

# Feature Focus Guide: Tip Declaration

Core Product: Aloha Quick Service, Aloha Table Service  
Last Updated: December 5, 2023

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## Revision Record

Date	Version #	Description
Prior to 01/13/2023	TS 3.8 and QS 4.1+	Implemented support for 'Amount,' 'Global percentage,' and 'Percentage' tip declaration threshold types.
	QS and TS 5.1.44+	Added the ability to change the global tip threshold percent.
	QS and TS 5.3.17+	Added support to configure a tip declaration threshold percentage by job code.
	QS and TS 6.1+	Added support for 'Hourly amount,' 'Hourly amount plus charged tips,' and 'Charged tips minus percentage' tip declaration threshold types.
	QS and TS 6.5+	Added support for 'Percentage of cash sales' tip declaration threshold type.
	TS v14.1	Added additional features to the 'Percentage of cash sales' tip declaration threshold type.
01/13/2023		Converted the document to use new template. Updated the front cover and back page to reflect new NCR branding.
12/05/2023		Updated document to reflect NCR Voyix branding.

## About Tip Declaration

Tip Declaration at a Glance	
Core Product	Aloha® Quick Service, Aloha Table Service
Complementary Products	No
Separate License Required?	No
Other References	Aloha Quick Service Reference Guide, Aloha Quick Service Report Guide, Aloha Table Service Reference Guide, Aloha Table Service Report Guide

In the hospitality industry, tip declaration is the act of an employee declaring the tips they receive as income, including employees who receive indirect tips (tip share) from another employee.

Depending on the region or country in which you reside, tips or gratuities are considered taxable income. In some countries, gratuity is included in the price of the item while other countries either discourage tipping or consider gratuity a service charge.

**Note:** Consult the laws in your region or country to ensure you set your system up for compliance.

The Internal Revenue Service (IRS) mandates that employees declare no less than 8% of their total tips and this percentage has become a benchmark in the industry; however, the percentage does not exempt employees from audits and resulting tax evasion fines. This minimum percent threshold allows restaurants to pay their tipped employees lower than minimum wage with the purpose that the income from tips supplements, and many times exceeds, what the employee would normally earn.

Unfortunately, some employees do not accurately declare their tips, since the more tips they declare, the lower the net pay of their paycheck. In the United States, the IRS requires restaurant owners to ensure employees declare a minimum amount of tips or face being audited and possibly fined for non-compliance.

As a result, some restaurants use various innovative strategies to ensure employees declare tips within a safe range. The Aloha® Point-of-Sale (POS) system supports a wide range of threshold types in support of these strategies, such as a straight percentage of total sales, a fixed amount, a specific amount per time worked, and more. With configurable tip declaration thresholds, you can prohibit employees from declaring too little and include a message to guide the employee during the process. Since tip declaration is part of the clock-out process, you can configure the system to accept the declaration as is, or in the case where the declaration is outside the threshold, allow re-entry until the amount is either within the threshold or require manager approval to continue.

## Configuring Tip Declaration

This section details the configuration requirements within Aloha Manager and Aloha Configuration Center (CFC) for Tip Declaration. If you are an experienced user, refer to Procedures at a Glance for abbreviated steps. If you prefer more detail, continue reading this document.

Tip Declaration Procedures at a Glance:	
If you are viewing this document using Adobe Acrobat Reader, click each link for detailed information regarding the task.	
1.	Access <b>Maintenance &gt; Business &gt; Store &gt; Store Settings</b> tab > <b>Labor</b> group > <b>Employee settings</b> group bar and select 'Allow tip declaration less than charged tips' to allow employees to declare less than their charged tips. This option is available for Table Service only and is not the recommended configuration. See <a href="#">page 5</a> .
2.	Access <b>Maintenance &gt; Messages &gt; Guest Check Messages</b> to create a custom message used to warn employees when they declare tips outside the defined threshold. See <a href="#">page 6</a> .
3.	Access <b>Maintenance &gt; Labor &gt; Jobcodes &gt; Financials</b> tab to configure the <b>tip declaration threshold type</b> for each job code. See <a href="#">page 8</a> . <ul style="list-style-type: none"> <li>• Amount Threshold Type: See <a href="#">page 8</a>.</li> <li>• Charged Tips Minus Percentage Threshold Type: See <a href="#">page 10</a>.</li> <li>• Global Percentage Threshold Type: See <a href="#">page 12</a>.</li> <li>• Hourly Amount Threshold Type: See <a href="#">page 15</a>.</li> <li>• Hourly Amount Plus Charged Tips Threshold Type: See <a href="#">page 17</a>.</li> <li>• Percentage Threshold Type: See <a href="#">page 19</a>.</li> <li>• Percentage of Cash Sales Threshold Type: See <a href="#">page 21</a>.</li> </ul>
4.	Access <b>Utilities &gt; POS &gt; Refresh POS &amp; All Installed Products</b> to refresh your Aloha POS system. See <a href="#">page 26</a> .

