

MWR FOOD & BEVERAGE STANDARD OPERATING PROCEDURE (SOP) GUIDEBOOK

DECEMBER 1, 2024



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Food & Beverage SOP Guidebook

In compliance with MWR COMDTINST 1710.13E September, 2023. Appendix I: Food And Beverage (F&B) Operations

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CHAPTER 1 BUSINESS MANAGEMENT

- A. Establishment of Food and Beverage (F&B) Operation. The Coast Guard's F&B operations are customer-driven business activities, with primary mission to foster camaraderie and esprit de corps, consistent with Coast Guard values, as a benefit of military service. They are an integral part of Coast Guard quality of life.
1. Commands desiring to establish a F&B activity as a part of their MWR program shall submit a written request to the CSC via requisite chain-of-command and the cognizant authority.
 - a. This request shall include, at a minimum, in addition to the items listed in *Chapter 6.G.4* of the *USCG MWR Manual COMDTINST 1710.13E*:
 - (1) the demographics of the patron base;
 - (2) a detailed business plan;
 - (3) the facility in which the F&B operations will be conducted at the command;
 - (4) the availability of off-premise establishments providing similar services; and
 - (5) the ability to comply with the other provisions of this SOP.
 - b. Requests for the establishment of F&B activities that are approved will receive a memo of authorization for the activity from the CSC which shall be retained in the MWR files of the command.
 2. Coast Guard F&B facilities are operated as Category C Activities for eligible patrons. This may include enlisted, chief petty officers, and officer's clubs. See *USCG MWR Manual COMDTINST 1710.13E – Chapter 3* for more details regarding authorized patronage.
 3. Official command functions are not MWR events, even when held in MWR facilities. Appropriated Funds (APF) shall be used for all authorized personnel, building, equipment, and supply costs when the MWR facility is used to support official mission, protocol, and community support functions to include events that support and foster community relations, basic military gatherings such as commander's calls and pre- and post-deployment briefings, and events that support the development of unit esprit de corps and home station family sustainment.
- B. Licensing & Standards. Commands receiving approval to establish a Category C MWR Activity F&B facility must work with MWR legal to obtain all necessary F&B service licensing and approval from local jurisdictions.
1. The F&B facility must comply with all insurance and safety program protocol outlined in *Chapter 11* of the *USCG MWR Manual COMDTINST 1710.13E*.

2. All food safety and food handling standards, policies, and certifications must be established, obtained, and maintained. (See *Food Operation* chapter of this *F&B Guidebook* for more detail.)
 3. All commands with a Category C MWR Activity serving any alcoholic beverages shall have a registration on file. Commands shall also submit a registration form in the event the F&B operation is disestablished.
 4. All alcohol service standards, policies, and certifications must be established, obtained, and maintained. (See *Bar Operation* chapter of this *F&B Guidebook* for more detail.)
 5. While open, F&B operations shall serve food. **On an annual basis, at least 25% of F&B sales shall be reported in food and nonalcoholic beverage sales.**
- C. Profitability. Coast Guard F&B facilities are operated as Category C Activities. Activities in this group have the business capability of generating sufficient income to cover most operation expenses. In addition, Category C Activities (including F&B facilities) receive limited APF support.
1. As Category C activities, they shall be self-sustaining and not place undue financial burden on the morale fund as a whole. **MWR requires that F&B Activities, at minimum, break even.** Commanding officers shall carefully balance the profitability of their F&B operation with the other MWR programs offered at the command.
 2. F&B activities typically have lower gross profit margins and significant competition from similar establishments in the local community. Therefore, the following standards shall apply as a guide to F&B operation profitability.
 - a. Food Cost. F&B activities shall maintain a **food cost percentage between 37% and 42%** of sales.
 - b. Beverage Cost. F&B activities shall maintain a **beverage cost percentage between 25% and 30%** of sales.
 - c. Labor Cost. F&B activities shall maintain a **labor cost percentage between 40% and 45%** of sales including benefits.
 - d. F&B Net Operating Profit. The standard for **net income before depreciation is 5%** of total food service activities' sales.
 3. Due to the restrictions placed upon the use of APF in Category C activities and the requirement that Category C activities at least break even, from the business sense, a consolidated club may be preferable and make the best business case.

D. Reporting. Because of differences in gross profit percentages between F&B operations, combining their financial results for reporting purposes is misleading.

1. Commands with authorized F&B operations shall report them separately on the Operating Summary MWR Activities (CG-2985A), or equivalent, to provide management information necessary to control the operation.
2. Payroll and tip logs must be reconciled daily and sent to the F&B operation's finance consultant partner for processing on an agreed-upon schedule.
3. A formal count and reckoning of food and beverage inventory must take place monthly – traditionally at month-end. These reports must also be sent to the F&B operation's finance consultant partner.
4. The F&B facility Director should gather all month-end sales and cost data and work with the finance partner to establish a monthly financial operating statement for review and analysis.
5. The F&B activity operating statements and other financial statements are subject to regular audit in accordance with *USCG MWR Manual COMDTINST 1710.13E*.

E. Disestablishment of a F&B Facility.

1. Commands unable to generate an annual net profit in its F&B operations at the end of each NAF year shall report its business plan to at least break even for the upcoming year to the CSC.
2. Failure to generate a net profit in two consecutive years will necessitate the activity to close.
3. Units desiring to disestablish an authorized F&B activity shall advise the CSC, the chain of command, and the cognizant authority of the disestablishment.
 - a. Commands shall comply with Chapter 6.H and Paragraph C.1. of the *USCG MWR Manual COMDTINST 1710.13E*.
 - b. The disestablishment shall indicate the exact date operations will cease.
 - c. In conjunction with the cognizant authority, the CSC will issue specific instructions for the disposal of stock. All stock should be returned to vendors or sold to other MWR activities when practicable.
 - d. The CSC will delete this activity from the listing provided to the insurance underwriter.

CHAPTER 2 FOOD SAFETY & CLEANLINESS

- A. Food Handler Certification Requirements. Because of the risks of foodborne disease transmission, staff members must be trained in the proper handling, preparing, serving, and storing all F&B products.
1. ALL staff members, while working at the establishment, shall have a [ServSafe Food Handler certification](#).
 2. The F&B Director may, at their discretion, pay for or reimburse the staff member for the certification or renewal fee.
 3. If a jurisdiction requires additional local certifications, this standard must also be met.
 4. Staff members' certificates should be on file and readily accessible.
 5. The staff member shall not perform their duties without completion of this certification.
- B. Manager Certification Requirements. Supervisors must be trained in the oversight of training and execution of proper food handling.
1. At least one manager or supervisor, while the establishment is open, shall have a **ServSafe Manager certification**.
 2. The F&B Director may, at their discretion, pay for, or reimburse the manager for, the certification or renewal fee.
- C. Food Storage. Food must be stored in accordance with food safety standards, including these storage guidelines:
1. Store food at correct temps and properly off the floor.
 2. Rotate food in a manner so that older products are used first – First In, First Out ('FIFO'). Staff members shall be trained on how to store and rotate foods properly.
 3. Put deliveries into cold storage as soon as they are inspected.
 4. Take out only as much cold food as can be prepared at one time.
 5. Prepare perishables quickly and store them at the proper temperature.
 6. Prepped foods shall be labeled to include identification of product and expiration.
 7. Do not overload the refrigeration unit. This may prevent adequate airflow and make the unit work harder to stay cold.
 8. Keep the refrigerator door closed as much as possible to keep the interior cold.

9. Monitor refrigerator food temps regularly. A Temperature Log shall be posted and used by the manager. Temps of each cooler and freezer shall be taken and logged once per day at minimum. ***(Exhibit- Temp Log Template.)***

D. Preventing Cross-Contamination.

1. Clean spills immediately to keep from contaminating other foods.
2. Wrap food properly or store in clean and moisture-proof materials to help prevent the food from dripping on to other foods.
3. Store all foods six inches or more off the floor.
4. Store raw meat, poultry, and fish separately from cooked and ready-to-eat (RTE) foods, in a separate cooler if possible. If not possible, always store prepared RTE foods above raw meat, poultry, and fish. This will prevent raw product juices from dropping onto the prepared or RTE foods. ***(Exhibit- Food Storage Chart.)***

E. Hygiene. Supervisors and staff members are expected to follow good hygiene practices to prevent the risk of spreading disease to guests and co-workers, including:

1. Coming to work clean, including hair and clothing.
2. Restraining hair if there is a risk of it contacting food being prepared or served.
3. Following sanitary hand practices, including hand washing (described later), and wear food safe gloves when handling food.
4. Avoiding unsanitary practices while working with food such as smoking or chewing gum.
5. Covering any cuts, sores, burns, or skin infections with clean bandages while working near food or food-contact areas. Further, covering bandages on hands with an impermeable covering, such as gloves.

F. Hand Washing. Frequent hand washing is vital to the prevention of spreading disease.

1. It is expected that supervisors and staff members wash their hands with soap and warm water at the beginning of the shift and before putting on gloves.
2. Hands shall be washed at least every hour during the shift.
3. Hands shall be washed after eating, using the restroom, coughing, sneezing, or blowing nose; handling dirty dishes, handling chemicals, and taking out trash.
4. A sign shall be posted near the designated hand washing sink to illustrate the FDA-approved steps for proper hand washing. ***(Exhibit- Hand Wash Poster.)***

G. Reporting Illnesses. Food service staff experiencing illness symptoms can unknowingly contaminate food and make guests and co-workers sick.

1. Staff members shall report symptoms prior to coming to work, including vomiting, diarrhea, sore throat, fever, persistent coughing, or sneezing.
2. A Manager shall exclude a staff member from working until a doctor releases them if the staff member is positively diagnosed with any of these foodborne illnesses:
 - a. Salmonella, Typhi (Typhoid fever) or non-typhoidal;
 - b. Hepatitis A;
 - c. Shigella;
 - d. E. Coli;
 - e. Norovirus.

