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SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY
SAULT STE. MARIE, ONTARIO
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COURSE OUTLINE



FOOD PURCHASING
FDS228
COURSE NAME
COURSE CODE

TOTAL CREDIT HOURS: 30

## GENERAL

The purpose of this course is to present a basic system of purchasing management for Commercial Food and Beverage operations and the basic knowledge of food purchasing management.

The course is divided into 13 chapters intended to guide you through the material present in lecture. The format within each chapter is divided into three sections:

1. The Performance Objectives: Consists of statements which explain what you should be able to understand after each chapter is completed.
2. Key Principles and Concepts: Contains basic information you must know to meet the performance objectives.
3. Review Questions: Applies to what you have learned to an industry setting or to a better understanding of the topic.

## LESSON 1

## Performance Objectives - To Procurement

1. Differentiate between the terms 'purchasing', 'buying', 'ordering', 'selection', and 'procurement'.
2. Cite 17 tasks within the procurement process.
3. Define the operational responsibilities of the purchasing process.
4. Discuss why purchasing is important in an organization, stating five examples.

## LESSON 2

## Performance Objectives - The Food Market \& Food and Beverage Buyer

1. Identify food markets by type of food products sold.
2. Note and give an example of each type of function in the food market.
3. Describe the flow of food products through channel of distribution from the manufacturer/grower to the retail buyer.
4. Explain the term $2 / 10$; $\mathrm{N} / 30$.
5. Name two federal acts administered by Agriculture Canada that covers just about every commodity within the market. Identify these commodities.
6. List the information that food labels must give under the Consumer Packing and Labelling Act.
7. What is the main accomplishment of the Meat Inspection Act of 1959?
8. Explain the meaning and the importance of standards of quality, identity and fill.
9. Name the governmental department involved in administering food product regulations.
10. Explain the purpose of the Food and Drug Act.

## LESSON 3

## Performance Objectives - The Purchasing Function

1. Discuss the role of checklists in an ongoing program to monitor and improve the food and beverage operation.
2. State the four functional areas of most food and beverage operations.
3. Define one operational responsibility that generally is not administered by the purchasing department.
4. Explain why large chain operations should not have separate purchasing department for each unit.

LESSSON 3 (cont'd)
5. Discuss the "make or buy", citing one example.
6. Explain some duties which might be shared with other departments.
7. Explain why the relationships between receiving clerk and all other positions involved with food purchasing, preparations, and control must be defined.
8. Discuss the required skill and knowledge for a successful purchasing agent.
9. Explain the importance of a job description for the position of food buyer. How do the jobs differ: Manager of Purchasing, Purchasing Agent, and Manager with purchasing duties?
10. Illustrate general organizational tables for a hotel, restaurant, and hospital operations in regards to their purchasing departments.

## LESSON 4

## Performance Objectives - The Purchase Specifications:

 An Outline of Quality Requirements1. Explain why purchase specifications for food and beverage products to be purchased must be developed.
2. Define factors that influence quality.
3. Define ways used to describe quality.
4. Discuss the personnel responsible for the assistance in quality specification determination.
5. List the minimum requirements for food and beverage purchase specifications.
6. Explain the disadvantages and advantages for the use of purchase specifications.
7. Discuss the food and beverage products for purchase specification development for a small food and beverage operation.

## LESSON 5

## Performance Objectives - Calculation of Quantity to Purchase

1. Explain why purchasing should be centralized within one department in the organization; each user department should not purchase for its own need.
2. Discuss the potential problems related to the purchasing of excessive and insufficient quantities.
3. Define four types of inventory in food and beverage operations.
4. Identify factors that can affect the quantity of products to be purchased.
5. List products and their general shelf lives that would be purchased for immediate use; would be purchased for inventory.
6. Explain the Exact Requirements System of Purchasing citing two mathematical examples.
7. Explain the minimum-maximum Inventory Systems defining these terms: purchase unit, usage rate, lead time, safety level, order point. Illustrate by using a mathematical model of quantity to buy at the order point and quantity to buy before the order point.
8. Cite and define other methods to determine purchase quantities.

## LESSON 6

## Performance Objectives: Purchasing at the Right Price

1. Discuss procedures to reduce AP price.
2. Define value and explain how it relates to price, quality and supplier's services.
3. Cite three examples of product value and analysis.

## LESSON 7

## Performance Objectives: Supplier Selection

1. Define a good supplier.
2. List sources of information regarding supplier selection.
3. Identify factors to consider in supplier selection.
4. Discuss the process of supplier evaluation.
5. Explain methods of ordering and methods of payment.