### Allowing employees to declare less than their charged tips

By default, both Table Service and Quick Service operations do not allow employees to declare less than their charged tips, since the system knows what the employee received in charged tips based on entries made when tendering checks to a credit card. In some scenarios, the charged tips could be greater than the calculated declaration threshold. For example, if the employee received \$25.00 in charged tips, and the system enforces an 'Amount' based tip declaration threshold of \$10.00, the employee must declare at least \$25.00, instead of the calculated declaration threshold of \$10.00. Although not recommended, you can configure Aloha Table Service to allow employees to declare less than their charged tips. In Quick Service, you must always declare no less than your charged tips.

**Note:** Not all tip declaration threshold types support this option. See ["Choosing the tip declaration threshold type"](#) on [page 8](#).

**In Table Service, to allow employees to declare less than their charged tips:**

1. Select **Maintenance > Business > Store > Store Settings** tab.
2. Select the **Labor** group located at the bottom of the screen.

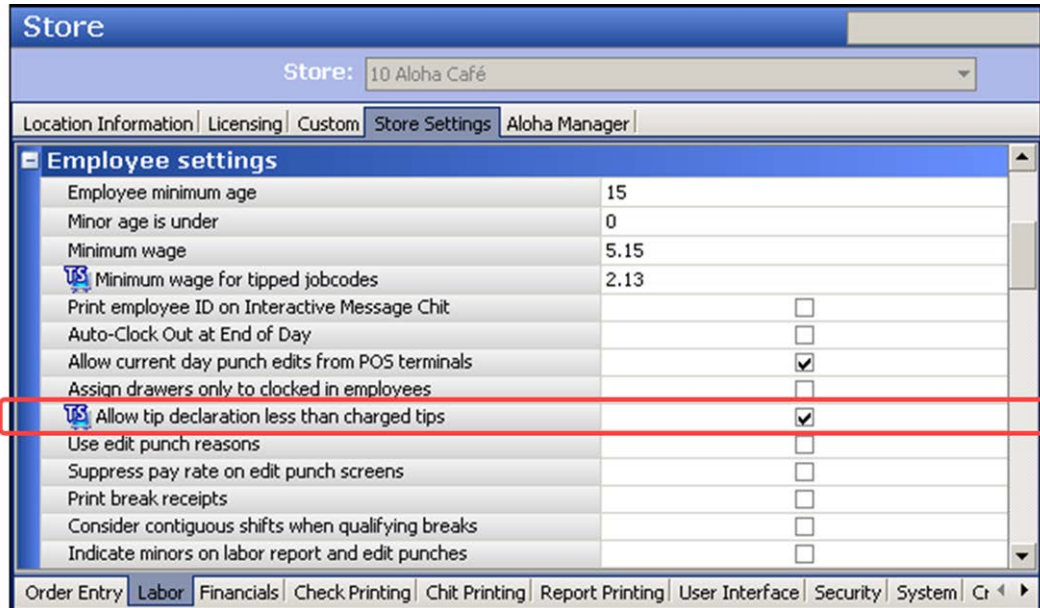


Figure 1 Store Settings Tab - Labor Group

3. Under the 'Employee settings' group bar, select **Allow tip declaration less than charged tips** to allow employees to declare less than their charged tips.

**Note:** 'Allow tip declaration less than charged tips' is cleared by default. If you select this option, you cannot force employees to declare at least the amount of their charged tips.

