

Date Prepared: July 25, 2000

## COURSE OUTLINE

     New        x   Revised

Effective Date: August 21, 2000

1. **COURSE PREFIX NUMBER: HRI 251**      **CREDIT HOURS: 3**
2. **COURSE TITLE:** Food and Beverage Cost Control I
3. **PREREQUISITES:** MTH 120 or Program Head approval.
4. **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.
5. **CONTENT: (Major Headings)**
  - a. 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.

### 6. GENERAL COURSE OBJECTIVES:

Upon successful completion of 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 and 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 and the techniques for sales history accumulation, and the 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.
  - s. Utilize electronic data processing technology so as to automate food and beverage cost control systems.

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