## LESSON 8

## Performance Objectives: Ethics in Purchasing

1. Discuss how ethical practices relate to supplier/buyer relationships.
2. How does the Code of Purchasing Ethics for the Hospitality Industry relate to the purchasing function and ethics?
3. Cite purchasing policies that may resolve possible ethical problems within an organization.

## LESSON 9

## Performance Objectives - Legal Aspects of Purchasing

1. Define the term "agency" and explain the legal duties acting as an agent.
2. Explain factors that affect legal liability of an agent.
3. Summarize the conditions that can cause potential legal problems.
4. Describe six common ways in which purchase agreements are developed and defined by transfer of title.
5. Discuss three basic types of lease agreements.

## LESSON 10

## Performance Objectives - The Purchase of Food and Beverages

1. Explain procedures to retain product quality.
2. List the seven specific purchase concerns that should be included in a general meat specification.
3. Identify recommended storage temperatures and time periods for meat products.
4. Define such terms as "marbling", "yield", "fibre", "grain", "filet", "mignon", "tournedo", "aging", "rigor", "mortis", "scraping", "marking", "london broil", "conformation",
"trichinosis", "sweet breads", "tripe", and "venison".
5. List and define the structural components of beef that affect its palatability (texture, flavour, tenderness). Describe how they interrelate.
6. Define and list the various tenderization methods, describing how each work, when each should e used and list the advantages and disadvantages of each.
7. Identify the different cuts of meat and how they are classified as to their tenderness (tender, less tender, medium tender).
8. List five examples of variety meats.

## LESSON 11

## Performance Objectives:

1. List five criteria for determining freshness of fish.
2. List characteristics common to good shellfish and common to off-condition shellfish.
3. Define and distinguish among the various methods of fabrication. (e.g fillets, steaks, dressed, etc.)
4. Distinguish between flounder and sole.
5. Distinguish between mollusks and crustaceans and be able to:
a) compare and contrast the general classifications of clams
b) compare and contrast the North American scallop and the French Coquille St. Jacques; differences in bay, cape, and sea that must be considered in preparation; common substitutes used
c) compare and contrast the various shrimp; distinguish among shrimp, prawns, and lobsterettes
d) distinguish among lobster, crayfish, citing major differences in appearances
e) distinguish among various varieties of crab
6. Define such terms as "bivalve", "fancut", "softshell", "sasnimi", "abductor", "shuked", "green shrimp, "peeled and cleaned", "I.Q.F.", "solid pack".
7. List the seven specific purchase concerns a seafood purchase specification should include.

## LESSON 12

## Performance Objectives: The Purchase of Fresh Fruits \& Vegetables

1. Discuss several purchase concerns food buyers should consider when purchasing fresh fruits and vegetables.
2. Describe the quality factors in which fresh fruits and vegetables are marketed for commercial quantity to be graded.
3. List ten specific purchase concerns that should be included in specifications for fruits and vegetables.
4. Be familiar with grades of common fruits and vegetables.
5. Define such terms as "flavour", "general appearance", "colour", "type", "style", "uniformity of size", "symmetry", "absence of defect", "general character", "maturity", "texture", "firmness", and "wholeness".

## LESSON 13

## Performance Objectives - The Purchase of Contracted Services

l. Cite and define types of services to purchase for the Hospitality.
2. How does purchasing services differ from product purchasing?
3. Explain the two types of service contracts commonly used?
4. Define terms such as "hold harmless clause", "contract conditions", "lien", and "subcontracting".

## EVALUATION:

The student's final grade will consist of the following components:
Test: February ? 1990 100\%
March ? 1990 100\%
April ? 1990 100\%

Assignment: Feasibility Study will account for $30 \%$ of final marks. At the end, there will be an overall average out of 100\%

GRADING:
A+ 95-100\%

A 75-95\%
B $65-74 \%$
C $55-64 \%$
R Repeat

## LESSON 14

## Performance Objectives - The Purchase of Capital Equipment

1. Describe the four general conditions in selection of a supplier for capital equipment purchases.
2. Name two basic sources when financing may be acquired for capital equipment purchases.
3. Cite and define two types of used machines and relative prices as compared to their new counterparts.
4. Discuss the reasons why a buyer may purchase used equipment.
5. Give examples of possible sources for used equipment.

## LESSON 15

## Performance Objectives - The Purchase of Construction

1. List types of construction services available to the hospitality buyer.
2. Define such terms as fixed priced contracts, cost-plus-fee contracts, guaranteed maximum-price contract.
3. Explain procedures that might be used when purchasing construction.
