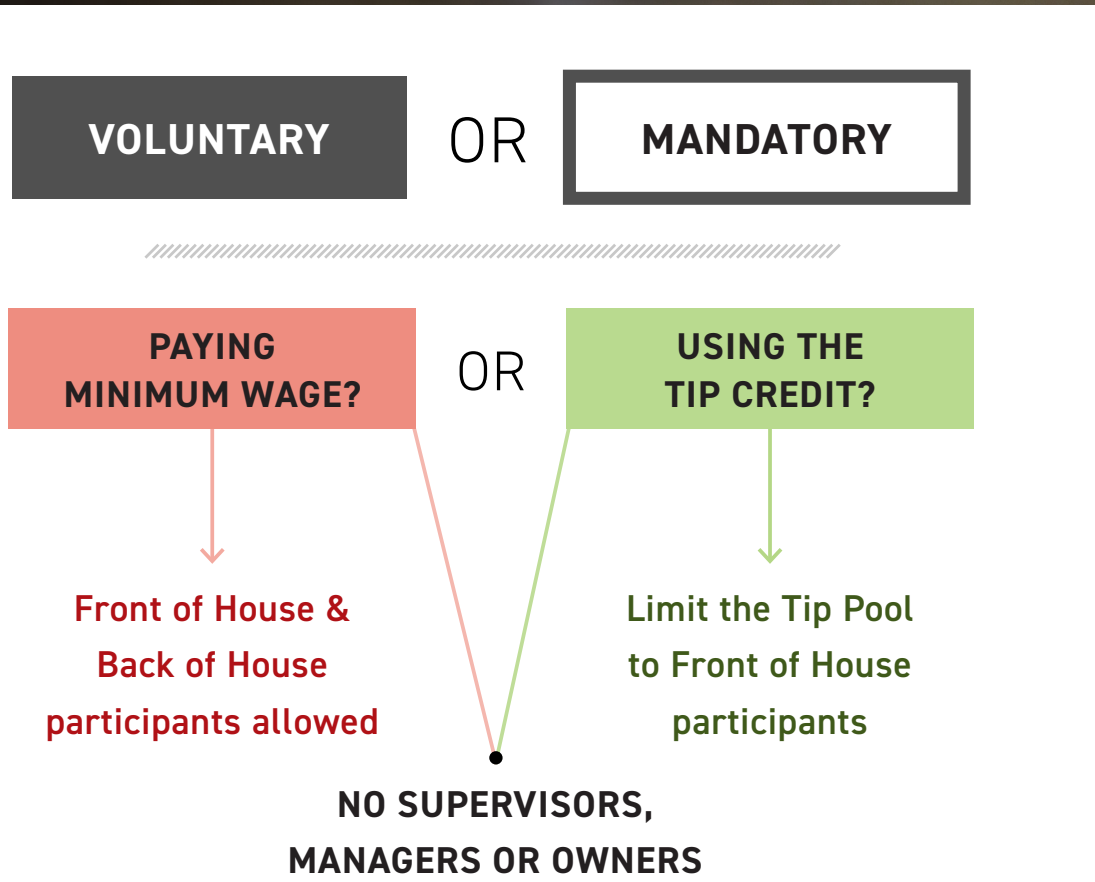


Tip Pooling



How to Set Up a Lawful Tip Pool

- Step 1:** Determine if you are in a state or jurisdiction that requires the tip pool to be voluntary.
- Step 2:** Minimum wage or use of tip credit?
- Step 3:** Pick participants? Mixed or only FOH?
- Step 4:** Consider the method of distribution – pro rate based on hours or percentages.
- Step 5:** Develop a tip pooling agreement and/or provide notice of tip credit.

Who is a Manager? Supervisor? Owner?

FLSA'S EXECUTIVE EXEMPTION DUTIES TEST

- primary duty is management of the enterprise in which the employee is employed or of a customarily recognized department or subdivision thereof;
- customarily and regularly directs the work of two or more other full-time employees or their equivalents; and
- has the authority to hire or fire other employees or whose suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees are given particular weight