

COURSE OUTLINE

**Food and Beverage Cost Control
and Purchasing**
Course Title

TH 218
Dept. & Course No.

I. COURSE DESCRIPTION:

This course covers the principles and procedures involved in an effective control and purchasing system, including standard determination, the operating budget, cost volume profit analysis, income and cost control, menu pricing, purchasing, labor cost control and computer application.

II. SEMESTER CREDITS: 3

III. CONTACT HOURS PER WEEK: 3 0 3
(lecture) (Lab.) (Total)

IV. PREREQUISITE: TH 201

V. PERFORMANCE OBJECTIVES:

At the end of the course, the student with a combined accuracy of 65%, will be able to:

1. Define "control" and recognized its importance in the management system.
2. Explain the purposes and applications of standard costs and the uses of standard cost tools.
3. Identify and explain methods for estimating allowable food and beverage costs based on forecasted sales levels.

VI. COURSE CONTENT:

- A. The Control Function
 1. Management Resources
 2. Management Process
 3. Sequence of Planning
 4. Standards
 5. Control System
- B. Determine Standard for the following:
 1. Standard Purchases
 2. Standard Recipes
 3. Standard Yield
 4. Standard Portion Sizes
 5. Standard Portion Costs
- C. Examine the Budget Process including:

4. Define food and beverage control with respect to profit analysis.
 5. Recognize the importance of the menu as both a control tool and marketing tool.
 6. Perform a menu engineering analysis.
 7. Apply principles and procedures important in controlling the purchasing and receiving processes, and recognize the need to incorporate quality requirements in purchasing and receiving activities.
1. Budget Development
 - a. Calculate Projected Revenue Level
 - b. Calculate Profit Requirements
 - c. Calculate Projected Expense Level
 - D. Cost Volume Profit Analysis
 1. CVP Assumption and Limitation
 2. Basic CVP Equation
 - E. The Menu
 1. Plan Menu with Regard to the Restaurant Theme & Market
 2. Calculate Menu Selling Price
 3. Evaluate the Menu
 - F. Menu Engineering Analysis
 1. Menu Item Analysis
 2. Menu Mix Analysis
 3. Menu Engineering Summary
 4. Four Box Analysis
 5. Menu Engineering Graph
 - G. Purchasing and Receiving Control
 1. Objectives and Procedures
 2. Suppliers
 3. Proper Quality and Quantity
 4. Ordering System

- 5. Receiving Procedures
- 6. Security Concerns in Receiving
- 8. Identify the goals of effective storage and issuing controls, describe physical and perpetual inventory systems and recognize the need for accurate inventory record keeping systems.
- 9. Explain the basic formula for calculating cost of sales and identify sources of information for each component of the formula.
- 10. Identify factors that affect work performance and examine the labor control process from the employees perspective.
- H. Storing and Issuing Procedure
 - 1. Maintaining Product Quality
 - 2. Storing Control and Product Rotation
 - 3. Security
 - 4. Issuing Procedures
- I. The Basic Calculation
 - 1. Sources
 - 2. Value of Inventory
 - 3. Adjustments to Cost of Sales
- J. Managing Human Resources
 - 1. Staffing Tools
 - 2. Recruitment and Selection Process
 - 3. Orientation Procedure
 - 4. Training Process
 - 5. Performance Evaluation

VII. MATERIALS AND EQUIPMENT:

- A. Routine Classroom Materials
- B. TV/Video Player, Projector/Projector Screen
- C. Computer/Printer

VIII. TEXT:

Text:

Jack D. Ninemeier. Planning and Control for Food and Beverage Operations. Sixth Edition; American Hotel and Lodging Association, Educational Institute, Lansing, Michigan. 2009.

Reference:

Jerald W. Chesser CEC, CCE. The Art and Science of Culinary Preparation.
The Education Institute of the American Culinary Federation, Inc., USA,
1992.

IX. METHOD OF INSTRUCTION:

- A. Lecture
- B. Demonstration
- C. Group Discussion

X. METHOD OF EVALUATION:

The criteria for evaluation will be based on the performance of the following requirements:

Test -----	20
Mid Term Exam -----	20
Final Exam -----	20
Project/Assignment -----	30
Participation -----	10

Total Points	<hr style="width: 100px; margin-left: 100px;"/>	100
--------------	---	-----

The conversion from points to letter grades is as follows:

90 - 100	= A
80 - 89	= B
70 - 79	= C
65 - 69	= D
0 - 64	= F

Palau Community College
 TH 218 – Food and Beverage Cost Control and Purchasing
 Course Learning Outcome

During the course experience, the course learning outcome (CLOs) will be assessed through the use of signature assignments. A rating scale will be used to determine the students' proficiency level of each CLO using specifically aligned assignments. The numerical ratings of 4,3,2,and 1 are not intended to represent the traditional school grading system of A, B, C, D, and F. The descriptions associated with each of the numbers focus on the level of student performance for each of the course learning outcomes listed below.

