

HSPM 012
Fall 2013
MW 3:00 – 4:15

Instructor: Richard C. Larson, FMP
Office Hours – by appointment
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COST CONTROL IN HOSPITALITY

COURSE DESCRIPTION

Food, beverage and payroll systems, including standards determination; variable, semi-variable and fixed costs; the operating budget; income and cost control and menu pricing. Cost control simulation exercises implemented through software programs.
Prerequisites: HSPM 001, HSPM 011, BUS1 020N.

STUDENT LEARNING OBJECTIVES

1. Understand the theories and principles of food, beverage, and labor cost controls necessary to establish and operate a sustainable, profitable business.
2. Analyze and evaluate costs.
3. Implement controls used for employees, customers, facilities, and procedures.
4. Develop a working understanding of operational budgets.

COURSE REQUIREMENTS:

1. QUIZZES AND ASSIGNMENTS - There will be 8-10 quizzes and assignments during the semester. Quizzes will cover material in the text and in lecture. (Show all work in assignments; keep all computations neat and clear). Make-up quizzes and late assignments will be accepted at the discretion of the instructor.
2. GROUP PROJECT – Details will be provided.
3. FINAL EXAM - Comprehensive, the exam will cover lecture and text.

TEXTBOOK:

Food Beverage and Labor Cost Controls, Ninth edition, by Paul R. Dittmer, 2009 John Wiley and Sons. ISBN# 0-471-78347-3

COURSE GRADING:

QUIZZES	25%	ASSIGNMENTS	20%
PROJECT	25%	FINAL	20%
CLASS PARTICIPATION	10%		

94% and above	A
93% - 90%	A-
89% - 87%	B+
86% - 84%	B
83% - 80%	B-
79% - 77%	C+
76% - 74%	C
73% - 70%	C-
69% - 67%	D+
66% - 64%	D
63% - 60%	D-
below 60%	F

SCHEDULE OF CLASSES:

WEEK OF	CONTENT
8/21	Orientation, review of green sheet, introductions, adds/drops Read Chapter 1
8/26	Lecture – Costs and Sales Concepts Assignment #1: Questions and Problems pages 32 - 36 do only – #1 a, b, #2 a, b, #3 a, b, 9 a-d, 10, 12, 13, 15 a, b, c, (15 must be typed or on an excel spreadsheet) Diskette exercises 1.1 & 1.2 Read Chapter 2 & 3.
9/2	Lecture – The Control Process & cost/volume /profit relationship Due: Assignment #1 Assignment #2: Questions and Problems: Page 68 – #11, 12, 13. Diskette exercise 2.1, page 92 -93, do only #5, 11 Read: Chapter 4
9/9	Lecture – Food Purchasing Control & Receiving, Business Plans Project Review Due: Assignment #2 Read: Chapter 5
9/16	Lecture – Storage Controls. Quiz: Chapters 1 – 4 Assignment #3: page 160-161, do only - #7 Read: Chapter 6 & 7
9/23	Lecture - Food Production Controls Due: Assignment #3 Assignment #4 Questions and problems page 194 do only – 1a-e, 2, 3a-c, page224 do only 1a, 2 Read: Chapter 8 & 9
9/30	Excel Review and Group Study Sessions Due: Assignment #4 Review: Chapter 11 & 12
10/7	In-class Break Even Exercise Review Weights and Measures
10/14	Lecture Inventory and Food Cost Calculations Assignment #5: Questions and Problems page 251 – 254 do only – 1a-c, 4a, 5a, page 274 do only #1. Read: Chapter 11:
10/21	Lecture Menu Engineering and Controlling Food Sales Quiz: Chapters 5 – 11 Read: Chapter 13 & 14

- 10/28 Lecture – Beverage Control, Receiving & Storage
Read: Chapters 15, 16 &17
- 11/04 Lecture - Beverage Production and Sales control
Assignment #6: Questions and Problems p. 437 do 6a – c, 7a – c, 8, 9,
p.469, do 1, 2a, b, c,
Read: Chapter 18
- 11/11 Lecture – Labor Controls
Due: Assignment #6
Quiz: chapters 11 – 17
Assignment #7: p. 516 do 7, 11a, b
Read: Chapter19
- 11/18 Lecture – Scheduling, Performance standards
Due: Assignment #7
- 11/25 Guest Speaker - TBD
- 12/2 Student Presentations
- 12/09 Student Presentations
Final Exam Review
- 12/13 12:15 – 2:30 FINAL EXAM

Schedule subject to change at the discretion of the instructor
Assigned reading must be completed prior to the class dates listed.

Academic Integrity Statement: Your own commitment to learning, as evidenced by your enrollment at San José State University, and the University’s Academic Integrity Policy requires you to be honest in all your academic course work. Faculty are required to report all infractions to the Office of Judicial Affairs.

Special Accommodations: If you need course adaptations or accommodations because of a disability, or if you need special arrangements in case the building must be evacuated, please make an appointment with instructor as soon as possible. Presidential Directive 97 – 03 requires that students with disabilities register with AEC to establish a record of their disability.

Final examinations may be rescheduled if a student has more than 2 exams scheduled within a 24-hour period. In this case, the student may request an alternative exam date from the instructor at least three weeks prior to the last class meeting. If an alternate exam date and time during the regular final exam period cannot be arranged between the student and instructor, the rescheduled exam will be taken during the final exam-makeup period.