HCTM 121 - Hospitality Cost Control Course Outline

Approval Date: 02/13/2020
Effective Date: 08/14/2020

SECTION A

Unique ID Number	CCC000616998
Discipline(s)	Restaurant Management
Division	Career Education and Workforce Development
Subject Area	Hospitality, Culinary & Tourism Management
Subject Code	HCTM
Course Number	121
Course Title	Hospitality Cost Control
TOP Code/SAM Code	1307.10 - Restaurant, Culinary, and Catering Management/Manager* / D - Possible Occupational
Rationale for adding this course to the curriculum	Change to HCTM.
Units	3
Cross List	*N/A*
Typical Course Weeks	18
Total Instructional Hours	

Contact Hours

Lecture	54.00
Lab	0.00
Activity	0.00
Work Experience	0.00
Outside of Class Hours	108.00

Total Contact Hours	54
Total Student Hours	162

Open Entry/Open Exit	No
Maximum Enrollment	35
Grading Option	Letter Grade or P/NP
Distance Education Mode of Instruction	On-Campus Hybrid Entirely Online

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SECTION B

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General Education Information:

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SECTION C

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Course Description

Repeatability May be repeated 0 times

Catalog Description Analyzing and managing: food, beverage, labor and other costs within a hospitality operation. Emphasis on problem solving, applying cost control techniques to maximize profits while managing expenses. Topics include: establishing standards, cost-volume-profit-analysis, forecasting, purchasing and storage controls, menu costing and pricing, theft prevention and labor control.

Schedule Description

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SECTION D

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Condition on Enrollment

1a. Prerequisite(s): *None*

1b. Corequisite(s): *None*

1c. Recommended

- HCTM 120

1d. Limitation on Enrollment: *None*

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SECTION E

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Course Outline Information

1. Student Learning Outcomes:

A. Define and interpret the basic principles and concepts as they relate to cost control in the hospitality industry.
B. Apply the principles and concepts of cost control to typical decisions in food establishments.
C. Determine the profitability of a food establishment and where costs might be better controlled.

2. Course Objectives: Upon completion of this course, the student will be able to:

A. Develop purchase specifications.
B. Prepare a break-even analysis on a food & beverage facility.
C. Prepare a cost volume analysis to determine number of customers required to attain desired profits.
D. Calculate edible portion costs based on purchase cost and yields.
E. Calculate menu sales mix.
F. Calculate menu profitability.
G. Calculate the variance percentage between budgeted and actual costs.
H. Calculate a recipe cost using a cost card.
I. Adjust recipes based on revised portion sizes and production quantities.
J. Analyze the operational and cost control performance of a restaurant.
K. Develop cost control and revenue maximization strategies for underperforming establishments.
L.

3. Course Content

A. Food and beverage operations

B. Control process
C. Determining food and beverage standards
D. Operating budgets
E. Cost-volume-profit analysis
F. Menu as a control tool
G. Purchasing and receiving controls
H. Storing and issuing controls
I. Production and serving controls
J. Calculating actual food and beverage costs
K. Control analysis, evaluation and corrective action
L. Revenue control
M. Theft prevention
N. Labor cost control
O.

4. Methods of Instruction:
Activity:
Lecture:
Online Adaptation: Activity, Discussion, Lecture

3. Methods of Evaluation: Describe the general types of evaluations for this course and provide at least two, specific examples.

Typical classroom assessment techniques

Exams/Tests -- Multiple Choice Questions, Problem Solving
Home Work -- Example: Develop a detailed purchasing specification for a food, beverage, or supply item used in a hospitality operation. Be sure to develop the specification in a way that would allow it to be used as a training tool for purchasing and receiving staff.

Letter Grade or P/NP

4. Assignments: State the general types of assignments for this course under the following categories and provide at least two specific examples for each section.

A. Reading Assignments
Assigned readings from the text
B. Writing Assignments
1. Develop a detailed purchasing specification for a food, beverage, or supply item used in a hospitality operation. Be sure to develop the specification in a way that would allow it to be used a training tool for purchasing and receiving staff.

2. Given the following recipe information:
Chicken Alfredo - Serves 25, 12oz portions
Chicken 12 lbs
Sauce 64 oz
Pasta 48 oz
AP cost of boneless chicken breast $ 71.00, with a yield of 90%
EP cost for sauce = $14.08
EP cost for pasta= $16.80
a. Calculate the EP cost for the chicken
b. Calculate the Cost Factor
c. Calculate is the EP cost for the entire recipe
d. Calculate the cost per portion for each serving (12 oz)
e. Calculate the adjustment factor if you wanted to produce the following portions:

i. 120 servings @ 8 oz
ii. 75 servings @ 14 oz
iii. 10 servings @ 6 oz

3. Given the following information:
The number of guests served at a cafe for the month were 61,070,
Revenue
Food Revenue $320,560
Beverage Revenue $168,000
Total Revenue $488,560
Cost of Goods Sold
Food Cost $102,580
Beverage Cost $5,216
Total Cost of Sales $107,796
Operating Expenses
Payroll $34,214
Benefits $2,851
Music & Entertainment $15,000
Advertising $2,851
Utilities $7,128
Administration $5,702
Maintenance $1,426
Mortgage $8,908
Property Taxes $1,273
Insurance $2,545
Interest Expenses $5,090
Depreciation $3,818
Total Operating Expenses $90,806
a. Calculate the food cost percentage.
b. Calculate the beverage cost percentage.
c. What is the average check per guest?
d. Calculate the variable cost.
e. Calculate the fixed cost.
f. What is the variable cost per guest?
g. How many guests must the café serve to break-even?
h. Assume that the café only served 56,000 guests , what will be the profit or loss.
Assume that all costs remain the same.
i. If you wanted to make a net income of $300,000, how many guests would you need to serve?
  C. Other Assignments
  D.
5. **Required Materials**
   A. EXAMPLES of typical college-level textbooks (for degree-applicable courses) or other print materials.
   Book #1:
   Author: Ninemeier
   Title: Planning and Control for Food and Beverage Operations
   Publisher: American Hotel & Lodging Association Educational Institute
   Date of Publication: 2013

Edition:

B. Other required materials/supplies.