

*School of Hospitality & Tourism Management*  
**WINTER 2014**  
**Control Systems in the Hospitality Industry**  
HTM\*2030

Instructor: Connie Zavitz, CA  
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Office: MACS 106  
Office Hours: THURSDAY 11-1 By Appointment  
Lecture: Tuesday and Thursday 9:30 – 10:20 pm (MINS 106)  
Seminars: Seminar 01: Wednesday 3:30 pm – 4:50 pm (MACS 121) □  
Seminar 02: Friday 12:30 pm – 1:50 pm (MACS 129)

**Course Description:**

A study of the policies and procedures required to control food, beverage, payroll and other operating costs. Areas examined include such topics as cost behaviour and analysis, menu analysis, budget preparations and interpretation of data. The course will also stress the application of controls.

**Course Prerequisites:**

HTM\*2700 Introductory Foods

**Course Objectives:**

By the end of the course, each student should be able to:

- Discuss the importance of the cost control cycle including its effect on the operation's profitability
- Evaluate a restaurant's menu and its effect on various aspects of the organization
- Discuss, including reasons and effects, the methods and steps required to control:
  - Purchasing
  - Receiving, storing, and issuing
  - Food preparations and portions
  - Beverages
  - Revenue
  - Payroll expenses
  - Utilities and other miscellaneous expenses
  - Theft/fraud
- Apply various quantitative and qualitative techniques to evaluate existing and proposed hospitality operations. (Please note that, for various reasons, the emphasis will be on food service operations, the same basic approaches are applicable across not only the hospitality industry, but any business.)

**Required Texts:**

Paul. R. Dittmer and J. Desmond Keefe III, Gary Hoyer, Tim Foster, *Principles of Food, Beverage and Labour Cost Controls*, Canadian edition, 2010, John Wiley & Sons, Inc. There is an e-book available, but not recommended for this course as the mid-terms and final are open book. (Note: previous editions are acceptable)

The course text has been put on reserve in the library.

**Required Course Pack:** Available at the Bookstore – please bring all case studies to class and seminars.

**Methodology:**

The course will employ seminars, case studies, assignments, discussion forums, and readings.

**Tuesday & Thursday Large Group Classes:** The classes will not be a traditional lecture format, for example, the instructor will not present a powerpoint presentation for the entire class. Students will be expected to come prepared and participate. Classes will include material not found in textbooks or other readings. You will receive participation grades for attending class. Examinations will cover all material discussed **in-class** and any assigned readings.

**Seminars:** Materials covered in seminars will supplement course information and will provide practice in applying and synthesizing information from the text and large classroom. Cases, exercises, and question and answer sessions will be used. The majority of the time we will discuss the assigned material – students will NOT be allocated time to complete the case studies in seminar.

**Calculators:** You need a 4-function calculator (addition, subtraction, multiplication and division). Since many classes may involve calculation, **please bring a calculator to all classes.**

## Method of Evaluation:

Your final grade will be determined as follows:

	<b>Learning Objective</b>	<b>Due Date</b>	<b>Value</b>
Midterm Exam 1	Unit 1 and Unit 2	January 30	20 %
Midterm Exam 2	Units 1 to 5	March 6	20 %
Internal Controls Assignment (Discussion Forum)	Internal Controls	March 12	2 %
Internal Controls Assignment (Written Assignment)	All Units	March 28	13 %
Forum & Group Participation (see attached)		Ongoing	10 %
Final Examination	All Units	April 16 (7pm)	35 %

### Midterms and Final Exam

The midterms and final exam will be an open book exams – students are permitted to bring any paper resources into the examination room. Students are not permitted to bring any electronic devices into the examination room with the exception of a basic calculator.

The examination questions will be short answer questions, similar to the short answer assignment questions. There will be no multiple choice questions.

### Assignment Policies

#### Extensions

Extensions can only be granted by the professor in advance of the due date. Each extension request will be evaluated on an individual basis.

#### Late Assignments

Late Assignments will not be accepted with out a medical note.

## The Course Website

Course material, assignments, review material and a conferencing system are available in Desire to Learn.

### Accessing the Desire to Learn Course Website

To access the course website, go to the University of Guelph home page

<http://www.uoguelph.ca>

Select **Courselink**

**NOTE:** If you have trouble logging onto Desire to Learn, click the button “Browser Check” under the heading “Before you log in for the first time” to make sure your computer will run Desire 2 Learn.

Your **user name** is your UofG login ID and password.

## **Academic Misconduct**

The University of Guelph is committed to upholding the highest standards of academic integrity and directs all members of the University community – faculty, staff and students – to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring.

Academic misconduct such as plagiarism, cheating on exams, misrepresentation, and/or the submission of work for two different courses, without written permission, are not tolerated. You are referred to the following location, part of the U of G academic calendar:

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-amisconduct.shtml>

You should also be aware that your instructor(s) may choose to use special computer software to help detect and identify work submitted that has been plagiarised or copied from other sources. The penalties for plagiarism range from assignment failure, through course failure, to expulsion from the University. If in doubt, please ask!

## **Academic Consideration Statement**

Students who find themselves unable to meet course requirements by the deadline or criteria expected because of medical, psychological or compassionate circumstances beyond their control, should review the regulations on Academic Consideration in the Undergraduate Calendar ([http://www.uoguelph.ca/undergrad\\_calendar/c08/c08-ac.shtml](http://www.uoguelph.ca/undergrad_calendar/c08/c08-ac.shtml)) and discuss their situation with the instructor, Program Counsellor or Academic Advisor as appropriate.