H. Chemical Use. Appropriate cleaning agents shall be used to keep the operation clean. Staff members shall be trained, as part of their initial training, on how to properly handle and store chemicals. Training shall include the following key elements.

1. Never mix chemicals together.
2. Use chemicals only for their labeled, intended purpose.
3. Use personal protection equipment (gloves, face mask, etc.) when advised.
4. Chemicals must be stored in the original packaging. The only exception is when a chemical/ water solution in smaller amounts is used (e.g., a spray bottle). In that case, a label must clearly state the name of the product.
5. Do not use any cleaning agent or solution in an unlabeled container.
6. Store chemicals away from guests and away from food storage and preparation areas.
7. Properly dispose of all empty containers.
8. Each chemical used in the F&B operation shall have in a binder a corresponding Safety Data Sheet (SDS). Each SDS contains important information about common hazards, safety precautions, and what to do if the chemical is inadvertently swallowed or accidentally splashed into someone's eyes. ***Exhibit- SDS Sample***

I. Cleaning Standards. A program must be in place to regularly clean and sanitize areas where food or drinks are prepared and served, as well as equipment and utensils used in preparation.

1. To avoid cross-contamination, all food contact surfaces must be cleaned and sanitized after each use, before working with another type of food, or at least every 4 hours of constant use.

2. Cleaning is the process of removing food and other types of soil from a surface. Cleaning agents help remove soil from surfaces. Be sure to use the correct cleaning agent for the type of soil present.
3. Sanitizing reduces the number of microorganisms on a clean surface to a safe level. This is an important second step to prevent foodborne illnesses.
4. There are two methods that can be used to sanitize an item:
 - a. HEAT – Water reaching the temperature of 180°F can be used to sanitize.
 - b. CHEMICAL – Chlorine and quaternary ammonium compounds are the two most common types of chemical sanitizer. Sanitizer must be at the correct temperature and concentration to work properly.
5. A cleaning checklist shall be posted for staff members to follow each shift. This checklist may be posted in stations or may be part of an opening/ closing task binder. Adequate execution of the checklist shall be reviewed daily by the manager.

CHAPTER 3 FOOD SERVICE OPERATION

A. Menu Items.

1. The F&B Director shall approve local menu(s).
2. The menu should provide a sense of consistency for guests. Decisions to make changes should not be made lightly. Review menu offerings relative to the factors listed below and make menu adjustments no more often than once per quarter. Exceptions exist for 'specials' and product non-availability. See chapters regarding both below.
3. Food menu offerings should be chosen after considering the following factors:
 - a. Demand. Each of our venues has a unique personality and guest base. Menu offerings should be based on trends, guest needs, and unique nature of each F&B..
 - (1) Shop off-base restaurants to assess what is popular in the surrounding area. Gauge items most people are selecting during the same volume periods of your operation.
 - (2) Survey guests. Ask what food items are their traditional go-to's. Ask what item(s) they wish were on the menu. The survey does not have to be formal but should provide a good representation – at least 30-40 guests.
 - (3) Watch for trending items coming into popularity in the area. If it fits the culture, a trial may be warranted.
 - b. Number of Items. The menu should not be crowded or overly complex. The ideal number of menu items will vary by location but it is generally advantageous to keep menus basic and offer few, popular-selling items.
 - (1) One item may be very similar to another item yielding cannibalization of sales to one or both. If this is the case, consider dropping one.
 - (2) One option to simplify: offer items with a choice of toppings or proteins. For example, a salad with choice of chicken or shrimp, or a wrap or taco with a choice of fish, shrimp, or chicken.
 - c. Capacity and Practicality. The goal is to deliver the final product to your guest within 10 minutes of ordering. Consider making popular items available that work well with the operational layout of the kitchen and the equipment currently in place.
 - (1) Minimize the complexity of item preparation and delivery. Consider line storage and final assembly capacity. Think about how an item will flow once ordered. Consider how many steps and how much time it will take to deliver – particularly during peak volume.
 - (2) Keep it practical. Most menu items should require very few assembly steps and limited equipment needs (for example, fryer only).

- (3) Consider the prep required to get the item ready for the line. If it takes a long time to prepare in advance each day, it may not be a good menu choice.
 - (4) If an item is complex to build, there may be an opportunity to engineer it to make it simpler. For example, ‘burger sets’ (lettuce, tomato, onion), or a greens and veg mix may be prepped in advance of the volume period to minimize steps on the line.
 - (5) If a new piece of equipment is required, a proposal with cost analysis and ROI projections is required to be submitted per MWR protocol.
- d. Product Cost and Availability. Product must be affordable, easily, and consistently available from vendor(s).
- (1) A hard-to-find niche product or seasonal product may not be suitable for an item on the regular menu.
 - (2) Consider the raw cost of a menu item. It needs to be profitable! If vendor pricing is volatile or raw costs yield a prohibitively high menu price, it won’t be worth adding. (See ‘Pricing’ below.)
- e. Actual Sales. The Point of Sale (POS) tracks menu item sales. Review this report regularly for trends regarding which items are moving and which are not.
- (1) Measuring acceptable sales popularity from the report varies based on item quantity. Generally, an item trending under 5% of overall menu item sales over a quarter should be monitored for possible removal or replacement on your next adjustment.
 - a. Consider the impact to the integrity of your core menu of removing an item. Removing an item may seem logical, but will that change the personality of the entire menu and no longer fit the culture? If so, consider re-pricing, re-engineering or other factors before removing it.
 - (2) Adding an item should create a net-positive to the core menu. For example, if a new item positively affects the overall food cost of the menu, that’s a good addition. On the other hand, if it takes away from the sales of other popular or highly profitable items, it is not a good addition.
4. Post Menu and Prices.
- a. Menus with prices shall be made visible throughout the facility. Place them at the order area, on tables, or post in multiple locations.
 - b. Menus should be tastefully printed and include the operation’s logo in color. At minimum, menus should be printed and laminated. They may also be printed and inserted into a bordered menu slip-cover.
5. Specials, Features, or Limited Time Offers (LTOs) may be employed to accelerate sales of a particular menu item. Typically, these items are featured outside of the regular menu, such as tastefully written on a whiteboard or flyer. The idea is to present the item(s) front and center for

guests, making it more likely they will order it. Running a Special provides a variety of benefits.

- a. A new menu item can be tested for a short time to see if there is a demand. Run the item for at least a week to get a realistic assessment of sales. Keep in mind: even if an item does well as a ‘special’ it may not perform as well placed on the regular menu because it loses prominence. It may be a good addition to the menu, but inventory may need to be adjusted accordingly.
 - b. Specials create a ‘buzz’ on a particular day of the week to sell a certain item, like “Taco Tuesday”. This may be a good way to boost sales. The additional advantage is efficiency to plan ordering, prep, and the day’s operation accordingly. Run this on the designated day for at least 4 weeks to gauge demand.
 - c. Specials allow for quick movement of a product. For example, a discontinued raw product associated with an item no longer on the menu, an overstocked product (food or drink), or nearing its shelf life.
- B. Menu pricing. When making food menu pricing decisions consider 3 factors: competitive pricing, the cost of the raw product (cost of goods) for the recipe, and overall gross profit.
1. Competitive pricing. Research menu prices for similar items at local off-base casual and family restaurants. Calculate an average for each item. Pricing on-base should be competitive, likely falling somewhere toward the entry point of average. This creates a value beyond the convenience of staying on base.
 2. Cost of Goods (COGs). **Overall food cost percentage for F&B operations should be maintained between 37% and 42%.** This includes waste, loss, and unused inventory when end-of-month costs are calculated.
 - a. To calculate the food cost of each item, divide the cost of goods (all raw product that goes into the recipe) by the menu price. This gives the food cost percentage.
 - b. One can also take the cost of goods and divide by the desired food cost percentage to give you a ballpark menu price. For example, if the cost for a hamburger (including ¼ lb beef, bun, seasoning, lettuce, onion, pickle, fry oil, and fries) is \$2.20 and you want your burger to come in at 35% food cost (to allow for some waste), divide \$2.20 by 0.35. The burger needs to be priced around \$6.29 to achieve the desired margin. There is a spreadsheet to help with this calculation. *Exhibit- Menu Cost Calculator Food.*
 3. Overall Gross Profit. **Gross profit** is the actual dollar amount of profit from a sale. **Profit margin** is a percentage of revenue. Both are important to the bottom line. Higher-ticket items may bring more dollars to the bottom line; profit margin could reveal lower-priced items have profit value when many are sold.
 - a. The menu should have a good mix of items with a range of prices and profit contributions. To competitively price a higher cost item, a higher food cost may be necessary. Also consider featuring a couple popular items at a great (even slightly reduced) price. Even if

the items are slightly lower in margin, it entices guests to return; you may have high sell-thru, bringing gross profit dollars to the bottom line.

- b. The goal is to offer a well-rounded menu that also presents a good value. Take into consideration the ‘bigger picture’ of the overall menu performance.
4. Continually review your COGs with invoice payments to watch for trends. Review menu prices relative to updated costs and make price adjustments only as necessary, and **no more often than once per quarter**. This provides consistency for guests. Exceptions may be required if an unusual circumstance impacts base cost.

C. Food Recipes.

1. Prep recipe cards (*Exhibit- Prep Recipe Sample*) and line assembly/ final plating cards (*Exhibit- Food Build Recipe Sample*) must be available. Cooks must be trained to follow them. There should be no deviation from these recipes.
2. You may consider **modifications** and build them into the recipes. Modifications should be limited and maintain the efficiency of assembly. For example, you may offer shrimp or chicken as a protein choice for a sandwich or salad on your menu. This should not substantially hinder assembly.
3. **Substitutions and special request** decisions are necessary. If a guests’ request is for personal preference, decide if it is possible or practical – especially during volume. For example, removing a condiment or topping should be an easy request to grant. On the other hand, if a salad blend is prepped in advance and a guest prefers no spinach, it may be impractical to re-prepare the greens for that order. If guest request is allergy-related, consider practicality – and more importantly, the health of the guest. See below for more.

