

# ACC109 Food, Beverage, and Labor Cost Control – Administrative Outline

## Course Information

Organization	Mercer County Community College
Credits	3
Contact Hours	3

## Catalog Description

Principles and theories underlying cost control as it applies to the hospitality industry. Problem solving using EXCEL is an integral part of the instruction.

## Prerequisites

ACC108 with a C or better grade

**Revised: Spring 2021**

## Course Competencies/Goals

- 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.
- D. Prepare revenue and cost analyses using EXCEL.

## General Education Outcomes

Goal 1 Communication. Students will communicate effectively in both speech and writing.

Goal 2 Mathematics. Students will use appropriate mathematical and statistical concepts and operations to interpret data and to solve problems.

Goal 3 Ethical Reasoning and Action. Students will understand ethical issues and situations

## MCCC Core Skills

Goal A: Written and Oral Communication in English. Students will communicate effectively in speech and writing and demonstrate proficiency in reading.

Goal B: Critical Thinking and Problem-solving. Students will use critical thinking and problem-solving skills in analyzing information.

Goal C: Ethical Decision-Making. Students will recognize, analyze, and assess ethical issues and situations.

Goal F: Collaboration and Cooperation. Students will develop the interpersonal skills required for effective performance in group situations.

## **Competencies**

1. **Explain the cost and sales concepts used in the hospitality industry - Chapter One**  
**Learning Objectives**
  - a. Define the terms cost and sales. (Course Competencies A; General Education 1; MCCC Core A)
  - b. Provide examples of the following types of costs: fixed, directly variable, semi variable, controllable, non-controllable, unit, total, prime, historical and planned. (Course Competencies A; General Education 1; MCCC Core A)
  - c. Describe the significant of cost-to-sales relationships and identify several cost-to-sales ratios. (Course Competencies A,C; General Education 1, 2 ; MCCC Core A)
  - d. Calculate cost percent and sales price. (Course Competencies A, B, C; General Education 1, 2; MCCC Core A, B)
  - e. Explain the value of comparing current cost-to-sales ratios with historical ratios. (Course Competencies A, C; General Education 1; MCCC Core A)
2. **Discuss the control process in the hospitality industry- Chapter Two**  
**Learning Objectives**
  - a. Define control and provide examples of its significance in food and beverage management. (Course Competencies A; General Education 1; MCCC Core A)
  - b. Cite eight control techniques used in food and beverage operations. (Course Competencies A; General Education 1; MCCC Core A)
  - c. List the four steps in the control process. (Course Competencies A; General Education 1; MCCC Core A)
  - d. Describe the steps involved in preparing an operating budget. (Course Competencies A, C; General Education 1; MCCC Core A)
  - e. Prepare a budget given fixed and variable costs for a restaurant. (Course Competencies A, B; General Education 1 , 2; MCCC Core A, B)
  - f. Explain the cost/benefit ratio. (Course Competencies A, C; General Education 1; MCCC Core A)
3. **Discuss the food purchasing and control procedures used in the hospitality industry - Chapter Four**  
**Learning Objectives**
  - a. Outline the purchasing process in the operations of restaurants. (Course Competencies A; General Education 1; MCCC Core A)
  - b. Describe the quality and quantity standards for perishable and nonperishable foods. (Course Competencies A; General Education 1; MCCC Core A)
  - c. Compare and contrast the periodic order method and the perpetual inventory method for purchasing nonperishable foods. (Course Competencies A, B; General Education 1, 2; MCCC Core A, B)
  - d. Determine order quantities. (Course Competencies A, B,C; General Education 1, 2; MCCC Core A, B)
  - e. Discuss centralized purchasing and standing orders. (Course Competencies A; General Education 1; MCCC Core A)
  - f. List and explain the control procedure in the receiving process. (Course Competencies A; General Education 1; MCCC Core A)

4. **Explain the food storing and issuing controls used in the hospitality industry - Chapter Five**

**Learning Objectives**

- a. List and explain the three causes of unplanned costs that can develop while food is in storage. (Course Competencies A; General Education 1; MCCC Core A)
- b. Identify optimum storage temperatures for the five classifications of perishable foods. (Course Competencies A; General Education 1; MCCC Core A)
- c. Describe the five concerns that must be addressed when implementing standards for storing food. (Course Competencies A; General Education 1; MCCC Core A)
- d. Explain the significance of transfers, interunit and intra unit in determining accurate food costs. (Course Competencies A; General Education 1; MCCC Core A)

