

**NOVA COLLEGE-WIDE COURSE CONTENT SUMMARY
HRI 251 - FOOD AND BEVERAGE COST CONTROL I (3 credits)**

Course Description

Presents methods of pre-cost and pre-control as applied to the menu, purchasing, receiving, storing, issuing, production, sales and service which result in achievement of an operation's profit potential. Emphasizes both manual and computerized approaches. Lecture 3 hours per week.

General Course Purpose

The general goal is to have the student set up food and beverage cost control systems which will enable a hospitality operation to better achieve its profit potential. More specifically, the student will gain:

- Sufficient knowledge to analyze and improve existing food and beverage cost control systems
- Sufficient knowledge to analyze and develop food and beverage cost control systems where none presently exist
- Understanding of the importance of food and beverage cost controls as an integral part of a hospitality operation
- Managerial knowledge to assume responsibility for the control function in a food and beverage operation
- Knowledge of computerized control procedures for food and beverage operations

Course Prerequisites/Corequisites

Prerequisite: Math 151

Course Objective

Upon completion of this course, the student should be able to:

- Describe the conditions that necessitated development of food and beverage cost controls
- Define food and beverage "cost" and identify the various categories of costs
- Calculate food and beverage "cost to sales ratios."
- Define "sales" and identify various ways of expressing sales
- Memorize the principle objective of a food and beverage cost control system
- Explain the cycle of control and identify the aspects of it which should be emphasized
- Identify the basic operating activities known as the flow of costs
- Define the importance of using a "standard"
- Explain the relationship between routine procedures and controls
- Illustrate the nature of the Food Manager/Controller's job and his/her position within the operation
- Identify who has ultimate responsibility for food and beverage costs
- State the reasons why the menu is important to a successful food and beverage service operation
- Distinguish between the basic kinds of menus and their impact on average check per guest and total revenue
- Relate the effects of pricing your menu too high or too low
- Recall the importance of the little things in preventing waste
- Identify the primary objective in the purchasing of food and beverages
- Know the three requisites to an effective purchasing program
- Define standard purchase specification, and know who establishes it
- Identify the primary objective in receiving food and beverages
- Know the importance of the credit memo and how to use it
- Explain how the meat tag is used to establish the positive and perpetual control of major meat items

- Tell what a receiving clerk's daily report is
- Discuss the way in which goods should be inspected prior to accepting them
- Identify the primary objective in storing food and beverages
- Define par stock
- Know the essentials necessary to achieving basic security over all merchandise
- Identify the primary objective in the issuing of food and beverages
- Explain the purpose of the requisition and its use in calculating daily food and beverage cost
- Calculate and verify extensions on invoices and requisitions
- Know the essential requirements to obtain quality in food and beverage preparation on a continuing basis
- Define standard portion size/pours
- Know the elements of a standard recipe
- Define and calculate a "yield"
- Practice doing a yield test and translating the results into cost management decision
- Calculate the cost factor and use it to determine the cost per servable pound
- Calculate portion costs and use the portion cost multiplier
- Calculate the actual cost of food and beverages consumed and actual cost of food and beverages sold
- Calculate the month-end actual food and beverage costs
- Calculate daily actual food and beverage costs
- Calculate standard food and beverage costs
- List the causes for actual food and beverage costs exceeding standard
- Know the objective of food and beverage production planning
- Prepare a forecast and utilize the results in making purchasing and production decisions
- Know the various uses of the food and beverage sales history record
- Collect data needed to prepare a food and beverage sales history and analyze the results
- Know the types of employee compensation
- Calculate labor, food and beverage cost percentages on an income statement

Major Topics To Be Included

- Food and Beverage Cost and Sales Concepts
- The Control Process
- Menu Planning
- Food and Beverage Purchasing Control
- Food and Beverage Storing and Issuing Control
- Monthly / Book Value Food and Beverage Inventory
- Monthly and Daily Food and Beverage Cost
- Food and Beverage Production Control
- Food and Beverage Yield Testing
- Forecasting Food and Beverage Sales
- Food and Beverage Standard vs. Actual Costs
- Food and Beverage Sales Control
- Food and Beverage Labor Cost Considerations
- Establishing Food and Beverage Performance Standards
- Training Food and Beverage Staff
- Monitoring Performance in Food and Beverage and Taking Corrective Action