

# STEWARD

Delta Tau Delta Fraternity

## ***STEWARD***

KITCHEN OPERATION .....	44.4
MENUS.....	44.4
HOW TO LOSE MONEY IN THE KITCHEN .....	44.4
GUEST MEALS .....	44.5
EMPLOYING KITCHEN EMPLOYEES .....	44.8
EMPLOYMENT CONTRACT .....	44.9
FOOD PURCHASING COOPERATIVES .....	44.9
CONTRACT OF EMPLOYMENT .....	44.10
EIGHT STEPS TO EFFECTIVE PURCHASING OF FOOD AND SUPPLIES .....	44.11

# ***STEWARD***

The operation of a dining room and kitchen presents the best opportunity for the chapter to make a profit and, at the same time, presents the best possibility for losing large sums of money. Generally speaking, large amounts of money are involved in the kitchen operation.

More important, however, is the food business. It is of particular importance to your chapter since the health and well-being of your Brothers who eat in the dining room are naturally affected by the food served them. Many chapter advisors contend that the kitchen operation is the backbone of the chapter. As goes the food, so goes the chapter.

**A kitchen operation should not be undertaken with less than thirty people who will be eating and paying Aboard≅ costs.** Because of fixed expenses that are independent of the number of people eating (*i.e., cook=s salary, electricity, labor, equipment maintenance*), operating a kitchen with less than thirty Amen≅ is financially not feasible.

## **KITCHEN OPERATION**

Every chapter that is operating a kitchen should either elect or appoint a kitchen steward. The proper supervision of the kitchen is sufficiently demanding in time that it justifies having a member responsible for its management. The steward should sign all bills and/or receipts when turning them over to the Treasurer for payment or record keeping purposes. The Treasurer then has the authority to make the necessary disbursements.

The responsibility of the steward is strategic when considering that he is the one person who will either make the income for the kitchen Acover≅ expenses or have the kitchen realize a deficit. The Treasurer must formulate and discuss the kitchen budget with the steward. It must be determined exactly what amount may be spent for food on a weekly basis.

The Treasurer must, from time to time, check up on the status of kitchen costs with the steward to make sure he is remaining within his allotted budget. Only by using measures designed to impose strict controls on the operation of the kitchen can the chapter be kept from incurring a large deficit.

## **MENUS**

The most frequent source of complaint in chapter houses is the food. The reason for this is usually not in its preparation, but rather in the choice of menus. A good steward will plan well balanced, varied menus, and will garnish his main meals with relishes, appetizers, soups and salads; all of which are inexpensive and have often proved to be excellent investments in good will and nutrition. **Avoid a set menu for each day of the week. Nothing hurts morale more than AThursday is macaroni and cheese day.≅**

## **HOW TO LOSE MONEY IN THE KITCHEN**

There are several well established ways in which a kitchen operation can lose money. The first is by the patronage of dishonest vendors who will bill you for a certain weight or quantity of merchandise, and then won't deliver the correct amount. The steward should arrange delivery times with the vendors so that he may personally inspect each delivery. If the delivery is insufficient according to the delivery slip, the slip should be changed before the steward signs it, acknowledging receipt of the merchandise. When buying in less than full case quantities, a count should be made carefully at the time of delivery to ascertain that the amount or quantity is as stated on the delivery receipt or invoice.

A second area of loss is when the kitchen help frequently takes home considerable quantities of food when they leave the chapter house at the end of the day. It is taken for granted that kitchen help eat their meals while on the premises. It is, however, known that some people who work in kitchens take home enough food to supply their entire families. This can constitute a considerable drain on chapter finances.

To prevent a third area of loss, arrangements should be made to keep the kitchen and food storage area locked at all times when the cook is not on duty. It is a sad fact, but true, that disappearance of food and supplies costs every chapter money out of their kitchen budget.

A fourth loss is the practice of permitting members to eat at odd hours or between meals. Definite serving hours must be established for each meal and the kitchen declared off limits at all other times.

## **GUEST MEALS**

Guest meals can, and often do, become a problem for a chapter. Each chapter should define and regulate guest meals in their chapter bylaws. Such meals are equally the evening or Sunday meal, which normally constitute 60 percent of the daily meal cost per Aboarder, and any charge for such meals should be based on that percentage, as a minimum. Any member who abuses a guest privilege is costing each Aboarder; thus, he is being unfair to the chapter and its members.

There are cases where a member not living in the house wishes to eat certain meals on a regular basis at the house. Such rates may be established by using the daily meal cost per boarder, and using 60 percent of that amount to be charged for evening or Sunday meals, 25 percent of that amount for the noon meal and 15 percent of that amount for breakfast. Even then, a member is not paying his full share and it is reasonable to add 10 percent to these rates.

