

HTM 250 – Purchasing and Cost Control

Course Description

Introduces the student to the study of product selection, purchase, and storage of hospitality supplies. Students will learn to survey purveyors, write specifications, place orders, evaluate quality vs. cost, and keep purchasing financial records. This course also provides the student with a wide range of knowledge and specific solutions needed to keep costs low and margins high. Students will be able to apply technology to cost control and employ manager-developed Excel spreadsheets and Internet access. Content will examine uniform systems of accounts for restaurants, menu analysis, and cost / volume / profit analysis menu pricing and strategy.

Instructional Materials

Feinstein, A. H., & Stefanelli, J. M. (2011). *Purchasing: Selection and procurement for the hospitality industry* (8th ed.). Hoboken, NJ: John Wiley & Sons.

Schmidgall, R. S., Hayes, D. K., & Ninemeier, J. D. (2002). *Restaurant financial basics*. Hoboken, NJ: John Wiley and Sons.

Course Learning Outcomes

1. Explain how to analyze various procurement requirements to determine the optimal quantity, price, payment policy, and supplier.
2. Explain the steps in the purchasing process.
3. Write a specification for a food order.
4. Demonstrate the ability to evaluate food costs and explain how this is used in the decision-making process.
5. Develop a food cost budget.
6. Explain the procedures for receiving goods.
7. Explain the configuration of the basic financial statements used in restaurants and the management information the statements provide using ratio analysis.
8. Explain how restaurant managers can use break-even analysis to assess costs, revenues, and profits.
9. Use technology and information resources to research issues in purchasing and cost control.
10. Write clearly and concisely about purchasing and cost control using proper writing mechanics.