## **Religious Holidays Statement**

Should a student need to miss a (class, lab, seminar, examination) for religious reasons, please advise the instructor in advance so that alternate arrangements can be made. Please see the following website for the University's policies: <http://www.uoguelph.ca/hre/hr/hrholydays.shtml>

**HTM\*2030 Control Systems in the Hospitality Industry – WINTER 2013**  
**Tentative Lecture, Reading Schedule, and Seminar Exercises**

Unit	Dates	Topic	Readings	Seminar Requirements	Suggested Exercises
1	Week 1 Jan 6 – Jan 12	Introduction to Cost Controls and Sales Concepts	Chapters 1 and 2  Reading: <a href="#">Cost Control is the Key to Survival</a> by Paul Hewitt	Kit's Bar and Grill Part 1	Exercises: o Chapter 1: 7, 15 o Chapter 2: 13
2	Week 2 & 3 Jan 13 – Jan 26	Cost/Volume/Profit Relationships	Chapter 3	The Baraka Case Study Vegetable Processing	Exercises: o Chapter 3: 5, 7, 8
3	Week 4 Jan 27 to Feb 2	Purchasing, Receiving and Storage Controls	Chapters 4 and 5  Reading: <a href="#">Restaurant Fraud and Theft Part 1</a> by Paul Hewitt	<b>No Seminar</b>	Exercises: o Chapter 4: 4, 6 o Chapter 5: 5, 7
<b>Midterm Exam 1 – Thursday January 30 (MINS 106 – in class)</b>					
4	Week 5 Feb 3 to 9	Production Controls	Chapters 6 and 7	<i>Review Midterm</i>	Exercises: o Chapter 6: 6, 11 o Chapter 7: 1 - 6
5	Week 6 & 7 Feb 10 to Mar 2	Monitoring Controls	Chapters 8 to 10  <a href="#">Restaurant Fraud and Theft Part II</a> by Paul Hewitt  <a href="#">Counting Inventory A Waste of Time</a> by Paul Hewitt	KIT's Bar and Grill Part II  Prior Year's Midterm	Exercises: o Chapter 8: 2, 4, 7 o Chapter 9: 6 o Chapter 10: 9, 10
6	Week 8 Mar 3 to Mar 9	Sales Controls	Chapter 11 and 12	<b>No Seminar</b>	Exercises: o Chapter 11: 1, 2, 10 o Chapter 12: 13, 14
<b>Midterm Exam 2 – Thursday March 6 (MINS 106 in class time)</b>					
<b>40<sup>th</sup> Class Day – March 7, 2014</b>					
7	Week 9 Mar 10 to 16	Accounting Controls	Chapters 12 (p 324 to 335)  <a href="#">Internal Control</a> <a href="#">Internal Controls for Fun</a> <a href="#">Restaurant Fraud &amp; Theft – Part IV</a> <a href="#">Completeness of Revenue Part 1 and Part 2</a>	Review Midterm  Kelly's Restaurant	
8	Week 10 Mar 17 to 23	Labour Controls	Chapter 18 to 21	Cathy's Greasy Spoon	Exercises: o Chapter 11: 1, 2, 10 o Chapter 12: 13, 14
<b>Internal Controls Discussion Forum Starts March 10 and Closes March 16, 2014</b> <b>Original Group Postings by Wednesday March 12, 2014 by midnight</b>					
9	Week 11 Mar 24 to 30	Beverage Controls	Chapter 13 to 17  Reading: <a href="#">Restaurant Theft Findings</a> <a href="#">Restaurant Fraud &amp; Theft – Part III</a>	Flamboyant Lounge	
<b>Written Internal Controls Report – Friday March 28 by 2pm</b>					
10	Week 12 Mar 31 to Apr 4	Review		<b>No Seminar</b>	
<b>FINAL EXAMINATION: Wednesday April 16 – 7:00PM</b>					

## Guidelines for HTM 2030 Grading of Participation Marks

Note: the following **guidelines** will be used to determine the individual class participation marks:

Category	Extemporary Behaviour	Highest Possible Mark
On-line Discussions Contribution	Complete at least 8 of the 10 with high quality, thoughtful posts.	8 marks
Group Participation (refer to reference sheet below)	Excellent contribution, as evaluated by your peers, in the internal controls group assignments	2 marks
		10 Marks (10%)

### EXAMPLE PEER EVALUATION SHEET

(Complete the Highlighted Items)

**Peer Evaluation Form Submitted By:**

<< Last Name, First Name, Student Number >>>

**IMPORTANT: Each individual is expected to submit his or her evaluation in the drop box prior to the assignment submission deadline.**

Please rate your team members on the relative contributions that were made in preparing and submitting your group internal controls assignment. Be candid in your assessment. Your ratings will not be disclosed to other students.

In rating your peers, use a one to five point scale:

**5 =Superior; 4 =Above Average; 3 =Average; 2 =below average; 1 = weak; 0 = unsatisfactory**

Note: All of the shaded areas must be completed

Names (FIRST & LAST NAME, Student Number)	Last, First Student #	Last, First Student #	Last, First Student #
Participated in group discussions or meetings			
Helped keep the group focused on the task			
Contributed useful ideas			
Quantity of work done			