4. Click **Save** and exit the **Store** function.

### Creating a custom tip declaration threshold message

You can use messages to inform an employee when they declare an amount outside of the calculated declaration threshold. You can configure the system to display the default message, a custom message, or no message at all, based on the job code under which an employee logs in to the system. If you select Default, the default message of "YOUR DECLARED TIPS ARE LESS THAN THE DEFINED THRESHOLD" appears. The default "YOUR DECLARED TIPS ARE GREATER THAN THE DEFINED THRESHOLD" also appears for the 'Percentage of cash sales' threshold type when an employee enters an amount higher than the maximum.

**To create a custom tip declaration threshold message:**

1. Select **Maintenance > Messaging > Guest Check Message**. The appearance of this tab is the same for Quick Service and Table Service.
2. Click **New**.
3. Accept the **system-assigned number** or click the **ellipsis (...)** next to 'Number' to display the Number Assignment dialog box, from which you can choose an **alternate number**.

Guest Check Message	
Guest Check Message : 20 Tip Declaration A	
Message	
<b>Settings</b>	
Number	20 ...
Name	Tip Declaration A
<b>Header text</b>	
Line 1	
Line 2	
Barcode message	None
<b>Footer text</b>	
Line 1	The IRS requires you
Line 2	to declare your tips,
Line 3	but you entered an amount
Line 4	outside of the defined threshold.
Line 5	Please try again.
Line 6	

Figure 2 Guest Check Message

4. Type a **message** that is descriptive of its purpose.  
If you are using the 'Percentage of cash sales' tip declaration threshold type, type a **custom message** to appear that encompasses when an employee declares too little or too much, such as the following: "The IRS requires you to declare your tips but you entered an amount outside of the defined threshold. Please try again," as seen in [Figure 2](#).  
For all other tip declaration threshold types, type a **custom message** to appear when an employee declares too little, such as the following: "The IRS requires you to declare your tips but you entered an amount less than the defined declaration threshold. Please try again."
5. Click **Save**.
6. Repeat this **procedure**, as needed.
7. Click **Save** and exit the **Guest Check Message** function.

## Choosing the tip declaration threshold type

The job code under which an employee logs in determines the threshold type, if any, the employee uses for declaring their tips. For example, an employee who clocks in as a server can have different requirements for declaring tips than an employee who clocks in as a busser. You can choose from several threshold types for declaring tips based on the requirements of the job performed by the employee.

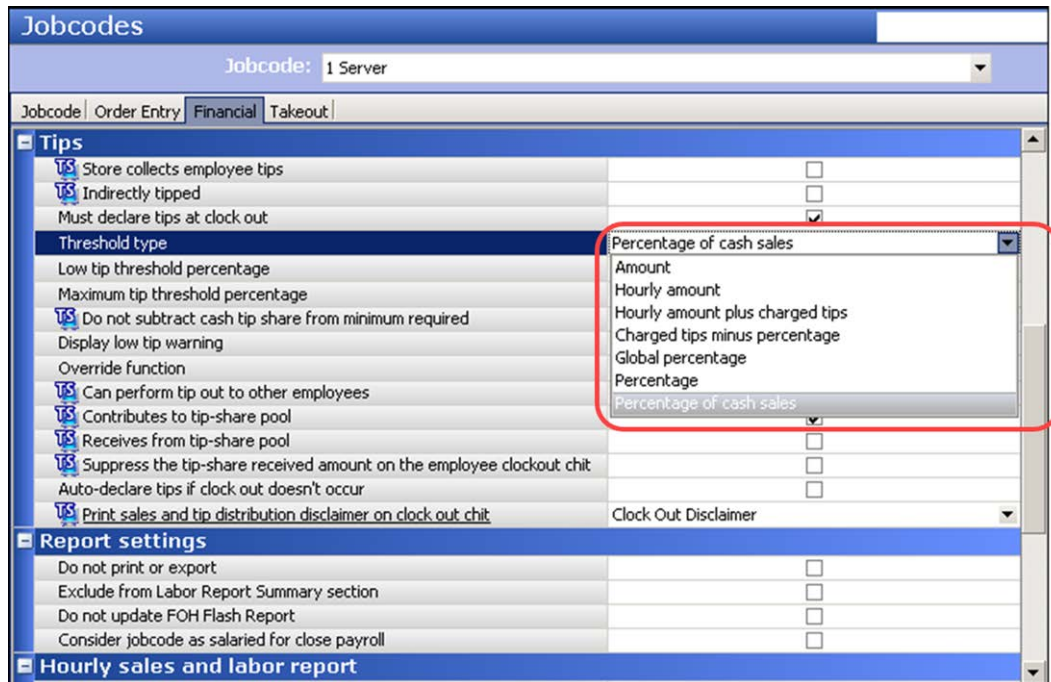


Figure 3 Threshold Types

**Note:** The calculations in each of the threshold types might include a tip-share distribution value. Tip share is available in Table Service only.