D. Handling Allergies. A food allergy is an immune system reaction that occurs soon after eating a certain food. Even a tiny amount of the allergy-causing food can trigger symptoms to include digestive problems, hives, swollen airways, trouble breathing, and even life-threatening reaction.

When a guest alerts you of a food allergy, take this responsibility very seriously.

1. If the guest inquires about an ingredient that **MAY** be in an item, double check the recipes and raw product labels to determine if there is a risk. Don’t guess!
2. If the allergy concern is for a risk presented by what may be prepared near the item, make every effort to accommodate. Let the guest know that a supervisor will oversee the order and follow these steps:
 - a. The cook(s) preparing the item must thoroughly clean and sanitize the relevant workstation and all requisite utensils.
 - b. Relevant equipment (such as the grill) must be scraped and rinsed thoroughly to remove any residue of the allergen. Alternately, a clean and otherwise unused area may be used.
 - c. The cook(s) preparing the item must remove gloves, wash hands, and put on new gloves.

- d. If possible, prepare the allergen item directly on the serving plate or basket to avoid contacting other surfaces.
 - e. The supervisor must deliver the prepared item to the guest.
3. Remind employees of the severity of allergic reactions and cross contamination – even when making minor decisions. For example, if a guest is allergic to shrimp and a cook placed shrimp on a leaf of lettuce, then remembered the guest is allergic and simply removed it, the residual on the lettuce could be enough to cause a serious allergic reaction.
- E. Guest Service. The goal is for guests to be happy with their experience, think of us positively, and come back often. Even if we believe we have a ‘captive audience’ on base, sales opportunities will be lost when guests have a bad experience – and worse, they often tell others. At minimum, these standards must be executed every day and with every guest.
1. The dining area is clean, organized, and presentable before the first guest arrives (more on this below).
 2. All self-serve areas are stocked and ready before guests arrive, and maintained throughout the shift.
 3. Cashiers and bartenders greet guests with eye contact, a smile and an enthusiastic welcome. First impression should be “They are friendly here!”
 4. Cashiers and bartenders know the menu. Guests should count on us to be the expert when asking about ingredients, flavors, sides, etc.
 5. Cashiers and bartenders upsell when appropriate. There are usually opportunities to add a side, a topping, or a call brand which enhances the experience and builds sales.
 6. Cooks and bartenders deliver consistent, high-quality products. Recipes are followed exactly, and the pride should be obvious to the guest.
 7. Food is ready to be delivered or picked up within the goal of 10 minutes.
 8. Work as a team to execute the operation and keep focus on the guests.
- F. Dining Area Maintenance. The dining and bar area should always be kept organized and clean to present a good image. This can get tested, especially during busy volume periods. A program must be in place to maintain the cleanliness of all guest areas.
1. Do not use guest areas for storage. Keep dining areas neat.
 2. Before the volume period begins, look around from the guests’ perspective to ensure cleanliness, organization, and presentation.
 3. Check lighting, temperature, and music/ TVs if applicable.

4. Check restrooms to ensure cleanliness, stock levels, and present well.
 5. Keep tables and surrounding areas clean during volume. Even where guests help by placing trash in receptacles, regularly check for cleanliness.
 - a. Remove plateware, utensils, and trash left by guests.
 - b. Wipe tables and chairs to remove debris.
 - c. Sanitize or disinfect table, seats, and surrounding area.
 - d. Disinfect and replace condiments, advertising, or menus to be left at the table.
 6. Sweep the floor of debris and crumbs. Mop spills quickly.
 7. Replace trash bags in receptacles BEFORE they become full.
 8. Remove stacked plates, baskets, and utensils if you have a designated area for guests to place them.
 9. Complete a thorough cleaning and sanitizing of dining area, trash receptacle area, and restrooms after volume, or more often where necessary.
- G. Opening/ Closing Checklist. A program must be in place for staff members to follow a checklist of tasks during Opening and Closing. This checklist may be posted in stations or be part of an opening/ closing task binder. Adequate execution of the checklist shall be reviewed daily by the manager.
1. Opening tasks will vary by location but should include, at minimum:
 - a. Turn on equipment and stock workstations.
 - b. Fill and place sanitizer buckets in workstations.
 - c. Prepare dining room, including cleanliness, lighting, and audio/ visual.
 - d. Prepare service areas including beverages, ice, glassware, and plateware.
 - e. Clean and stock condiment or other guest self service areas.
 - f. Check restrooms(s) for cleanliness and supply.
 - g. Prepare POS area, including paper and cash drawer (if applicable).
 - h. Make “Open” sign visible, if applicable. Unlock doors.
 2. Closing tasks vary by location but should include, at minimum:
 - a. Turn off equipment.

- b. Clean and sanitize all workstations and service areas.
 - c. Clean and sanitize guest areas including tables, booths, and chairs.
 - d. Clean and restock restrooms.
 - e. Empty and dispose of all trash. Clean trash receptacle areas.
 - f. Clean and refill condiment or other guest self service areas.
 - g. Close out POS and run applicable reports. Balance cash and prepare deposit, if applicable.
 - h. Turn off lights. Lock the door.
3. Examples of Opening and Closing checklists are included in the Exhibits. (***Exhibit- Opening Checklist Template and Exhibit- Closing Checklist Template.***)

CHAPTER 4 BAR OPERATION

- A. Responsible Alcohol Service. Each state has its own code governing the serving of alcohol. Dram Shop laws, the common law of negligence, and the concept of reasonable care hold alcohol serving establishments and their employees liable if they serve alcoholic beverages to a guest who leaves the establishment intoxicated and then injures another person. The Coast Guard is not immune from these lawsuits. Extreme care shall be exercised by MWR activities serving alcoholic beverages to ensure responsible service.
1. ALL F&B activity managers, bartenders, and any other staff serving alcoholic beverages shall receive certified training in **Responsible Alcohol Service**. Recognized training programs such as Training for Intervention Procedures (TIPS) and Controlling Alcohol Risks Effectively (CARE) meet this training requirement.
 2. Such training shall include, at a minimum:
 - a. Understanding and recognizing intoxication, monitoring alcohol consumption, intervention techniques, and identification of minors.
 - b. Certification of training completion shall be included in each employee's official personnel file.
 - c. No employee shall be assigned responsibilities that include the serving of alcohol beverages until such training is complete.
 - d. Annual local refresher training is required and shall be documented.
 3. The F&B Director may, at his/ her discretion, pay for, or reimburse the staff member for the certification or renewal fee.
 4. Serving alcoholic beverages to a guest under the age of 21 is prohibited. F&B establishments shall positively identify the age of guests prior to providing alcoholic beverages.
 5. Serving alcoholic beverages to intoxicated guests is strictly prohibited.
- B. Bar Programs and Bar Service. Several factors must be considered for MWR F&B appropriate bar service. Many are non-negotiable with the goal of maintaining the high standards and the good reputation of USCG and MWR F&B operations.
1. No employee under 21 years of age shall be permitted to sell or dispense alcoholic beverages.
 2. Pre-measured dispensers for all liquor shall be used. Free pouring is not permitted.
 3. An adequate supply of standard size glassware shall be on hand. There is a direct correlation between the size of glass and the portion-controlled drink.
 4. Drinks shall be made to order. One drink per person.

- a. 'Stacking drinks' is prohibited.
 - b. Allowing a guest to buy drinks for another is prohibited, unless positive identification of the eligibility of the other guest occurs (i.e., 21 or older and not intoxicated).
 - c. 'Credit sales' are prohibited.
5. Use standard drink recipe cost control cards for each size of drink (include all ingredients). Train bartenders on the standards and portion control.
 6. 'Last call', countdowns, drinking contests, or other activities that encourage rapid alcohol consumption are prohibited.
 7. Reduced drink price for a limited time programs, such as 'happy hour' are prohibited.
 8. Programs and practices that glamorize the sale, possession, and consumption of alcoholic beverages are discouraged.
 9. Promoting food service while serving alcohol is encouraged.
 10. Entertainment, such as dart boards, pool tables, video machines, or small production (acoustic) live performances are encouraged.
 11. The sale of alcoholic beverages on federal or state election days during polling hours is prohibited except when state or local laws permit.
- C. Drink Menu Offerings. Liquor, beer, and wine choices should be made to satisfy local guest demand.
1. Maintain a good assortment of popular, moderately priced **liquors**, including: Bourbon Blend, Scotch, Light Rum, Dark Rum, Tequila, Vodka, Gin, and Brandy.
 - a. Choose an assortment of higher end 'call brands', cordials and liqueurs to accommodate drink recipes and satisfy local demand.
 - b. Generally, if a bottle remains on the shelf for more than 3 months, consider not reordering that brand.
 - c. Unsold liquors should be 'featured' (although NOT discounted) to finish using and avoid unused inventory.
 2. Similarly, **beer/ malt beverage** selections should be made to satisfy demand.
 - a. Consider an appropriate variety of draft and canned/ bottled beers to accommodate bar setup, storage, and popularity.
 - b. Select a variety of the most popular brands sold in the local area such as Modelo, Bud Light, Miller Lite, Coors, etc.

