

Chapter 6 Outline

The Budget Process
Types of Budgets
Planning the Operating Budget
Using the Operating Budget as a Control Tool
Operating Budgets and Income Statements
The Hotel Income Statement
The Rooms Division Income Statement
Budgeting Expenses
Salaries and Wages
Employee Benefits
Outside Services
In-House Laundry
Linens
Operating Supplies
Uniforms
Controlling Expenses
Purchasing Systems
Linen Replacement
Uniform Replacement
Purchasing Operating Supplies
Capital Budgets
Contract vs. In-House Cleaning

Competencies

1. Identify the executive housekeeper's responsibilities in relation to the budget planning process. (pp. 211–213)
2. Explain how the executive housekeeper uses the operating budget as a control tool. (pp. 213–214)
3. Describe hotel income statements and rooms division income statements, and identify the line items on a rooms division income statement that are affected by expenses incurred by the housekeeping department. (pp. 214–220)
4. Explain how the executive housekeeper estimates department expenses during the budget planning process. (pp. 220–228)
5. Identify four actions that an executive housekeeper can take to control expenses. (p. 228)
6. Describe purchasing responsibilities of the executive housekeeper, identify factors to consider when determining the size of an annual linen purchase, and discuss capital budgets. (pp. 229–237)
7. Identify issues that an executive housekeeper should address when considering the use of outside contractors to perform cleaning services. (pp. 237–240)