### Amount

The 'Amount' threshold type uses a fixed dollar amount as the low tip declaration threshold and is based on the following calculation:

The greater of:

'Low tip threshold amount' established for the job code (fixed amount)	OR	the charged tips for the employee (when you clear 'Allow tip declaration less than charged tips')
--	----	---

Use this threshold type for non-order entry employees who receive and must declare tips, such as bussers and dishwashers.



**SCENARIO:** The bussers at a restaurant receive approximately \$2.00 in indirect tips from the wait staff. To ensure they declare their tips, type '2' in 'Low tip threshold amount.' When the busser clocks out of the system, they must declare a minimum of \$2.00 in tips.

**To configure a job code to use the 'Amount' tip declaration threshold type:**

1. Select **Maintenance > Labor > Jobcodes > Financial** tab.
2. Select a **job code** from the 'Number' drop-down list and press **Enter**.

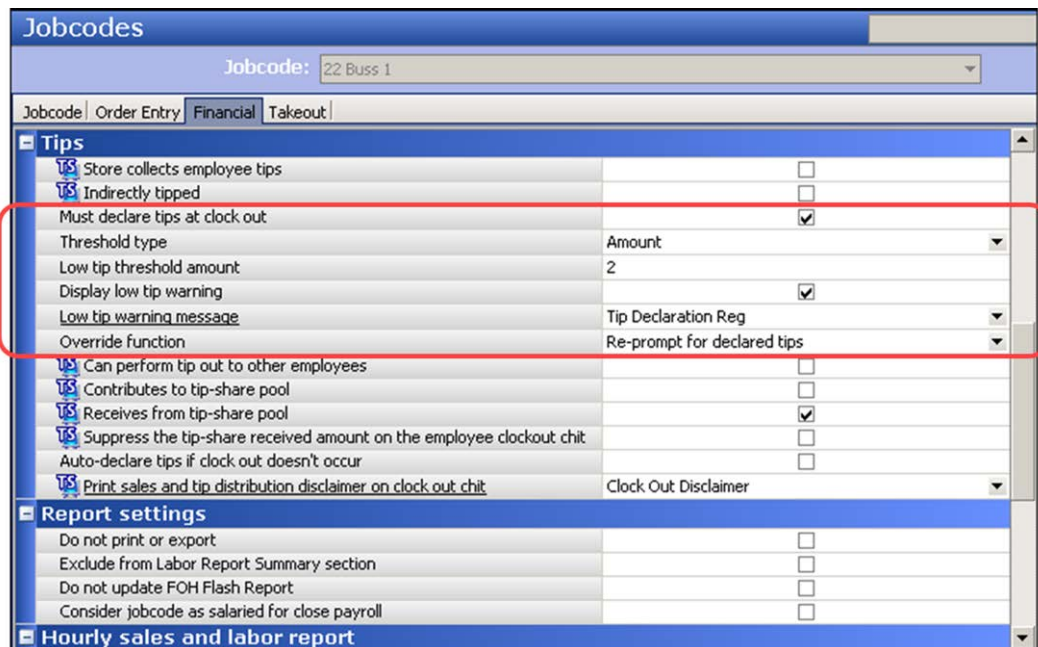


Figure 4 'Amount' Threshold Type

3. Under the 'Tips' group bar, select **Must declare tips at clock out**.
4. Select **Amount** from the 'Threshold type' drop-down list.
5. Type the **minimum amount** an employee must declare in 'Low tip threshold amount.' For example, '2.'
6. Select **Display low tip warning**. If you clear this option, a message does not appear when an employee declares an amount outside the tip declaration threshold. You must select 'Shift required to clock in/out on the Jobcode tab and 'Must declare tips at clock out' on the Financial tab to enable this option.
7. Select the appropriate **low tip warning message** from the drop-down list. You can choose to display the default message, a custom message, or no message at all.
8. Select the **override function** for the system to take when an employee receives a message after declaring a tip amount outside of the declaration threshold. You can let the employee continue

with their clock out, display another prompt for the employee to declare their tips again, or require manager approval for the employee to clock out.