Rating Scale: 4 Outstanding 2 Developing
 3 Proficiency 1 Emerging

CLO1: Explain the importance of control in the management system its purpose and applications of standard costs and the use of standard cost tools, with emphasis on management resources and management process.

Outstanding 4	Explain the importance of control in the management system its purpose and applications of standard costs and the use of standard cost tools, with emphasis on management resources and management process.
Proficiency 3	Explain the importance of control in the management system its purpose and applications of standard costs and the use of standard cost tools, with emphasis on management resources and management process with minimal assistance.
Developing 2	Explain the importance of control in the management system its purpose and applications of standard costs and the use of standard cost tools, with emphasis on management resources and management process, but needs some assistance.
Emerging 1	Needs constant assistance in explaining the importance of control in the management system its purpose and applications of standard costs and the use of standard cost tools, with emphasis on management resources and management process.

CLO 2: Discuss the methods of estimating allowable food and beverage costs based on forecasted sales level and recognized the importance of the menu as both a control and marketing tool with emphasis on menu engineering analysis.

Outstanding 4	Discuss the methods of estimating allowable food and beverage costs based on forecasted sales level and recognized the importance of the menu as both a control and marketing tool with emphasis on menu engineering analysis.
Proficient 3	Discuss the methods of estimating allowable food and beverage costs based on forecasted sales level and recognized the importance of the menu as both a control and marketing tool with emphasis on menu engineering

	analysis with minimal assistance.
Developing 2	Discuss the methods of estimating allowable food and beverage costs based on forecasted sales level and recognized the importance of the menu as both a control and marketing tool with emphasis on menu engineering analysis but needs some assistance.
Emerging 1	Needs constant assistance in discussing the methods of estimating allowable food and beverage costs based on forecasted sales level and recognized the importance of the menu as both a control and marketing tool with emphasis on menu engineering analysis.

CLO 3: Apply principles and procedures in purchasing and receiving processes and recognized the need to incorporate quality requirements in purchasing and receiving activities such as:

- a. Suppliers selection
- b. Quality standard
- c. Ordering system
- d. Receiving procedures
- e. Security concerns

Outstanding 4	Apply principles and procedures in purchasing and receiving processes and recognized the need to incorporate quality requirements in purchasing and receiving activities as listed above.
Proficient 3	Apply principles and procedures in purchasing and receiving processes and recognized the need to incorporate quality requirements in purchasing and receiving activities as listed above with minimal assistance.
Developing 2	Apply principles and procedures in purchasing and receiving processes and recognized the need to incorporate quality requirements in purchasing and receiving activities as listed above but needs some assistance.
Emerging 1	Needs constant assistance in applying the principles and procedures in purchasing and receiving processes and recognizing the need to incorporate quality requirements in purchasing and receiving activities as listed above.

CLO 4: Discuss the importance of storage and issuing procedure with emphasis on the following:

- a. Goals of effective storage and issuing controls.
- b. Physical and perpetual inventory system.
- c. Accurate inventory records keeping system.
- d. Security concerns in the storage area.

Outstanding 4	Discuss the importance of storage and issuing procedure with emphasis on the items listed above.
Proficient 3	Discuss the importance of storage and issuing procedure with emphasis on the items listed above with minimal assistance.
Developing 2	Discuss the importance of storage and issuing procedure with emphasis on the items listed above but needs assistance.
Emerging 1	Needs constant assistance in discussing the importance of storage and issuing procedure with emphasis on the items listed above.

CLO 5: Calculate cost of sales using the standard formula and identify sources of information for each component of the formula.

Outstanding 4	Calculate cost of sales using the standard formula and identify sources of information for each component of the formula.
Proficient 3	Calculate cost of sales using the standard formula and identify sources of information for each component of the formula with minimal assistance.
Developing 2	Calculate cost of sales using the standard formula and identify sources of information for each component of the formula but needs some assistance.
Emerging 1	Needs constant assistance in calculating cost of sales using the standard formula and identifying sources of information for each component of the formula.

CLO 6: Discuss the factors that affect work performance and examine the labor control process from the employee perspective with emphasis on staffing, recruitment, selection and training.

Outstanding 4	Discuss the factors that affect work performance and examine the labor control process from the employee perspective with emphasis on staffing, recruitment, selection and training.
Proficient 3	Discuss the factors that affect work performance and examine the labor control process from the employee perspective with emphasis on staffing, recruitment, selection and training with minimal assistance.
Developing 2	Discuss the factors that affect work performance and examine the labor control process from the employee perspective with emphasis on staffing, recruitment, selection and training but needs some assistance.
Emerging 1	Needs constant assistance in discussing factors that is affecting work performance and examining the labor control process from the employee perspective with emphasis on staffing, recruitment, selection and training.

I certify that the student has completed all the competencies in this course and has achieved the competency ratings as shown above.

Instructor's Signature

Date