The practice of refunding for missed meals can become very involved and should **NOT** be done unless there is an unusual situation or it is for an extended period of time. **REFUNDS SHOULD NEVER BE MADE ON AN INDIVIDUAL MEAL BASIS.**

Since most Treasurers have had little or no training in food management, consideration of the following six topics would be helpful in obtaining a more efficient and less costly dining facility in your chapter.

1. Labor

- a. Hire reliable cooks, follow up on job application references.
- b. Pay liveable wages.
- c. Work out acceptable working hours (no more than 48 hours a week).
- d. Laws are very strict with regard to payment of overtime. Know the laws!
- e. Don=t make unusual demands.
- f. Have some incentive plans.
- g. Give pay raises, when appropriate.
- h. Provide good physical working conditions.
- I. Listen to employee=s problems -- don=t ignore their suggestions.
- j. Place yourself in their position.
- k. Set ground rules and be sure both sides understand them.
- l. Let employees know about vacations, wages, days off, etc.
- m. Let employees know to whom they are to report (chain of command).
- n. Compliment them when they have done a good job.
- o. Cost of labor should never exceed 30 percent of your total board income.

## 2. Purchasing

- a. Don=t buy from everyone -- be selective.
- b. Know what you are getting.
- c. Designate one person to do the buying.
- d. Get price lists from vendors.
- e. It isn=t always necessary to buy Premium, Prime, Grade A, etc., in food items.
- f. Don=t buy more than needed.
- g. Take advantage of good buys.
- h. Know delivery times.

- I. Don't accept poor merchandise.
  - j. Try to set up food purchasing on competitive bids -- shop around.
  - k. Food cost should not exceed 50 percent of your board income.
  - l. Utilize or create a food purchasing cooperative.
3. Equipment
    - a. Take care of equipment.
    - b. Do preventable maintenance when possible.
    - c. Replace worn out equipment as soon as possible.
    - d. Follow company instructions on equipment as to cleaning, safety, etc.
    - e. Watch for warranty on equipment.
    - f. Purchase labor saving devices.
    - g. Purchase commercial grade equipment, not home grade equipment.
4. Sanitation
    - a. Don't ever let this aspect of the kitchen operation deteriorate.
    - b. Be strict in this area (you'll never be sorry).
    - c. Give the cook assistance in this area.
    - d. If bothered by rats, mice or insects, call in a qualified exterminator.
    - e. Discard or replace equipment that is unsanitary.
    - f. Have plenty of hot water.
5. Charges and Collections
    - a. Collect from all who are not paying for Aboard but eating occasional meals.
    - b. For extra functions, the kitchen account should be reimbursed by the account sponsoring the event (i.e., social, rush, homecoming).
    - c. Don't put anyone on a free meal basis.

6. Administration
  - a. Take a monthly inventory of kitchen supplies and food.
  - b. Are you having excessive leftovers?
  - c. Strictly enforce rules on notifying cook when people won't be eating a particular meal.
  - d. Your total board cost per man should not exceed that charged by the dormitories.
  - e. Set up kitchen policy similar to dormitories.
  - f. Consider increasing board prices following increases in food and prices or cut down on meals, quantity or service.
  - g. Have your cook sign a year long contract (*see example at end of this document*).

***CAUTION:*** *In many college towns, unscrupulous fraternity cooks, to whom the inefficient steward leaves the buying, receive personal rebates, either in money or merchandise, from various vendors for placing all of the chapter's business with them. Too much emphasis cannot be put on the importance of checking up regularly on the kitchen. Help of switching dealers occasionally and of checking regularly on deliveries as they come in.*

## **EMPLOYING KITCHEN EMPLOYEES**

The employment of a knowledgeable, reliable and likeable cook should not be a hasty, poorly planned process. Your chapter is entering into a strictly business relationship and you should approach the hiring of your cook in that manner. The following are tips when hiring kitchen employees:

1. Have the applicant fill out a simple job application. The job application serves as a source of information, both during the interview and following employment (if that should happen).
2. Check out job and personal references listed on the application. Don't take anything for granted. Find out what kind of employee your applicant was, job attendance record and general attitude.
3. The applicant should be personally interviewed by the chapter President and Treasurer. If they are in agreement that the applicant is qualified, the chapter advisor should personally interview the applicant.

4. If all are in agreement that hiring the applicant is in the chapter's best interest, employ the applicant.
5. Before employing an applicant, make sure there is agreement on wages, time off (including vacations), insurance, working hours, job expectations and sick days.
6. In attempting to establish a fair wage, check with the other fraternities and sororities on campus, and the dormitory food service, to determine what they are paying their employees -- that will be the fair wage.
7. The dormitory food service is a good source of potential employees. Don't be afraid to advertise in the local newspaper.
8. Refer to Internal Revenue Service guidelines in order to comply with federal and state employment laws.