- c. Local popular brands may also be considered. Often, single serve (cans/ bottles) is best for this purpose. This may also include ‘hard ciders’ or other non-malt low-alcohol drinks. If a bottle/ brand remains unused for more than 3 months, consider not reordering.
 - d. Off-premises consumption sale is only authorized at times when the service is not provided by the local Coast Guard Exchange and at prices no less than the Coast Guard Exchange selling price.
 - e. The sale of canned/ bottled beers to individuals for off-premises consumption is limited to one six-pack per day per eligible guest.
 - f. The sale of malt beverages in kegs or cans and canned non-alcoholic beverages is authorized for command sponsored functions such as unit picnics, division parties, and Coast Guard Day festivities.
3. **Wine** varieties should include one each of red, white, and rose.
- a. The number of bottles of each brand included in the well stock should not exceed two bottles.
 - b. Generally, bar wines are served by the drink, not by the bottle, except for special events or catered activities.
4. Consider an appropriate variety of fountain and canned/ bottled **soft drinks** to accommodate bar setup, storage, and popularity.
5. Tobacco products are not authorized for sale in MWR F&B locations.
- D. Beverage Pricing. When making beverage menu pricing decisions, consider 3 factors: competitive pricing, pour cost, and overall gross profit.
1. Competitive pricing. Research menu prices for drinks, beers, and wine at local off-base casual and family restaurants and neighborhood bars. Calculate an average. Pricing on-base should be competitive, likely falling somewhere toward the entry point of average. This creates a value beyond the convenience of staying on base.
 2. Pour Cost. **Overall beverage cost should be maintained between 25% and 30%.** This includes waste, loss, and unused inventory when end-of-month costs are calculated. To calculate the beverage cost of each item, divide the cost of all recipe product (pour cost) by the menu price. This gives the cost percentage.
 - a. Pour cost: **Liquor.**
 - (1) Typically, liquor is purchased in a standard 750 ml (25.36 oz) bottle which equates to about 20- 1 1/4 oz shots or 16- 1 1/2 oz shots.
 - (2) For example, if the standard is 1 1/4 oz liquor per cocktail, calculate pour cost by dividing the bottle purchase price by 20.

- (3) Account for the cost of any garnish and the cup and straw if serving disposable.
 - (4) Industry average cost percentage for liquor drinks is 15-20%.
 - b. Pour cost: **Beer**.
 - (1) A quarter-barrel of beer is 7.75 gal, or 992 oz. That equates to 62-pint (16 oz) drafts, or 82- 12 oz drafts.
 - (2) If your standard is a 12 oz pour, you can calculate pour cost by dividing your keg purchase price by 82.
 - (3) Account for any garnish and the cup if you are serving disposable.
 - (4) Industry average cost percentage for draft beer is 20%; bottled or canned 25-30%.
 - c. Pour cost: **Wine**.
 - (1) Wine typically comes in a 750 ml (25.36 oz) bottle. That equates to about 4- 6 oz glasses of wine per bottle.
 - (2) You can calculate pour cost by dividing the bottle purchase price by 4.
 - (3) Be sure to account for the cup if you are serving disposable.
 - (4) Industry average cost percentage for wine is 30-40%
 - d. Pour cost: **Soft Drinks**. Follow the same calculation for soft drink prices. The cost of a dispensed soft drink should be 20%. However, be sure to include the cost of the cup, lid, ice, and straw in your calculation. If it is a canned or bottled soft drink, typical food cost is 33%.
 - e. Overall Gross Profit. As with the food menu, the goal is to offer a well-rounded drink menu that presents a good value. The beverage cost percentage should be around 25% overall. As with the food menu, consider gross profit of the menu overall.
 - (1) Guests expect call brands to be priced higher than standard brands, and single-serve beers and non-malt drinks to cost more than draft. Higher-ticket items may bring more dollars to the bottom line and profit margin could reveal lower-priced items have profit value when many are sold.
 - (2) The menu should have a mix of items with a range of prices and profit contributions. To competitively price a higher cost item, a higher pour cost may be necessary. Consider featuring a couple popular items at a great (even slightly reduced) price. Even if the items are slightly lower in margin, it entices guests to return; you may have high sell-thru, bringing gross profit dollars to the bottom line.
3. Take the pour cost and divide by the desired cost percentage for an approximate menu price. For example, if the cost for a Bacardi & Coke with a lime is \$0.78 and you want the drink at a

15% pour cost, divide \$0.78 by 0.15. The drink should be priced at \$5.20 to achieve the desired margin. A spreadsheet to help with this calculation is *Exhibit –Menu Cost Calculator Drinks*.

4. Continually review pour costs with invoice payments to watch for trends. Review menu prices relative to updated costs and make menu price adjustments only as necessary, and **no more often than once per quarter**. This provides consistency for guests. Exceptions may be required if an unusual circumstance impacts base cost.

E. Post Beverage Menu and Prices.

1. Drink menus with price lists shall be made visible throughout the facility.
2. Menus can be placed at the bar, on tables, or be posted in multiple locations.
3. Menus should be tastefully printed and include the operation’s logo in color. At minimum, menus should be printed and laminated. They may also be printed and inserted into a bordered menu slip-cover.
4. Local features and specialty brands may be posted tastefully on a chalkboard or whiteboard instead of (or in addition to) the printed menu.

F. Drink Recipe Cards. If specific blended alcohol drinks, such as a Margarita or Old Fashioned are offered, drink recipe cards must be available and bartenders shall be trained to follow them.

(Exhibit- Drink Recipe Sample) There should be no deviation from recipes other than special requests by the guest.

G. Draft Beer Service. Guests should experience the same high-quality experience with each draft beer pour. The 3 main factors are: beer temperature, line pressure and proper pouring.

1. Beer Temperature.

- a. Check the temp of the beer coming from the draft lines each day to ensure it is dispensed around 36°F. A higher temp – especially if it nears 40°F – reduces the quality taste and usually results in excessive foam.
- b. Check that the beer cooler is maintaining proper temp.

2. Line Pressure.

- a. Check proper line connection.
- b. Check that the float releases or “FOBs” are in place and work properly with chamber full and float release pulled down. *(Exhibit- Keg Float Release)*
- c. You may find that a particular brand sat unused for a long duration in one of the lines and is getting returned and/or dumped.

- d. Determine if there is a mechanical problem with any line. This may require a service provider's expertise.
3. Pour Technique. (*Exhibit- Perfect Beer Pour*)
 - a. Tilt the glass 45° under the tap.
 - b. Grasp the tap handle and open it fully.
 - c. Straighten the glass as the glass fills.
 - d. Finish with a slight foam head at top of glass – generally 1” in a standard pint glass, or ½” in smaller disposable. The foam head enhances the quality of the beer through the aroma and effervescence it creates.

CHAPTER 5 MARKETING

- A. Local Advertising. The F&B Director should continually market the facility and create enticements for new and repeat business. Expectations and recommendations include:
1. Post the menu and/or specials throughout the base. Print and post flyers or copies of the menu, or post a QR code with link to the menu.
 2. Use your resources to create a local ad presented via on-premise TV programming. Promote specials or entice upsells and add-ons for guests already on site.
 3. Use your resources to create and post ads online. If possible, work with other departments on base to gain permission to post hours of operation or the day's specials.
 4. If cost-effective and staff are available to do so, schedule an external salesperson, or "hawker" to draw in potential guests. They could stay in the vicinity, or, if feasible, they could move around other areas of the base carrying a sign, or announcing the facility is now open and welcoming guests. They must know the menu and be enthusiastic. They should have copies of the menu and perhaps a printed coupon for free non-alcoholic beverage or "% off".
- B. Running Specials. The *Food Operations* chapter of this *Guidebook* discussed the use of Features, Specials, and LTOs to create a buzz and boost sales.
1. F&B facilities are expected to feature at least one item, or daily/weekly specials every day of operation.
 2. Featured item(s) may be a food or beverage item.
 3. Choose an item (or items) that are profitable and enticing, like a special only offered on Tuesdays. This creates incentive to come in and buy. A beverage item are long on inventory and desirable to move is an alternate.
 4. 'Feature' does not necessarily mean discounted price.

CHAPTER 6 CASH HANDLING

- A. General Cash Policies. For F&B locations that permit cash sales or hold cash on hand for vending or entertainment purchases, it is vital that the standards and procedures listed below are followed to ensure the proper handling of cash.
1. All cash, checks, and gift cards should be kept in a locked/combination vault or safe. Access to areas where the safe is located should be limited to only those employees who need access and are designated to have access.
 2. During business hours, all forms of cash should be stored in locked drawers, registers, and the safe.
 3. Each facility must have one primary and one secondary individual designated to make deposits. The number of authorized persons to make deposits shall not exceed 3 people to ensure internal financial integrity.
 4. Cash sales must be properly categorized as such when ringing in to POS. POS keys should be specific by category (beer, wine, food, etc.), as well as by menu item name or drink type and brand for inventory reconciliation.
 5. The detail register tape must be adequate for recording all transactions and auditing. **A daily reconciliation of the internal audit detail register tape with cash sales is mandatory.**
 6. Daily 'bank' (cash drawer) amounts are approved by CSC. F&B management at each location shall ensure the amount of each bank aligns with the authorized amount listed on the designation memo on file.
 7. Cash drawers should not be shared. The employee is responsible for the cash in their drawer and any variances of same.
 8. Staff shall NOT operate from an open cash drawer. All food or drink sales are to be rung in at the time of the sale and receipt given.
 9. Lost or misplaced credit card slips, and all other forms of tender, are included as cash variances and may result in disciplinary action.
 10. **ALL cash shall be placed in cash drawer, including any cash tips given to staff by guests. Tips will be reconciled each day, apportioned and recorded appropriately, and added to the employees' paycheck.**
 11. Be vigilant and train staff to watch for counterfeit bills. These can be any denomination. They can be detected by the way the bill feels, a print discrepancy, or by using a counterfeit pen detector. If a counterfeit bill is unsuspectingly taken, the bank may not accept it and the shortage must be booked.