**Note:** To allow an employee, typically a manager, to approve a clock out, select 'Approve clock out' in **Maintenance > Labor > Pos Access Levels > Employee** group bar for the access level to which the employee is assigned. If the employee declaring their tips is allowed to approve clock outs, the system assumes they are approving their own clock out and does not display the manager approval screen. The employee clocks out with the declared tips they entered.

9. Click **Save**.
10. Continue configuring each **job code** for tip declaration or exit the **Jobcodes** function.

## Charged tips minus percentage

Use the 'Charged tips minus percentage' threshold type if the tip declaration for your operations is based on the following calculation:

charged tips for the employee
- tip refunds
- tip share contribution
- (low tip threshold percentage for job code x employee tippable sales)

If the result is less than zero, the system rounds up and uses the value of zero.

**SCENARIO:** A server enters \$215.00 in tippable sales, receives \$13.00 in charged tips, and pays out \$3.00 in tip share. The restaurant sets the 'Low tip threshold percentage' to '1.' When the server clocks out of the system, they must declare a minimum of \$7.85 in tips.  $(\$13.00 - \$3.00) - (1\% \times \$215.00) = \$7.85$ .

**To configure a job code to use the ‘Charged tips minus percentage’ tip declaration threshold type:**

1. Select **Maintenance > Labor > Jobcodes > Financial** tab.
2. Select a **job code** from the ‘Number’ drop-down list and press **Enter**.

Jobcode	Order Entry	Financial	Takeout
<b>Tips</b>			
<input type="checkbox"/>	Store collects employee tips		
<input type="checkbox"/>	Indirectly tipped		
<input checked="" type="checkbox"/>	Must declare tips at clock out		
	Threshold type	Charged tips minus percentage	
	Low tip threshold percentage	1.00	
<input checked="" type="checkbox"/>	Display low tip warning		
	Low tip warning message	Tip Declaration Reg	
	Override function	Complete checkout	
<input type="checkbox"/>	Can perform tip out to other employees		
<input checked="" type="checkbox"/>	Contributes to tip-share pool		
<input type="checkbox"/>	Receives from tip-share pool		
<input type="checkbox"/>	Suppress the tip-share received amount on the employee clockout chit		
<input type="checkbox"/>	Auto-declare tips if clock out doesn't occur		
<input type="checkbox"/>	Print sales and tip distribution disclaimer on clock out chit	Clock Out Disclaimer	
<b>Report settings</b>			
<input type="checkbox"/>	Do not print or export		
<input type="checkbox"/>	Exclude from Labor Report Summary section		
<input type="checkbox"/>	Do not update FOH Flash Report		
<input type="checkbox"/>	Consider jobcode as salaried for close payroll		
<b>Hourly sales and labor report</b>			

Figure 5 ‘Charged Tips Minus Percentage’ Threshold Type

3. Under the ‘Tips’ group bar, select **Must declare tips at clock out**.
4. Select **Charged tips minus percentage** from the ‘Threshold type’ drop-down list.
5. Type the **percentage of tippable sales** to subtract from their charged tips in ‘Low tip threshold percentage. For example, ‘1.00.’
6. Select **Display low tip warning**. If you clear this option, a message does not appear when an employee declares an amount outside the tip declaration threshold. You must select ‘Shift required to clock in/out on the Jobcode tab and ‘Must declare tips at clock out’ on the Financial tab to enable this option.
7. Select the appropriate **low tip warning message** from the drop-down list. You can choose to display the default message, a custom message, or no message at all.
8. Select the **override function** for the system to take when an employee receives a message after declaring a tip amount outside of the defined declaration threshold. You can let the employee

continue with their clock out, display another prompt for the employee to declare their tips again, or require manager approval for the employee to clock out.

**Note:** To allow an employee, typically a manager, to approve a clock out, select 'Approve clock out' in **Maintenance > Labor > Pos Access Levels > Employee** group bar for the access level to which the employee is assigned. If the employee declaring their tips is allowed to approve clock outs, the system assumes they are approving their own clock out and does not display the manager approval screen. The employee clocks out with the declared tips they entered.

