



Trees Organic
COFFEE & ROASTING HOUSE

Policies & Procedures

Tips & Gratuities:

Cash tips may be accepted at the point of sale. All tips received will be added to a tip pool and dispersed using the following procedure:

- At the end of each day, total tips collected will be added to the tip pool and recorded.
- The tip pool will be dispersed once each pay period, usually on payday.
- Hourly front employees qualify for tips at the beginning of their second pay period of employment.
- Salaried managers and kitchen staff do not receive tips. The kitchen staff are compensated a higher hourly wage in lieu of tips.
- Tip amounts are determined by the number of hours each employee has worked in the pay period using this formula:

$$\begin{aligned} & \text{TOTAL TIPS COLLECTED} \\ & \div \text{TOTAL HOURS OF ALL QUALIFIED EMPLOYEES} \\ & = \text{TIP RATE PER HOUR} \end{aligned}$$

For each hour an employee works, they will receive the “tip rate per hour”

Example:

\$300 in tips were collected during the pay period, and the total hours worked of all hourly front staff were 375 during the pay period. The tip rate per hour would be $\$300 / 375 = 80$ cents. For each hour an employee works, they will receive 80 cents.

NOTE: It is the responsibility of employees to declare all tips and gratuities on their personal income tax.