices both scientifically and with qualitative considerations					
		Understand the concept of sales mix and the role it plays in food and beverage cost					
		Discuss the applications for computers and Point of Sales systems in food and beverage control					
		Understand POS generated management reports					
	Understand the importance of sales (revenue control) and systems which can be put in place to						
	20	minimize losses					
		Discuss the increasing role of technology on control					
		Discuss the importance of planning, supervision and staff training in controlling costs Identify employee, and customer theft risks and current preventative measures commonly used in					
	22.	the industry					
	23	Discuss major control issues in the rooms department of a hotel					
	23.	Discuss major control issues in the rooms department of a noter					
N:	Cour	se Content:					
	1. 7	The importance of effective cost control in the food and beverage industry					
		The development and use of standards including average check, forecast sales, food and beverage					
		cost percentages, labour productivity, and other cost percentages as a means to identify cost control					
		problems The role of the operating budget in planning and cost management					
		Calculating actual food cost and food cost percentage					
		Developing standard food cost and food cost % given standardized recipes and sales history					
		Control considerations in the areas of food purchasing, receiving, storage, issuing production and					
		service					
		Calculating actual and standard beverage cost and beverage cost percentages					
		Unique control considerations in the areas of beverage purchasing, storage, issuing, production and					
		service					
	8. 7	The mechanism and principle behind basic inventory control for a beverage operation					
		Revenue control systems including prechecking, guest check controls and cashiering controls in					
		food and beverage operations					
		Labour cost control practices in food and beverage					
		Scheduling and human resource management issues in food and beverage operations and how these					
		mpact labour cost					
		Calculating, interpreting and using productivity ratios for labour cost control					
		Developing and using usage ratios for control of other operating expenses					
		Scientific and qualitative menu pricing considerations					

- 15. Analysis of a menu for profitability and popularity
- 16. Functions and control applications of a POS
- 17. Using spreadsheets to develop flexible budgets
- 18. Using breakeven analysis in decision making and planning
- 19. Employee and customer theft; how and why it happens; how it can be detected
- 20. Analysis of income statements, average check, cost and net income per guest figures.

- 21. The role of computers to assist with purchasing functions, controlling inventory, analyzing business and determining personnel requirements, controlling labour costs, generating daily reports of costs and sales for management, and budgeting and preparing financial statements.
- 22. Control systems commonly used within the rooms department of a hotel to control sales, energy costs, labour costs and rooms supplies expense
- **O:** Methods of Instruction:

This course uses lectures, computer lab sessions and case studies. Students are encouraged to participate in group discussions of case studies and control experiences.

P: Textbooks and Materials to be Purchased by Students:

Coltman, Michael M. *Food and Beverage Cost Controls*, latest ed. Toronto: Macmillan of Canada OR

Nenemeir, Jack D. <u>Planning and Control for Food and Beverage Operations</u>, latest ed. East Lansing, MI: The Educational Institute of American Hotel and Motel Association. OR

Miller, Hayes and Dopson, *Food and Beverage Cost Control*, latest ed. New York, John Wiley and Sons Inc.

Q: Means of Assessment:

Assignments	20-30%
Term Project	20-30%
Mid-term examinations	20-30%
Final Examination	<u>20-30%</u>
	100%

STUDENTS MUST COMPLETE ALL COMPONENTS OF THE COURSE TO OBTAIN CREDIT