9. Click **Save**.

10. Continue configuring each **job code** for tip declaration or exit the **Jobcodes** function.

## Global percentage

The 'Global percentage' threshold type specifies the tip threshold percentage, by store, based on the following calculation:

The greater of:

'Default minimum declared tip percentage' x tippable sales for the employee	OR	charged tips for the employee (when you clear 'Allow tip declaration less than charged tips.')
---	----	--

You must type a percentage in 'Default minimum declared tip percentage' in **Maintenance > Business > Store > Store Settings > Financial** group > **Reports** group bar.

**Note:** All job codes configured with the 'Global percentage' threshold type use the same percentage. You cannot have more than one global percentage threshold.

**SCENARIO:** A server enters \$100.00 in tippable sales. The restaurant sets the 'Default minimum declared tip percentage' for the store to '10.' When the server clocks out of the system, they must declare a minimum of \$10.00 in tips. ( $\$100.00 \times 10\% = \$10.00$ ).

**To establish the global percentage to use for the tip declaration threshold:**

1. Select **Maintenance > Business > Store > Store Settings** tab.
2. Select the **Financials** group located at the bottom of the screen.

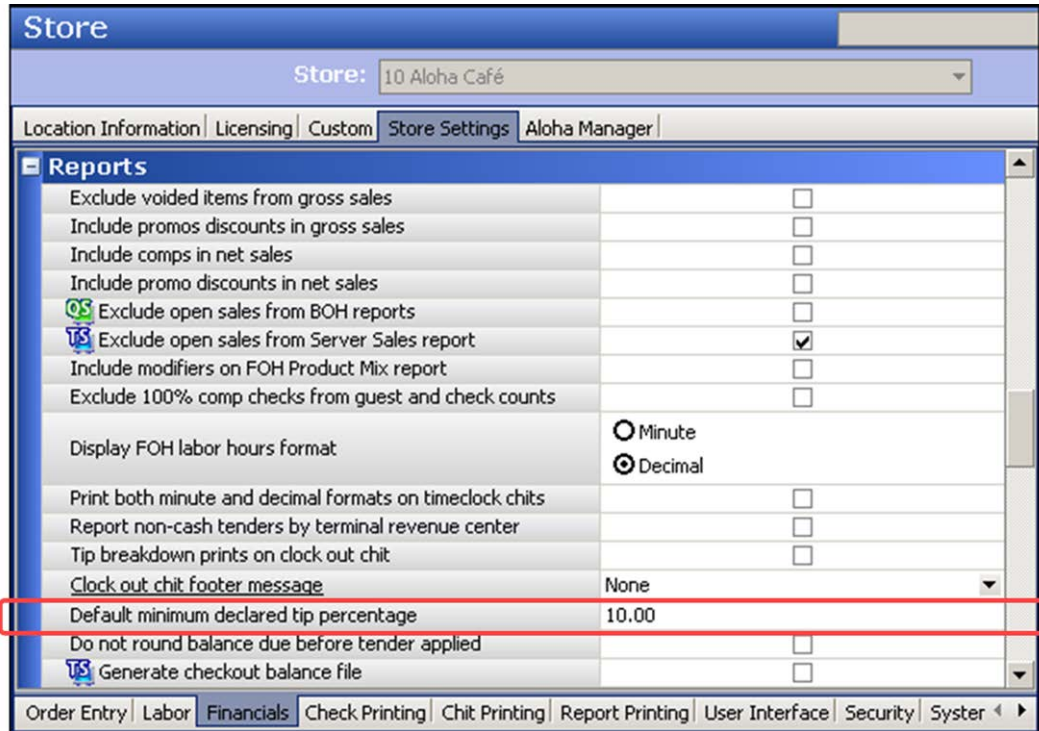


Figure 6 Store Settings Tab - Financials Group

3. Under the 'Reports' group bar, type the default minimum **tip percentage of tippable sales** an employee must declare in 'Default minimum declared tip percentage.' For example, '10.00.'
4. Click **Save** and exit the **Store** function.

**To configure a job code to use the 'Global percentage' tip declaration threshold type:**

1. Select **Maintenance > Labor > Jobcodes > Financial** tab.
2. Select a **job code** from the 'Number' drop-down list and press **Enter**.