5. **Apply food portion control procedures - Chapter Six**

**Learning Objectives**

- a. Explain the importance of standard portion sizes, standard recipes, and standard portion costs to foodservice operations. (Course Competencies A; General Education 1; MCCC Core A)
- b. Identify the four methods and use each to determine standard portion costs. (Course Competencies A; General Education 1; MCCC Core A)
- c. Use butcher tests and cooking loss tests to calculate portion costs. (Course Competencies A, B; General Education 1, 2; MCCC Core A, B)
- d. Use yield factors to determine correct purchase quantities. (Course Competencies A, B; General Education 1, 2; MCCC Core A, B)

6. **Apply food quantity control procedures - Chapter Seven**

**Learning Objectives**

- a. List and describe three standard procedures that enable managers to gain control over production volume. (Course Competencies A; General Education 1; MCCC Core A)
- b. List three basic approaches to arranging data in a sales history. (Course Competencies A, C; General Education 1; MCCC Core A)
- c. Use a popularity index to forecast portion sales. (Course Competencies A, B, C; General Education 1, 2; MCCC Core A, B)
- d. Complete a portion inventory and reconciliation. (Course Competencies A, B; General Education 1, 2; MCCC Core A, B)
- e. Describe a procedure used for controlling high-cost, proportioned entrees. (Course Competencies A, C; General Education 1; MCCC Core A)

7. **Discuss the monthly monitoring of food service operations - Chapter Eight**

**Learning Objectives**

- a. Explain the importance of monitoring a foodservice operation to assess monthly performance. (Course Competencies A; General Education 1; MCCC Core A)
- b. List and explain five ways to assign unit costs to a food inventory. (Course Competencies A; General Education 1; MCCC Core A)
- c. Calculate cost of food consumed, cost of food sold, food cost percentage, food cost per dollar. (Course Competencies A, B, C; General Education 1, 2; MCCC Core A, B)
- d. Prepare a simple monthly food cost report. (Course Competencies A, B, C; General Education 1, 2; MCCC Core A, B)
- e. Explain the relationship between the monthly calculation of cost of food sold and the monthly income statement. (Course Competencies A; General Education 1; MCCC Core A)

8. **Discuss the daily monitoring of food service operations - Chapter Nine**  
**Learning Objectives**
  - a. Calculate food cost and food cost percentage for any one day and for all days to date in a period. (Course Competencies A, B,C; General Education 1,2; MCCC Core A, B)
  - b. Prepare a daily report of food sales, food cost, and food cost percentage. (Course Competencies A, B; General Education 1, 2; MCCC Core A, B)
  - c. Determine book inventory value. (Course Competencies A, B; General Education 1, 2; MCCC Core A, B)
  - d. Explain the difference between book inventory and actual inventory. (Course Competencies A; General Education 1; MCCC Core A)
  
9. **Calculate actual and standard food costs - Chapter Ten**  
**Learning Objectives**
  - a. Define standard cost and explain how it is calculated. (Course Competencies A; General Education 1; MCCC Core A)
  - b. Describe how to use a menu pre-cost and abstract form. (Course Competencies A; General Education 1; MCCC Core A)
  - c. List three ways an undesirable forecasted food cost percentage could be changed. (Course Competencies A; General Education 1; MCCC Core A)
  - d. Define potential saving and list several conditions that affect it. (Course Competencies A,C; General Education 1; MCCC Core A)
  
10. **Apply the concepts of menu engineering and analysis - Chapter Eleven**  
**Learning Objectives**
  - a. Complete a menu engineering worksheet and analyze the resulting information. (Course Competencies A; General Education 1; MCCC Core A)
  - b. Define the terms star, dog, plow horses, puzzles. (Course Competencies A; General Education 1; MCCC Core A)
  - c. Prepare a chart showing stars, dogs, plow horses, puzzles. (Course Competencies A, B; General Education 1, 2; MCCC Core A,B)
  - d. Describe appropriate action to take to stars, dogs, plow horses, puzzles when changes are made to the menu. (Course Competencies A; General Education 1; MCCC Core A)
  
