

Department: All Restaurants

Original Date: 1/06/2014

Subject: Service Charge

HID #: 015

Purpose:

To accurately calculate, distribute and account for event gratuities and catering labor

Responsibility:

Closing manager, event coordinator and payroll manager

Guidelines:

In-House Private Event

1. Establish service charge with event host
 - a. Amount may be calculated as a percentage of final sales or a reflection of required staffing [hourly rates]
 - b. The method for calculation is stated in the event contract & approved by the host
2. At the conclusion of the event, the manager or event coordinator will ring a "service charge"
 - a. Enter amount
 - b. Enter description – name of event host
3. Distribute wages amongst staff working and/or house revenue
 - a. Complete the service charge form
 - I. Event name and date
 - II. Total amount of labor/gratuity item
 - III. Distribution of charge to employees
 - b. Submit to payroll manager

Off-Site Catering

1. Establish the service charge with event host
 - a. Charge is determined on the basis of required staffing & hourly wages. This charge cannot be calculated as a percentage of final sales.
2. At the conclusion of the event, the manager or event coordinator will ring a "service charge"
 - a. Enter amount
 - b. Enter description – name of event host
3. Distribute wages amongst staff working and/or house revenue
 - a. Complete the service charge form
 - I. Event name and date
 - II. Total amount of labor
 - III. Distribution of charge to employees
 - b. Submit to payroll manager

FAQ's

Q. What if a guest would like to add "extra" gratuity?

A. This is voluntary gratuity. This portion of the gratuity may be added treated like a regular tip and distributed through gratrack OR it may be entered as a separate "labor gratuity" item. If the latter is chosen, the amount must be entered less sales tax.

Q. Is it acceptable to remove the "labor/Gratuity" and allow guest to voluntarily add gratuity to avoid the tax?

B. Yes.

SUPPORTING DOCS

- Event Gratuities Form