B. Daily Cash Responsibilities.

1. At the beginning of the day, a daily sales report must be printed. Cash on hand should match the amount reported on POS.
2. The manager must perform a safe count and verify the amount of the banks assigned to bartenders and staff.
3. Totals must be logged on a daily reconciliation sheet. The sheet and sales report shall be retained for future review or audit.
4. Employees are responsible for counting their bank and should not sign the bank out if the amount is incorrect. The manager shall verify the cash drawers are signed out to the bartenders and other staff for the shift.
5. At the end of an employee's shift, the manager shall collect the cash drawer and bring the total back to the prescribed amount. The amount is compared to the POS sales report to verify accuracy.
6. The manager shall verify employee's cash tips by counting the total money collected and subtracting their bank and credit card tips.
7. Cash tips, as well as credit card tips from the sales report, must be logged for payroll and retained for future review or audit.
8. Failure to report tips totaling more than \$20 per employee each month is a violation of Section 6053 of the Internal Revenue Code and will result in disciplinary action.
9. Deposits must be made daily unless the total is less than \$200. Deposits may be deferred until \$200 is reached or at the end of each week, whichever is soonest.

C. Variances.

1. Cash Variance is defined as an overage or shortage of cash, checks, traveler's checks, credit card slips, or any other forms of financial payment accepted. The management team will verify any sales audit/cash-out forms, deposit forms, and official banking documents against the financial reports from POS and other reconciliation forms.
2. Every overage or shortage should be investigated by the F&B Director to ensure best practices are implemented to prevent future variances.
3. An over/short log must be maintained and updated as each incident occurs. The MWR Director must notify CSC Business Resilience and the MWR Finance and Business Operations Manager if the amount exceeds \$50 in a single incident or if the total exceeds \$100 in a quarter.
4. Overages are the property of the F&B location.
5. Drawer audits/verifications may be conducted by management with no advance notice. Any unexplained variance found during said count may result in disciplinary action.

6. Shortages may NOT be deducted from employees' pay which would be in violation of Federal statutes. However, management reserves the right to administer disciplinary action on a case-by-case basis according to events surrounding variances.

CHAPTER 7 INVENTORY MANAGEMENT

A. Securing Food Vendor. A reliable and reputable vendor must be established for back door food supply.

1. When selecting a vendor, several factors must be considered:
 - a. Availability of product. Recommend establishing a partnership with a regional or national food supply operation such as Sysco or USFoods. They likely have everything needed consistently with reasonable prices and often in optimal pack sizes.
 - b. Proximity/ Delivery schedule. Generally, deliveries should come in once a week. This, of course, depends on usage and storage capacity. Vendor deliveries should NOT be made during operating hours. Choose a vendor that can work within your parameters.
 - c. Pricing. A larger outfit will often present a better and more consistent pricing structure.
2. After menu and recipe decisions are made, create a product list and present to vendors for availability and pricing. Shop at least two vendors to determine the best choice.
 - a. It is important to consider the number of products brought in the back door. ‘Single-use’ items are rarely cost-effective or may only be available in a larger quantity than needed. Keep such items limited.
3. Establish the method and timing for placing food orders in advance of delivery. Also determine if they can accommodate a ‘special delivery’ in emergencies.
4. There may be times where locally sourcing some items makes most sense. For example, if it is important to stock a small quantity of tomatoes for guest requests, potentially consider a local produce vendor or grocery store.
5. NOTE: Vendor pricing is often established based upon an estimated usage or overall sales quantity estimates. It is important to understand that you may occasionally find certain items cheaper outside of your primary source; however, it is often counter-productive to purchase items elsewhere.

B. Securing Liquor, Beer, Wine (LBW) Vendors. Follow the same method when establishing your vendor-partners for beer, liquor, and wine. You may consider your local CGX for liquor and wine purchases; however, there is no obligation. This may be a convenient option but prices and availability should be assessed equally against other vendors to make the most cost-effective decision.

C. Ordering. Each week (or upon the agreed-upon delivery frequency) an order shall be placed in advance of delivery. Best practices for placing an accurate order include:

1. Post a ‘need’ or ‘low on stock’ list so employees can contribute to order needs.
2. Many vendors have a standard order guide. If so, customize the guide to suit needs. If not,

create your own.

3. Create inventory rotation for each item. Take an on-hand inventory after delivery. Monitor every other day or so and take a subsequent count at the end of the delivery week to determine actual usage. Record quantities in your inventory rotation to build back to with each order.
4. Take a precise on-hand inventory on order day. Do NOT estimate. Once inventory rotations are established and an on-hand count complete, you know how orders necessary until the next delivery.
5. Be conscious of recipes and case sizes regarding food purchases. Order only what is needed to prepare and serve for the week. Perishables usually have a shelf-life of one week or less. Generally, for everything else, there should be no more than 14 days' worth of product on the shelf. Exceptions include vendor minimum purchases and non-perishables where there is adequate storage space for some backup.
6. Consider the same with beverage orders. Order only what is needed to avoid having more than 30 days' excess inventory on the shelf. Vendors often try to convince you that buying liquor or wine by the case is most cost-effective. In some cases, especially your regular and house brands, that may be true. However, consider that many times, this is pitched for the vendor's advantage, not yours. For example, you likely don't need 10 extra bottles of white wine in storage when that money could be better spent this month on something higher in priority.

D. Receiving.

1. Deliveries must be made during non-operating hours. A manager, supervisor, or trained and trusted staff member must be on hand to accept the delivery.
2. Prepare storage areas in advance of delivery. Remove boxes and clutter, reorganize, and clean up to make putting away the truck easier.
3. Receive only one delivery at a time.
4. Deliveries must be checked in. This includes a physical count of items that should match the order and invoice.
5. Store all beverages in a secure space. Keep bar inventories, including beer taps, locked during non-operating hours.
6. Checking in food requires a quality check.
 - a. Inspect cold food immediately for temperature and quality. Check internal temperatures of refrigerated perishable items such as meat with a thermometer. It should be at or below 40°F.
 - b. Check dry goods and non-perishables to be sure there is no rodent or bug evidence, such as gnaw marks or waste (or actual bugs).
 - c. Check frozen items to verify they are at 0°F. Also check that items have not thawed and re-frozen. There should be no ice crystals or spots that suggest it was once wet.

- d. Do not accept dented or damaged cans.
7. Record all deliveries from vendors or transfers on a receiving/purchase log.
8. Additional receiving best practices include:
 - a. Record as waste, and discard any old, outdated product.
 - b. Label all items as they are put away with the delivery date or use-by date to ensure proper rotation.
 - c. Remove dry items from boxes where possible. Bugs love boxes. This also helps count on-hand more accurately.
 - d. Label shelves. Everything should have a regular home. This makes things easier to find and count properly.
 - e. Store and stage things near their use where possible. For example, place carryout boxes near the to go staging area.
 - f. Remove no longer used items. Feature it or sell if possible; do not allow product to languish and impede an organized storage area.
- E. Invoices. Vendor payment process may vary based on standard practices established by regional finance departments or vendor handling payables. Here are a few general expectations.
 1. Handle invoices in a timely manner. Do not allow them to stack up.
 2. Sign and date the invoice upon receiving the delivery.
 3. Handle credits for returned items (or other credits) immediately per the arranged agreement with vendor. Typically, an adjustment is made to the invoice reflecting items not kept.
 4. Ensure there is one central location for invoices collection (folder, file, etc.) as they are prepared for processing.
 5. Review the invoice for accuracy including the total of the invoice, invoice date, received date, and invoice number. Check that the received unit is correct (For example, *Case* vs. *Each*.)
 6. Log all invoices before finalizing for processing.
 7. Forward, or email, a scanned copy of all invoices to the accounts payable provider per established arrangement.

- F. Tracking Food and Beverage Inventory. COGS measures what a business spends to produce a good or service. For restaurants, that means the cost of the F&B purchased to serve to guests. To accurately reflect this cost, look at how much was USED vs. how much was purchased. This is on-hand Food and Beverage products are counted regularly. Keeping track by doing a regular count of inventory is a vital part of managing the business and calculating profitability.
1. A formal count and reckoning of F&B inventory must take place monthly – traditionally at month-end.
 2. Create spreadsheets for food and liquor counts that include every item to be accounted for. Samples may be found at *Exhibit- Count Sheet Food* and *Exhibit- Count Sheet LBW*.
 - a. Include current pricing of each item on the spreadsheet. Update prices from the most recent invoice.
 - b. Ensure units of measure (UOM) are listed on the sheet reflecting actual case and product sizes.
 - c. Ensure count sheets are set up ‘shelf to sheet’, meaning the sheet follows the flow of your storage area and no items are out of place or missing. Start and stop in the same place every time.
 - d. Ensure count sheets include each storage area where products might be. For example, Bacardi will likely be in the well(s) and locked in backup storage.
 - e. For food, some minor items in certain areas may not be included in the monthly count. For example, sliced tomatoes or onions, or other items already broken out for the day’s shift. If the decision to not count items is made, it must be done consistently every month.
 - f. Print count sheets in preparation for counting or have a digital alternative easy to use for recording quantities.
 3. Prepare for an accurate count. Here are a few tips:
 - a. Plan enough time to count before focusing on prep or guest service. Do not rush and make mistakes.
 - b. Break down open boxes and stage contents for a clear visual of on hand.
 - c. Organize. Line up items and be sure nothing is hidden. Make sure everything is ‘faced’, making it easy to see the label.
 - d. Go area by area, completing one at a time. After counting an area, do a visual once over to see if anything was missed. It’s easy to get tunnel vision when following a sheet and miss something out of place.
 - e. Count with a partner if possible. One counts, the other records on the sheet. This creates efficiency and opportunity for validation.

