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 120. Lecture 3 hours per week.

General Course Purpose: This course serves as a requirement for the Culinary Arts and Hospitality Management AAS degrees.

Course Prerequisites and Co-requisites:
Prerequisite: MTH 120

Course Objectives:
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 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; 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, and 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

Effective Date of Course Content Summary: August 6, 2014