11. **Explain the procedures used in controlling food sales - Chapter Twelve**  
**Learning Objectives**
  - a. List and explain the three goals of sales control. (Course Competencies A, C; General Education 1; MCCC Core A)
  - b. List and explain eight determinants of customer restaurant selection. (Course Competencies A; General Education 1; MCCC Core A)
  - c. Describe the two principle means of maximizing profits. (Course Competencies A, C; General Education 1; MCCC Core A)
  - d. List and explain five most important elements of menu preparation. (Course Competencies A; General Education 1; MCCC Core A)
  - e. Explain the standards established to achieve the goals of revenue control. (Course Competencies A; General Education 1; MCCC Core A)
  
12. **Discuss the procedures used in beverage purchasing control - Chapter Thirteen**  
**Learning Objectives**
  - a. Describe the three classifications of beverages. (Course Competencies A; General Education 1; MCCC Core A)

- b. Explain the difference between call brands and pouring brands. (Course Competencies A; General Education 1; MCCC Core A)
- c. List the purposes for establishing beverage purchase controls. (Course Competencies A; General Education 1; MCCC Core A)
- d. Explain the difference between license states and control states. (Course Competencies A; General Education 1; MCCC Core A)
- e. Calculate order quantities. (Course Competencies A, B, C; General Education 1, 2; MCCC Core A, B)

13. **Apply the principles of beverage sales control - Chapter Seventeen**

**Learning Objectives**

- a. List and explain the three goals of beverage sales control. (Course Competencies A; General Education 1; MCCC Core A)
- b. Identify five explanations given by customers for patronizing establishments that serve drinks. (Course Competencies A; General Education 1; MCCC Core A)
- c. Describe two methods that can be used to maximize profits in beverage operations. (Course Competencies A, B, C; General Education 1, 2; MCCC Core A, B)
- d. Identify two factors normally taken into account when establishing beverage sales prices. (Course Competencies A; General Education 1; MCCC Core A)
- e. Describe the essential features of a precheck system. (Course Competencies A; General Education 1; MCCC Core A)

14. **Discuss the concepts of labor cost control - Chapter Eighteen**

**Learning Objectives**

- a. Define employee compensation and list the principal types common in food and beverage operations. (Course Competencies A; General Education 1; MCCC Core A)
- b. Explain the difference between direct and indirect compensation. (Course Competencies A; General Education 1; MCCC Core A)
- c. Describe the determinants of labor cost contracts. (Course Competencies A; General Education 1; MCCC Core A)
- d. Explain why labor costs and labor cost percentages vary from one establishment to another. (Course Competencies A; General Education 1; MCCC Core A)
- e. Illustrate why the minimizing of dollar wages is not the same as labor cost control. (Course Competencies A, C; General Education 1; MCCC Core A)

***Grading Information***

**Grading Scale**

Tests	80% (Chapters 1,2,4, 5, 6, 7,8, 9, 10, 11, 12, 13, 17, 18) *
Homework & Class Work	5% (Course Competencies D, General Education 2, 3, MCCC Core C, F)
Projects	15% (Course Competencies D, General Education 2, 3, MCCC Core C, F)

\*The instructor will announce during the first class meeting the number of tests and the chapters covered in each test.

### Reasonable Accommodations for Students with Documented Disabilities

Mercer County Community College is committed to supporting all students in their academic and co-curricular endeavors. Each semester, a significant number of students document disabilities, which may require learning, sight, hearing, manual, speech, or mobility accommodations to ensure access to academic and co-curricular activities. The college provides services and reasonable accommodations to all students who need and have a legal entitlement to such accommodations.

### **Academic Integrity**

ACADEMIC INTEGRITY: Academic integrity refers to the total quality of the search for knowledge which a student undertakes. A student will be guilty of violating academic integrity if he/she:

- A. knowingly represents the work of others as his/her own.
- B. uses or obtains unauthorized assistance in the execution of an academic work
- C. gives fraudulent assistance to another student.

For any single violation of any of the College's policies on Academic Integrity in this course, the student will receive a zero for the assignment AND the final course grade will be lowered by one full letter grade (for example, a B would become a C). For a second violation, the student will fail the course. In all cases, the Chair of the Academic Integrity Committee will be notified of the violation and the penalty imposed. When two (or more) violations of academic integrity are reported on a student, the Academic Integrity Committee (AIC) may impose disciplinary penalties beyond those imposed in this course. The student shall have the right to a hearing before the AIC or a designated AIC subcommittee.