4. Gather tools needed for accurate counting. Use the same tools consistently. For **food**, set up a cart with a portable scale for weight and measuring tools for volume.
 5. For **liquor and wine**, unless you have a digital measuring device, the standard is to use a **‘one tenth point’ measuring method** for open bottles, i.e., a careful estimate of the fullness of the bottle to the nearest 0.1. For example, a half full bottle = 0.5 on hand.
 - a. This is the quantity recorded on the count sheet. The estimate must be made carefully, but equally important, the estimates must remain consistent month over month.
 - b. For liquor, be certain the unit of measure and current unit price on your count sheets reflect the correct bottle size (750 vs. 1.5)
 6. For **beer kegs**, the standard is to use a **weight method** for best accuracy, requiring a pound scale and a calculator.
 - a. Typically, an empty $\frac{1}{4}$ barrel weighs 22 lbs, and full weight is 87 lbs, meaning 65 lbs of beer in a full keg. ($\frac{1}{2}$ barrel: 30 lbs, 160 lbs = 130 lbs of beer.) Set a more precise standard by weighing a full keg and an empty keg for each keg size purchased.
 - b. Weigh all kegs during the monthly count.
 - c. For each keg, subtract the ‘empty keg’ weight to arrive at the weight of just the beer. For example, if the full weight is 47 lbs, subtract 22 lbs for the keg weight to arrive at 25 lbs of beer. The weight divided by the full beer weight will determine the percentage on hand. For example, 25 lbs. (current count weight, less empty keg) / 65 lbs. (full beer weight) = 0.38 keg. This is the quantity recorded.
 - d. Be certain your unit of measure and unit price reflects the correct keg size.
 7. Double check the accuracy of your counts before finalizing. Look over totals to see if any quantities jump out as glaringly different than last month. This may indicate a miscount or mis-record. For example, check that an actual “1 each” wasn’t logged as “1 case”.
- G. Inventory Extension. Financially, F&B costs are thought of relative to sales. Once an accurate count of quantities on-hand is achieved, next calculate the dollar value of that inventory.
1. Create an inventory spreadsheet that includes a columns for: current on-hand count, current unit price, and the extended dollar value (count times unit price). There are templates that may be modified and used for this purpose at *Exhibit- Inventory Extension Food* and *Exhibit- Inventory Extension LBW*.
 2. Confirm extended values for anomalies. Use a ‘\$ threshold’ to quickly look down the column to determine if a mis-entry occurred. For example, double check all liquor items total over \$200.
 3. Next, determine the ‘cost percentage’ of usage relative to sales.

- a. Find the total dollar value of usage and divide by sales for that category to determine your percentage. For example, the total food used in the month was \$30,000 and total food sales was \$80,000. Calculate $\$30,000 / \$80,000 = 0.375$, or 37.5% of sales.
4. Compare this to the desired ranges:
 - a. **Food Cost.** F&B activities shall maintain a food cost of **37 – 42%**.
 - b. **Beverage Cost.** F&B activities shall maintain a beverage cost of **25 – 30%**.
- H. Controlling COGS. Internal methods must be in place to control inventory, portion control, staffing, and cash handling, are all essential to ensure profitability of the operation. Several recommendations to keep costs at a minimum include:
 1. Double and triple check counts and inventory extensions to eliminate administrative issues.
 2. Do DAILY ‘hot counts’ for high use or high abuse items. Record and post results to ensure staff is aware that items are monitored.
 3. Use Sales Reports from POS to compare actual item use to what was rung up. This is referred to as an analysis of *Actual vs. Theoretical*, or *AvT*. Double check anything with large variances.
 - a. This may occur at the end of the month, or daily for high use items/ items of concern.
 - b. This process works for beverage and primary food items (burgers, tenders, etc.). Residual usage calculation for prepped items is required.
 4. Post results. For example, post a ‘Top 5 Loss’ list. Allow staff involvement helping regain control of such items.
 5. Keep a Waste Log (***Exhibit- Waste Log Sample***) to track actual waste. It should be clear to employees that all waste should be recorded here. Conduct analysis for cost and staff coaching.
 6. Use standard food and drink recipe cards for all food menu items and each size of drink. Train cooks and bartenders on standards and portion control.
 7. Stay consistent. Do not vary styles, brands, or quantities of sides and condiments. Use standard size glassware, drink recipes, and pre-measured pouring devices.
 8. Ensure equipment works properly. For example, beer lines running with proper temp and pressure to minimize waste at the tap.
 9. Work with vendor-partners to keep costs at the lowest possible level.
 10. Analyze the menu quarterly to determine if costs and pricing is in line. For example, a menu item may drive food costs too high. The recipe may need to be re-engineered, ingredients modified, pricing changed, or it may need to be removed.
 11. Isolate all issues to ensure no theft occurs. Act swiftly and appropriately if there is.

12. Train! Ensure staff understands portioning, waste, cost control expectations, and are partners for success.

CHAPTER 8 SCHEDULING & LABOR MANAGEMENT

For further details about Labor Management protocol, refer to *MWR NAF Personnel Manual*.

A. Staffing Categories.

1. MWR appropriates funds for F&B facility USCG enlisted Directors, Managers, and Supervisors. Staff members serving in these roles are expected to lead their staff and the daily operation.
2. Additional staff shall be hired, trained, and scheduled as needed to perform front-line tasks of food and drink preparation, guest service, and cleaning (cooks, bartenders, cashiers, dishwashers, etc.) These are referred to as *Non-Appropriated Fund (NAF)* employees, whose wages are funded by the F&B facility's operating budget.
3. Chapter 3 of the Nonappropriated Fund Personnel Manual (COMDTINST M12271.1C) provides the definitions of NAF personnel and the allowance for off-duty military personnel to be hired as NAF employees.
4. There are 3 NAF employee scheduling categories:
 1. Intermittent: defined as scheduled 0-19 hours per week.
 2. Part Time: defined as scheduled 20-29 hours per week.
 3. Full Time: defined as scheduled 30-40 hours per week.
5. **It is important that each employees' actual time scheduled and worked matches within their appropriate scheduling category.**
6. Each F&B facility staffs a specific number of employees in each of the defined scheduling categories, approved by CSC. This approval memo should be on file at each location.

B. Schedules.

1. The F&B facility Director shall approve all schedules.
2. Unless a scheduling platform is deployed, create a standard schedule template to be adjusted each time the schedule is updated.
3. Schedules shall be posted – at minimum – by 5pm on Thursday for the following week beginning Monday.
4. It is preferable to create a schedule further in advance. Best practice is to create and post the schedule on the 15th for the entire following month.
5. A scheduling platform is the ideal means to communicate schedules to staff. Short of that, devise best practices to post, text, email, or otherwise notify employees of their schedule.

6. Set a policy for employee requests for multiple days off. There should be enough advance notice to, if approved, build this into the schedule.
7. When an employee foresees a conflict with an upcoming shift, they are responsible to first find a replacement to cover the shift, and subsequently request approval from a manager. (***Exhibit-Shift Swap Request Sample.***)
8. Once schedules are approved and posted, employees understand they are responsible for their schedule.
9. The F&B Director shall establish and communicate an attendance policy per the following guidelines:
 1. When an employee anticipates that they cannot work a scheduled shift, they must notify a manager at least 2 hours in advance of the shift.
 2. Notification less than 2 hours before shift, or failure to notify and not appear for a shift, will result in disciplinary action.
 3. Tardiness for a scheduled shift will result in disciplinary action.
 4. When the employee notifies a manager that they will be late, the action may be less severe, or cleared, at the Director's discretion.
 5. All schedule infractions should be documented, regardless of notice. Repeat or multiple violations may result in disciplinary action.

CHAPTER 9 HUMAN RESOURCES & TRAINING

For further details about HR Management protocol, refer to the *NAF Personnel Manual, COMDTINST 12271.1(series)*.

- A. Requisition to Hire. Each F&B facility shall have a prescribed number of NAF employees to maintain daily operation. The staffing level shall be determined by the facility Director and approved by CSC. This approval shall remain on file at the facility.
 - 1. Staff members are categorized as Intermittent, Part Time, or Full Time. See *Scheduling & Labor* chapter for details on these categories.
 - 2. The F&B Director must regularly assess their staffing needs to maintain an appropriate level to adequately serve guests and maintain an efficient operation.
 - 3. There may be occasions where an additional or new employee is needed. In these cases, the facility Director shall requisition CSC HR for new staff approval. For example:
 - a. Changes in business flow such as anticipated increases caused by a change in base structure, patron population, or other general increase in business.
 - b. Replacing a current employee, such as an employee resignation, change in hours available, or performance issues.
- B. Job Descriptions.
 - 1. A job description exists for each NAF front line employee position. These job descriptions should be on file (or digitally available) at each facility.
- C. General Staff Duties.
 - 1. **Food Service Worker** General Duties.
 - a. Trained and certified in safe food handling to prepare quality food and to prevent foodborne illnesses.
 - b. Understands how to read and follow a recipe.
 - c. Knows how to safely use, maintain, and clean kitchen utensils, measuring tools, and cookware.
 - d. Preps food in advance of service. Properly portions, labels, and stores same.
 - e. Greets and communicates with guests, displaying hospitality.
 - f. Knows menu and available products, can answer guests' questions, and make suggestions.
 - g. Accepts payment and is accountable for balanced cash drawer.

- h. Keeps counter and dining area neat and clean following sanitation standards.
- i. Washes wares, utensils, and equipment.
- j. Completes cleaning tasks at shift end and securely stores liquor, beer, and wine after closing.

2. **Cook** General Duties.

- a. Trained and certified in safe food handling to prepare quality food and to prevent foodborne illnesses.
- b. Knows how to safely use, maintain, and clean appliances and kitchen cooking equipment.
- c. Knows how to safely use, maintain, and clean kitchen utensils, measuring tools, and cookware.
- d. Understands how to read and follow a recipe.
- e. Preps food in advance of service. Properly portions, labels, and stores food.
- f. Prepares menu items for guest service efficiently and presentably.
- g. Works with others on the team to meet food quality and guest delivery time goals.
- h. Keeps tools, wares, and work area neat and clean, following sanitation standards.
- i. Washes wares, utensils, and equipment.
- j. Performs setup tasks at the beginning of shift and cleaning tasks at shift end.