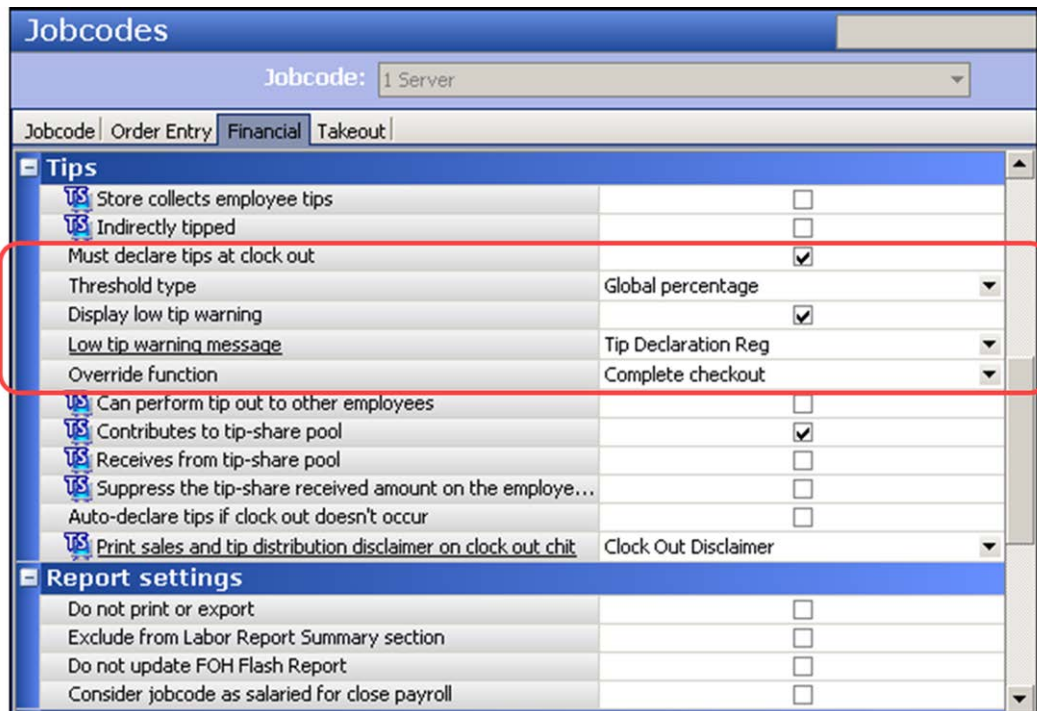


Figure 7 'Global Percentage' Threshold Type

3. Under the 'Tips' group bar, select **Must declare tips at clock out**.
4. Select **Global percentage** from the 'Threshold type' drop-down list.
5. Select **Display low tip warning**. If you clear this option, a message does not appear when an employee declares an amount outside the tip declaration threshold. You must select 'Shift required to clock in/out' on the Jobcode tab and 'Must declare tips at clock out' on the Financial tab to enable this option.
6. Select the appropriate **low tip warning message** from the drop-down list. You can choose to display the default message, a custom message, or no message at all.
7. Select the **override function** for the system to take when an employee receives a message after declaring a tip amount outside of the defined declaration threshold. You can let the employee

continue with their clock out, display another prompt for the employee to declare their tips again, or require manager approval for the employee to clock out.

**Note:** To allow an employee, typically a manager, to approve a clock out, select 'Approve clock out' in **Maintenance > Labor > Pos Access Levels > Employee** group bar for the access level to which the employee is assigned. If the employee declaring their tips is allowed to approve clock outs, the system assumes they are approving their own clock out and does not display the manager approval screen. The employee clocks out with the declared tips they entered.

8. Click **Save**.
9. Continue configuring each **job code** for tip declaration or exit the **Jobcodes** function.

## Hourly amount

Use the 'Hourly amount' threshold type if you want your tip declaration threshold based on the following calculation:

The greater of:

the 'Low tip threshold amount' for the job code x number of hours employee works	OR	charged tips for the employee (when you clear 'Allow tip declaration less than charged tips')
--	----	---

The system uses the current system date and time as the ending work time, since the employee has not actually clocked out.