## **EMPLOYMENT CONTRACT**

There are Pros and Cons to using an employment contract that should be obvious.

Pros to utilizing a contract when employing kitchen personnel:

1. The employee has a legal responsibility to fulfill commitments stated in the contract.
2. The contract specifies job expectations and wages so as to avoid future disputes.
3. It lets the employee know you mean business.

Cons to utilizing a contract when employing kitchen personnel:

1. The chapter has a legal responsibility to employ the person in accordance with the conditions of the contract and limits the grounds for discharging an employee.
2. Regardless of the status of the kitchen account, the chapter must pay the employee in accordance with the conditions of the contract.

## **FOOD PURCHASING COOPERATIVES**

Many campuses and/or Greek Systems operate a food purchasing co-op. These co-ops are mostly referred to as a Fraternity Management Association (*which may offer additional services*) or simply, the Fraternity Co-Op, and can save thousands of dollars every year by buying in quantity.

Because of the wide array of these co-ops, both in operation and quality, it is recommended that you investigate it, if it exists on your campus. If one doesn't exist, have you thought about starting one?

The operation of a kitchen facility is no small task. However, if done properly, the kitchen can add to the morale of the chapter. Additionally, it can produce substantial profits for the chapter if properly managed. Most certainly, it provides an opportunity for chapter members to develop their management, decision making and leadership skills.

**CONTRACT OF EMPLOYMENT**

This contract made this \_\_\_ day of \_\_\_\_\_, 19\_\_\_, by and between \_\_\_\_\_ Chapter of Delta Tau Delta, hereafter called the employer, and \_\_\_\_\_ hereafter called the employee.

1. The employer agrees to employ \_\_\_\_\_ in the capacity of \_\_\_\_\_ for the 19\_\_\_ to 19\_\_\_ school year, said employment to begin \_\_\_\_\_, 19\_\_\_ and to end on \_\_\_\_\_ 19\_\_\_.
2. The employer hereby agrees to pay the employee the sum of \$\_\_\_\_\_ per week/month through the period of employment specified above. It is agreed that payments will be made on or before the last day of each week/month for services rendered during that week/month.
3. The employer agrees to provide \_\_\_ meals per day for the employee during the regular session of the school year when meals are being served and to provide/not provide suitable quarters and furnishings.
4. The employee agrees to act in the capacity of \_\_\_\_\_ in accordance with the usual practice in this and similar organizations and as may be specified by the appropriate college or university official.
5. It is further agreed that:
  
6. It is hereby mutually agreed that either party may terminate this agreement by giving the other party written notice of the desire to terminate this agreement. \_\_\_\_\_ notice shall be given by either party (i.e., housemother: 60 days notice; cook: two weeks notice).
7. If required by the college or university: It is understood that no housemother may be released without first receiving the consent of the appropriate college or university official.

IN WITNESS WHEREOF the employer and employee have each caused this agreement to be duly executed at \_\_\_\_\_ (city/state) this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_.

By: \_\_\_\_\_ for the \_\_\_\_\_ Chapter of Delta Tau Delta  
(Chapter President)  
By: \_\_\_\_\_ for the \_\_\_\_\_ Chapter of Delta Tau Delta  
(Chapter Treasurer)  
By: \_\_\_\_\_  
(Employee)

## **EIGHT STEPS TO EFFECTIVE PURCHASING OF FOOD AND SUPPLIES**

### **Step 1: Determine Desired Image of Food Quality and Service**

An image is the memory or an imagined picture of service, food quality, atmosphere, comparative prices and other characteristics of the operation which you want your customers to have. A poor image reflects poor service, food quality, etc.

Ask people what they like. Comments can help determine your image. Do you want to serve high quality food and create that type of image? Or, do you want to serve only low quality food or something between high and low?

### **Step 2: Know Customers= Food Preferences**

Knowing food preferences specifically is part of Step 1, but deserves special attention. The Acustomer≡ is always Aright≡ is not the answer, but if you want to improve your menu, customer information is certainly necessary.

Would your customers like one or several changes in your operation? How do you know? Asking customers for their suggestions and comments is one way. Try to chat with a customer once in awhile, and after a few discussions, a pattern may develop which can be quite revealing.

### **Step 3: Establish One Person. Food Purchasing Control and Authority with Responsibility**

One person control of purchasing will help maintain consistency of product and profitability through more effective cost control. This means one person can concentrate on food grades and prices, quality specifications, market conditions, vendor evaluations and other necessary purchasing activities. If one person is given the authority to purchase, make sure there is a second in command who can take over in the temporary or permanent absence of the buyer.