3. **Bartender** General Duties.

- a. Sets up and stocks the bar at the beginning of their shift.
- b. Keeps storage and bar areas organized for easy access to product and supplies.
- c. Trained and certified in the responsible service of alcohol.
- d. Greets and communicates with guests, displaying hospitality.
- e. Knows liquors, beers, and wines, and can answer guests' questions, make suggestions, and upsell when available.
- f. Knows drink recipes and dispense or make drinks efficiently.
- g. Accepts payment and is accountable for balanced cash drawer.
- h. Keeps utensils, glassware, bar, and area neat and clean following sanitation standards.

- i. Completes cleaning tasks at shift end and securely stores liquor, beer, and wine after closing.

4. **Waiter** General Duties.

- a. Greets and communicates with guests, displaying hospitality.
- b. Knows the menu and can answer questions, make suggestions, and upsell when available.
- c. Takes food and beverage orders.
- d. Delivers food and beverage as well as accompaniments, utensils, and other guest requests.
- e. Collects payment.
- f. Cleans and resets table when guests depart.
- g. Performs setup tasks at the beginning of their shift, and side work tasks at shift end.

5. **Barista** General Duties.

- a. Sets up and stocks the station at the beginning of their shift.
- b. Keeps storage and counter area organized for easy access to product and supplies.
- c. Greets and communicates with guests, displaying hospitality.
- d. Knows coffees, pastries, and desserts, and can answer guests' questions, make suggestions, and upsell when available.
- e. Knows recipes and can dispense or make drinks efficiently.
- f. Accepts payment and is accountable for balanced cash drawer.
- g. Keeps utensils, glassware, and area neat and clean, following sanitation standards.
- h. Completes cleaning tasks at shift end and securely stores beverages.

D. Recruitment.

1. Once requisition is made, CSC HR supports recruitment publication. They will use available resources including recruitment websites and social media postings.
2. Additionally, the F&B Director may use their resources to advertise locally, including:
 - a. Creating a printed ad and posting on site and around base.
 - b. Posting digitally to facility website or the base's general website.
 - c. Creating a digital ad to run intermittently on the facility's TV.

E. Selection Process.

1. Qualified candidates should be identified from the available pool. Qualification ‘on paper’ should include:
 - a. Meeting minimum age and physical requirements (accommodating for ADA).
 - b. Ability to work the hours and schedule required.
 - c. Meeting wage expectations.
 - d. Prior experience doing the tasks required. Exceptions may occur if other factors result in a good ‘fit’.
2. Interviews should be set up with qualified candidates.
 - a. The initial interview may be a phone screening.
 - b. A personal interview should occur with the F&B Director or designated manager. However, the F&B Director shall be the final approval for hiring.
3. The interview should be limited to job-related questions. The actual job description serves as a framework, or the interviewer shall follow an interview template provided by HR. The ‘scored’ interview is returned to HR for hiring approval.

CHAPTER 10 RETAIL SALES & CGX

A. Retail

1. The sale of malt beverages (beer and seltzers) to individuals for off-premises consumption is authorized only at times when the service is not provided by the local CGX and is limited to one six-pack per day, per eligible patron.
2. Tobacco products are not authorized for sale in MWR activities.
3. Concession and vending income derived from F&B activities shall be reported as Other Income and/or Vending Income on the Morale Fund Financial Statement (CG-2985) or Operating Summary MWR Activities (CG-2985A), or equivalents, as appropriate.

B. Grab n Go/ CGX.

1. At F&B locations where a CGX is on base, MWR has first right of refusal to offer 'grab n go' prepared food items such as sandwiches and wraps, for sale at the CGX.
2. F&B management should partner with CGX to determine the availability of space, sales potential, and operational capability for such.
3. One a retail partnership is deemed viable, a contract or *Memorandum of Understanding* (MOU) should be entered into by the two parties. (***Exhibit- MOU Sample.***) This agreement must include:
 - a. Point of contact.
 - b. Menu of available items and change notification minimums.
 - c. Pricing and price change notification minimums.
 - d. Order methodology and schedule.
 - e. Delivery, invoicing, and payment schedule.
 - f. Stock standards and removal of expired products.
 - g. Any additional documentation or operational agreements such as dispute resolution.
4. MWR is essentially an outside vendor to CGX, requiring W9 or other new vendor documentation.
5. The same MWR minimum food quality and food safety standards required for regular food service operation must be met for grab n go at all times.

CHAPTER 11 CATERING

- A. Eligible Patrons. Eligible patrons may desire to sponsor functions at Coast Guard MWR F&B facilities or other MWR facilities.
1. All events held must be sponsored by an eligible MWR patron.
 2. The sponsor must be a U.S. Coast Guard Officer or enlisted, active, reserve, retired, a USCG Auxiliariist, a DoT employee, civilian employee, NF-3, any WS grade or WG12 and above and their dependents, or a commissioned officer in any branch of the U.S. Military Service, either active duty, reserve, or retired, veterans awarded the Purple Heart, former prisoner of war veterans, veterans with service-connected disabilities (SCD) with VA certified rating 0-90%, or caregivers or family caregivers of veterans (1) enrolled as the primary family caregiver in the VA's Program of Comprehensive Assistance for Family Caregivers (2) Eligibility limited to caregiver's active appointment period (one year; renewable). Family members of these patron group are not eligible.
 3. Access to facilities located in foreign locations are subject to limitations of host nation Status of Forces Agreements (SOFA) and/or other international agreements.
 4. A military ID is required upon application for services and/or contract execution.
- B. Program Viability. MWR facilities often provide ideal locations for catered functions and further maximize the use of the facilities. Some locations' circumstances and patron base are ideally suited to offer catered events.
1. The F&B Director should first assess capabilities to determine the viability of offering catering services. Things to take into consideration:
 - a. Can a service that is more competitive – or not available – elsewhere in the area be provided?
 - b. Is there space to reasonably accommodate such events including tables and chairs, bar(s), foodservice areas, etc.?
 - c. Is there equipment necessary to handle a catered event including hot holding units, hotel pans, chafers, etc.? If not, could a business case be made to purchase such equipment and get a return on the investment?
 - d. Is there staff to accommodate a regular schedule of events?
 - e. Execution of a catered event is far different that line cooking and walk-up service. Is the staff trained to professionally handle catered events?
 - f. Is generally profitable catering possible? A good understanding of overhead and costs associated with catering an event are required.

- (1) In some locations where a function hall is available, it may be preferable to rent the room. If so, your catering must be contracted with vetted, preferred vendors. This delivers revenue while providing some control over the liability and execution of the food and beverage provided.
- (2) All MWR minimum standards regarding wage laws, food quality, food safety, and responsible alcohol service must be met for catered events, in the same manner as on-premises service.

C. Advertising.

1. Create and maintain a listing of services available. Advertise location availability and the most desired times for hosting functions. Unless catering is the primary source of business, it is usually not advisable to schedule events during times when you are otherwise already busy.
2. Publish services and general pricing information to assist patrons schedule events. This may be on a website or a link to the information. *(Exhibit- Catering Flyer Sample.)*
3. Each event is unique. Experience shows it is advisable to provide general information up front, but leave detailed final pricing and packages for a personal conversation where a program can be customized to meet patrons' needs. Patrons may compare prices but may not understand that most caterers add additional fees, service charges, staffing charges, and state and local taxes to published prices.
4. Patrons may have an exact budget. Many times, you can structure a specific 'off menu' program that meets their needs.

D. Event Options. There are several event options that may be offered. Consider what is viable.

1. The menu may include ala carte items as well as bundled packages. For example, per-person meals including sides and drinks.
2. Traditionally, a catered event includes buffet-style food delivery.
 - a. Some F&B locations have the space and staffing to offer a full-service experience.
 - b. In full-service programs, limit to 1-2 alternative entrée options for maximum efficiency or consider charging a premium for more than two options.
3. Bar service may also offer multiple options.
 - a. Soft drinks and/ or beer and seltzers as self-service, paid by event sponsor by actual usage.
 - b. Beer and wine, or full cash bar with bartender service (pay as you go).
 - c. Open bar with capped purchase paid by sponsor as part of contracted price, reverting to cash bar afterwards.
 - d. Open bar during the event, paid as a set per-person price as part of contract.

4. No unauthorized food, beverage, or entertainment may be brought to any event on MWR property.

E. Cost Forecast and Pricing.

1. When determining pricing structure, consider COGs and labor. Also include equipment, transportation, or space rental fees.
2. When quoting food package pricing, traditionally will build in the cost of prep and food service staff.
3. Be sure to build in potential for fluctuating vendor prices, especially if quoting far in advance of the event or in cases where the items offered are not common.
4. Bar pricing could include the cost of the bartender. However, it is acceptable, and not unusual, to charge a separate bartender fee to staff the bar for a minimum amount of time.
5. Draft a schedule to adequately staff for the event. Follow industry guidelines for staffing or refer to the guide offered by the team from the USCGA Consolidated Club in CT. (***Exhibit-Catered Event Staffing Guide.***)
6. When factoring in labor cost, also consider state and local statutes regarding employee pay. These may include requirements to pay premium after number of hours worked, or certain hours, or for certain days or times of the day.
7. Be sure to compensate for setup and cleanup time.
8. It is acceptable to add a service charge to the contract. This may fund staff tips; however, it is not unusual for a percentage to go towards cleaning or other residual expenses.
9. Final overall pricing should be included in the event contract. Patrons are responsible to cover the quoted price.
10. When determining final pricing for an event, consider a 'sliding scale' for profitability. As a guide:
 - a. Private parties should be your most profitable events. 25-40%.
 - b. Command events or official events may be 10-20% profitable. For command-hosted events, you must at least cover your costs.

