Hospitality board cheat sheet

Not legal or financial advice. Check every number against your own agreements and statements.

Five numbers to read every month

Number	How it is worked out	Ask
Occupancy	Room-nights sold ÷ room-nights available	Same rooms counted as last year?
ADR	Room revenue ÷ room-nights sold	Rate or guest mix?
RevPAR and index	Room revenue ÷ room-nights available; index = hotel ÷ comp set × 100	Who picked the comp set?
GOP and GOPPAR	Revenue minus operating costs; GOP ÷ room-nights available	Versus budget and last year?
Flow-through	Change in GOP ÷ change in revenue	Where did the rest go?

Questions for every meeting

- What changed since last meeting, and what did management do about it?
- Where is cash, the FF&E reserve, and the loan covenant cushion today?
- What does the management or franchise agreement say the owner must approve this quarter?
- Who has a conflict on anything on today's agenda?

Decisions to keep on record

- Budget and capex above the board's approval level, with options and bids
- Brand PIP plans, deadlines, and funding
- Seasonal opening and closing dates, with the numbers behind them
- Operator, brand, or lender contract changes, renewals, and waivers
- Serious incidents, guest-safety issues, and what was fixed

Warning signs

- RevPAR index below 100 for several months in a row
- Revenue up but flow-through low
- FF&E reserve spent on repairs, with a PIP coming
- Reports arriving late or in a new format
- Approvals made by email with no record of who decided

Prepared Board keeps each decision as a record with documents, recusals, vote, and follow-up. It does not calculate these numbers; they come from your own reports. Terms explained at preparedboard.com/for/hospitality/glossary.