One person control will promote fast decision making, faster competitive decisions and reduce frustrations normally associated with committee decisions.

### **Step 4: Maintain Inventory Control**

Accurate inventory control is required to determine accurate food cost figures. It should and can be maintained by perpetual records or by physical stocktaking at regular intervals. Inventory records should be maintained for permanent reference in a stock book with space provided for each item. This

will help cut losses, control food costs and reduce writeoffs due to damaged or outdated merchandise.

When food costs get out of line, inventory control may indicate pilferage or significant differences between book inventory levels and actual physical product counts.

### **Step 5: Understand and Know Food Cost Control Procedures and Food Costs**

A knowledge of food cost is absolutely necessary in order to determine the total cost of operating, total profits, possible kitchen shrink, economical minimum order size and, more importantly, menu price.

A recent survey of 60 firms found that 16 of the 60 (27%) did not know what the ingredients of their menu were costing them, and, consequently, had no sound basis on which to price out their menus. Competition was probably setting menu prices.

Change in food cost as a percentage of sales is a possible indicator of shrinking and improper kitchen control. Changes in food cost must be studied for menu pricing and portion control.

### **Step 6: Communicate With Supplier: Know Products and Availability in Your Area**

Smart purchasing is done when you know what is available. Smart selling by distributors is accomplished when they know what ingredients and products you need.

### **Step 7: Check All Deliveries**

A purchasing system includes buying, receiving and checking the merchandise upon delivery. While the kitchen follows up on product quality, another check by a third person is advisable as an anti-collusion, anti-pilferage, control device.

Checking and receiving systems include:

1. Trained and competent personnel -- more than one person if possible.
2. Adequate space for proper checking.
3. Equipment designed to provide efficient product movement.
4. Specifications to be used as standards of quality.

5. Scheduled hours, if possible, in order to insure the availability of a checker when delivery is made.

When merchandise is delivered, it should be placed in a safe, quality control location immediately upon off-loading by the driver. Count all unit sale items and weigh all high value items sold by weight; randomly weigh all other items.

Visually check quality of produce and packaged items where quality is essential for compliance with invoice description and/or specifications. Move all items immediately to storage areas and lock if immediate access is not necessary.

Compare invoice prices against purchase order. Verify and mark (stamp or signature) all receiving invoices. Send all documents to buyers for further verification and book inventory update.

## **Step 8: Evaluate and Improve**

Menu prices result in part from a supplier=s ingredient cost and a foodservice operator=s labor cost. This cost can be reduced by increasing the number of units handled per dollar of supplier labor cost and of foodservice operator cost. This increased productivity should lower the per serving cost to the consumer, provided hourly or fixed labor costs can be used in several alternative functions or can be transferred to other productive activities.

In order to reduce the per unit cost of handling food both by the supplier and the foodservice operator, there are several questions which an operator should answer:

1. Can order size be increased?
2. Can more cases be handled per man hour and per dollar of labor cost?
3. Can there be fewer but larger deliveries?
4. Can job performance be improved?
5. Can costly labor functions be performed by competent but lower wage employees?

### **Labor Transfer:**

Research revealed that in 58% of deliveries, the driver stored the merchandise. This means that a supplier would certainly realize a substantial savings if the

driver unloaded only and the foodservice personnel stored. The foodservice operator would realize an increase in cost. Due to wage differences between the truck driver and the foodservice personnel, an obvious cost savings would accrue to the delivery system. It was projected that this annual savings would amount to \$592.

### **Decrease Deliveries:**

Handling efficiency and labor productivity can be improved by reducing the number of deliveries by one-half, and reducing the number of suppliers by one-half. This assumes an average weekly number of cases of 283. Or the same number of suppliers could be used, but alternate weekly deliveries be scheduled from each supplier, or at least half the normal weekly deliveries would be scheduled. This would result in a net gain of 8.25 man-hours per 1,000, or an annual savings of \$709.

### **Single Delivery:**

The one-stop concept of delivery means simply that a supplier provides all the necessary products to a foodservice operation. All products for a given week, for example, would be on one invoice, representing one delivery. There is a potential savings of 12.02 man-hours per 1,000 cases, or an annual savings of \$1,184. The supplier would realize savings of 9.14 man-hours per 1,000 cases, and an annual dollar savings per establishment of \$1,074. The operator would realize savings of 3.49 man-hours per 1,000 cases, and an annual dollar savings of \$110.

No additional storage space would be required. The space utilization factor for the 60 foodservice operators surveyed was approximately 60-70%. One stop is a feasible alternative.