F. Contracts

1. Each function requires the proper completion and execution of a contract. All clauses discussed above should be included in the contract. An example and template that may be modified and used can be found at ***Exhibit- Catering Contract Sample*** and ***Exhibit- Catering Contract Template.***
2. **Each contract shall be uniquely numbered to provide for efficient audit purposes.**

3. The contract must be signed in advance of the event by the appropriate MWR management member and the function sponsor.
4. Sponsors are responsible for meeting the cost agreed upon and shall ensure the status of personnel attending is per the signed contract.
5. Any payment shall be made directly from the accounts of the eligible patron.
6. It is appropriate to require advance deposits or payment in full in advance of the catered event. Deposits shall be recorded as liabilities until earned and shall be deposited in accordance with the deposit requirements contained in Chapter 8.B.3.b.(5) of the MWR Manual.
7. Establish policies regarding payment, event cancellation, and the refund of deposits. Set a schedule in the contract. As an example,
 - a. Minimum deposit: with signed contract.
 - b. Final pricing: 4 months out.
 - c. Final changes: 2 months out.
 - d. Final head count: 6 weeks out.
 - e. No cancellation: 3 weeks out.
8. When a cancellation is made and accepted and no expenses incurred by the activity as a result of the cancellation, the MWR activity may exempt the sponsor from all charges at the F&B Director's discretion. Otherwise, all expenses incurred because of the preparation should be charged to the sponsor.

CHAPTER 12 CONCESSIONAIRE & CONTRACT PARTNERSHIPS

A. Concessionaire Definition.

1. A Concessionaire is defined as a vendor with whom the Coast Guard entered into a contractual agreement to run the F&B operation in or on an MWR facility for a specified period of time. This would serve as an alternative to staffing and running the F&B operation internally.
2. There must be an APF F&B facility Director on base to oversee a concessionaire operation.
3. F&B operations may operate as a concession only with the express written approval of the CSC.

B. Considerations to Engage Concessionaire. As Category C activities, F&B operations must be self-sustaining to not place undue financial burden on MWR funds as a whole. Therefore, choosing whether to engage a concessionaire essentially involves a cost-benefit analysis by the F&B Director. Considerations should include:

1. APF staffing support, i.e., funds to support adequate MWR leadership such as a Chief or other culinary or F&B experienced management.
2. Availability of NAF, potential employees, and capacity of leadership. I.e., is it feasible to staff the operation with employees; does the F&B leadership have the capacity to recruit, hire, and manage the staff daily?
3. F&B leadership expertise to effectively operate the facility.
4. Sales volume potential.
5. Availability of outside concession vendors with demonstrated experience operating a sustainable F&B operation.

C. Choosing a Concessionaire. Several factors must be considered when selecting the appropriate partner.

1. Projected sales volume and profitability. Large, nationally franchised chains such as Subway or Burger King may have minimum sales and space restrictions often excluding participation at an MWR facility. In most cases, it is advisable to choose a local vendor who may be a smaller operation – perhaps even family business, that can sustain their lifestyle on a marginal profit.
2. Square footage and equipment. It must be practical for the vendor to operate within the constraints of the existing footprint and layout.
3. Traffic flow potential and menu variety. Assess the potential number of guests when choosing the vendor with the best menu options. For example, a smaller audience with few F&B options on base may prefer a greater menu variety versus only a few specialty items. You may ask candidates to submit menu proposals as part of the selection process.

4. Candidate's expertise, experience, and reputation. The right partner must ensure guest safety, serve quality food and drinks, and create an experience guests want to revisit.
 5. Finally, validate vendor's status and licensing to ensure they have standing to operate legally.
- D. Concessionaire Agreement. F&B operations may be operated as concessions that comply with Reference (a). Concession agreements for F&B operations as outlined in the *MWR Manual*.
1. The F&B facility Director must work with the MWR legal team to draft contract language. (***Exhibit- Concession Agreement Sample.***)
 2. MWR must approve the final agreement.
 3. Recommendations listed below. At minimum, the agreement must clearly define:
 - a. Duration of Agreement Terms. Considering typical vendor startup costs and initial advertising to get traffic flowing, begin with a 2-year contract term with additional annual or biannual renewal clauses.
 - b. Payment. Base on sales estimates and vendor investment requirements. The vendor should expect to initially commission to MWR 7%-8% of ALL top line sales including food, beverage, catering, and retail. Payment terms may include annual 0.5%-1% increases capping at 10% of sales.
 - c. Reporting. It must be clear where, and how, sales are accessed and other key reports for payment verification and auditing.
 - d. Maintenance. The vendor must be clear that they are responsible for regular cleaning and maintenance of the facility and equipment. Repairs to the physical facility and existing equipment are MWR's responsibility except for cases of abuse or neglect. Improvements, upgrades, new equipment, and supplies are the vendor's responsibility.
 - e. Menu/ Pricing Approval. The vendor should submit menu offerings and prices to the F&B Director for approval. The F&B Director may partner with the vendor to calculate costs to settle on pricing and best variety. This should be done initially and at any proposed changes to menu items or pricing. See the *Food Operation* chapter of this *F&B Guidebook* for more details on menu changes and specials.
 - f. Operating Hours. This should be determined mutually with base activities taken into consideration.
 - g. Safety, Sanitation and Compliance. The vendor must abide by all operating standards outlined in this *F&B Guidebook*. It must also include Payment Card Industry Data Security Standard (PCI) compliance, insurance requirements, and all other local and federal government and USCG MWR standards.
 - h. Default and Termination. Consequences for breaching the agreement must be described, as well as defined notice for violations and contract renewal/ non-renewal.

E. Audit Process. The vendor must understand that MWR is responsible to validate that the vendor is operating and reporting following approved, agreed-upon standards. As such, a standard audit expectation must be set.

1. Operator Documentation. MWR must have access to, or copies of, the vendor's operating license and relevant insurance documentation. Renewals and updates must be kept current and notice given to MWR.
2. Sales Documentation. The vendor must have a POS system that categorically logs sales transactions. MWR must have access to the POS reports – and any other relevant data at any time to validate sales and commission information.
 - a. Recommend performing a revenue audit monthly and receive a full transaction report quarterly to verify data.
3. Staff Credentials. MWR must be informed when a new employee is hired. Proof of work eligibility and food handling and/or alcohol service certifications must be provided to MWR. Renewals must also be provided.
4. Health Department or Other Inspections. The vendor must keep any compliance agency notices and summaries on file and make copies available to MWR.
5. Menu Review. The MWR Director and vendor should review item sales and pricing quarterly. Decisions should be made in partnership; however, MWR must make the final approval of any changes.
6. F&B Operation. MWR should set a regularly scheduled operations review at least weekly. The MWR Director should verify adequate practices are taking place for food safety, employee training, guest service, cleanliness, and menu compliance.
 - a. The F&B Director may further consider outside 'shops' – perhaps monthly. These could be done through paid services or by providing a brief bullet point questionnaire to associates and reimbursing their meal.

F. Concessionaire Relationship.

1. The F&B Director must set expectations with the vendor once a contracted operation commences. This is a partnership. As such, expectations should be mutually respectful, supportive, and beneficial with the expectation of the vendor thriving and growing.
2. This *F&B Guidebook* should be made available for the vendor to study and understand MWR F&B expectations.
3. Although MWR verifies and approves many aspects of the operation, once operating, the concessionaire should enjoy some degree of autonomy to run their business. In some ways, it is similar to a landlord/ tenant relationship with respect for the vendor's time and activity.

- a. For example, visits at any time are authorized. However, if there's an expectation to audit, tour, or need the vendor's time for a discussion, such should be scheduled in advance.
 - b. There should be no interference with employee/ vendor conversations or guest interactions unless there is a compelling safety or legal reason to do so.
- G. Food Truck/ Mobile Vendors. There may be occasions where it is practical for a vendor to operate a mobile food operation on premise such as a food truck. This is acceptable with qualifications.
1. No concessionaire shall operate on or in an MWR facility free of charge. MWR must receive at least minimal income from any approved partnership agreement.
 - a. A modest version of a concessionaire contract must be signed by the mobile operator and MWR. A template is available on the MWR website. Once created, have your Legal Servicing Office MWR legal review the final draft and then forward to CSC for final review prior to signing.
 - b. Payment terms may be sales-based as with the concessionaire agreement described above. Alternately, it may be rent-based, meaning, the mobile operator pays a 'per time,' weekly, or monthly rent for use of the facility.
 - c. It is acceptable to abbreviate the term of a mobile operator agreement. The MWR facility Director may offer the vendor a trial period to demonstrate viability before entering into longer-term agreement.
 2. The mobile concessionaire may not create competition with other F&B operations on base the days it operates. For example, if a breakfast facility is already in operation Monday through Friday until noon, a mobile breakfast vendor may not be brought on those days during those hours. In this example, they could, however, be brought in on the weekend if viable considering potential traffic flow.
 3. The mobile concessionaire must meet all compliance elements listed above including legal, licensing, insurance, safety, PCI, and reporting, and provide documentation of such.
- H. Catered Event Concessions. Eligible patrons may desire to sponsor functions at Coast Guard MWR F&B facilities or other MWR facilities.
1. The F&B Director has the first right of refusal to provide F&B for any events taking place on the premises.
 2. The F&B Director must perform a cost benefit analysis to determine viability and profitability. Review the *Catering* chapter of this *F&B Guidebook* for more considerations.
 3. If MWR F&B is NOT involved providing food and beverage, a vetted and preferred vendor should be used to ensure food safety, quality, and compliance. This is also outlined in the *Catering* chapter of this *F&B Guidebook*.