

J. Sargeant Reynolds Community College
Course Content Summary

Course Prefix Number: HRI 251

Credits: 3

Course Title: Food and Beverage Cost Control I

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. Prerequisite: MTH 130. Lecture 3 hours per week.

General Course Purpose: This course is intended to provide a hands-on approach to practicing and understanding the methods to which the industry uses the concepts and materials to support their businesses operations.

Course Prerequisites and Co-requisites:

Prerequisite: MTH 130

Student Learning Outcomes:

Upon completing the course, the student will be able to

- a. Identify the objectives of a food and beverage cost control system;
- b. Define cost and identify various categories of costs;
- c. Calculate cost of sales and cost of sales ratios;
- d. Identify cost, volume, and profit relationships, including contribution margins, contribution ratios, and breakeven points;
- e. Explain the cycle of control and the influences management can exert upon controls;
- f. Discuss the concept of standards and the various applications of standardization, including standard recipes and standard yields;
- g. Identify sales controls, techniques for sales history accumulation, and application of analyses into budget models;
- h. Discuss the relationship between menus, menu pricing, and cost of sales;
- i. Discuss the concept of par stocks and reorder points, and how to establish their values;
- j. Discuss effective purchasing control, including competitive purchasing, standard purchase specifications, and the legalities governing beverage purchasing;
- k. Discuss effective receiving control, including product inspection and invoice handling;
- l. Discuss storage control, including perpetual inventories and storeroom security;
- m. Discuss effective issuing control, including requisitions and transfers, and their use in calculating daily costs;
- n. Discuss the concepts of food-to-beverage transfers and beverage-to-food transfers;
- o. Calculate and evaluate periodic physical inventory values;
- p. Discuss effective production control, including forecasting, standard yields, cost factors, and automated beverage control systems;

- q. Calculate and generate daily and monthly food and beverage cost reports, and analyze results against standard costs;
- r. Explain the techniques for identifying and controlling variances from potential sales; and
- s. Utilize electronic data processing technology to automate food and beverage cost control systems.

Major Topics to Be Included:

- a. Food and beverage cost control systems and strategies
- b. Contribution margin and breakeven points
- c. Standardized recipes and yields
- d. Sales control and history, including forecasting, par-levels, and prep inventory levels
- e. Menu pricing relationship with cost of sales and market
- f. Purchasing and sourcing, including vendor categories
- g. Flow food cycles and controls
- h. Inventory, perpetual, and periodic physical inventory procedures
- i. Food and beverage transfers
- j. Food and beverage cost percentage calculations
- k. POS systems and uses
- l. Budgeting

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