**SCENARIO:** A server works three hours and receives \$10.00 in charged tips. The restaurant sets the 'Low tip threshold amount' to '5.' When the server clocks out of the system, they must declare at least \$15.00. (3 hours x 5 = 15, which is greater than the \$10.00 in charged tips).

**To configure a job code to use the 'Hourly amount' tip declaration threshold type:**

1. Select **Maintenance > Labor > Jobcodes > Financial** tab.
2. Select a **job code** from the 'Number' drop-down list and press **Enter**.

The screenshot shows the 'Jobcodes' configuration window. At the top, 'Jobcode: 1 Server' is selected. Below are tabs for 'Jobcode', 'Order Entry', 'Financial', and 'Takeout'. The 'Financial' tab is active. Under the 'Tips' group, several settings are visible:

Store collects employee tips	<input type="checkbox"/>
Indirectly tipped	<input type="checkbox"/>
Must declare tips at clock out	<input checked="" type="checkbox"/>
Threshold type	Hourly amount
Low tip threshold amount	5
Display low tip warning	<input checked="" type="checkbox"/>
Low tip warning message	Tip Declaration Reg
Override function	Complete checkout
Can perform tip out to other employees	<input type="checkbox"/>
Contributes to tip-share pool	<input checked="" type="checkbox"/>
Receives from tip-share pool	<input type="checkbox"/>
Suppress the tip-share received amount on the employe...	<input type="checkbox"/>
Auto-declare tips if clock out doesn't occur	<input type="checkbox"/>
Print sales and tip distribution disclaimer on clock out chit	Clock Out Disclaimer

Below the 'Tips' section is the 'Report settings' group with the following options:

Do not print or export	<input type="checkbox"/>
Exclude from Labor Report Summary section	<input type="checkbox"/>
Do not update FOH Flash Report	<input type="checkbox"/>
Consider jobcode as salaried for close payroll	<input type="checkbox"/>

Figure 8 'Hourly Amount' Threshold Type

3. Under the 'Tips' group bar, select **Must declare tips at clock out**.
4. Select **Hourly amount** from the 'Threshold type' drop-down list.
5. Type the **minimum amount**, per hour worked, an employee must declare in 'Low tip threshold amount.' For example, '5.'
6. Select **Display low tip warning**. If you clear this option, a message does not appear when an employee declares an amount outside the tip declaration threshold. You must select 'Shift required to clock in/out' on the Jobcode tab and 'Must declare tips at clock out' on the Financial tab to enable this option.
7. Select the appropriate **low tip warning message** from the drop-down list. You can choose to display the default message, a custom message, or no message at all.
8. Select the **override function** for the system to take when an employee receives a message after declaring a tip amount outside of the defined declaration threshold. You can let the employee



continue with their clock out, display another prompt for the employee to declare their tips again, or require manager approval for the employee to clock out.

**Note:** To allow an employee, typically a manager, to approve a clock out, select 'Approve clock out' in **Maintenance > Labor > Pos Access Levels > Employee** group bar for the access level to which the employee is assigned. If the employee declaring their tips is allowed to approve clock outs, the system assumes they are approving their own clock out and does not display the manager approval screen. The employee clocks out with the declared tips they entered.

9. Click **Save**.
10. Continue configuring each **job code** for tip declaration or exit the **Jobcodes** function.

## Hourly amount plus charged tips

Use the 'Hourly amount plus charged tips' threshold type if you want your tip declaration based on the following calculation:

'Low tip threshold amount' x number of hours employee works
+ charged tips for the employee
- tip refunds
- tip share contribution

The system uses the current system date and time as the ending work time, since the employee has not actually clocked out.

**SCENARIO:** A server works 3.45 hours, receives \$13.00 in charged tips, and pays \$3.00 in tip share. The restaurant sets the 'Low tip threshold amount' to '5.' When the server clocks out of the system, they must declare at least \$27.25.  $[(3.45 \text{ hours} \times 5 = 17.25) + (\$13.00 - \$3.00 = \$10.00) = \$27.25]$ .

**To configure a job code to use the 'Hourly amount plus charged tips' tip declaration threshold type:**

1. Select **Maintenance > Labor > Jobcodes > Financial** tab.
2. Select a **job code** from the 'Number' drop-down list and press **Enter**.

The screenshot shows the 'Jobcodes' configuration window for jobcode '1 Server'. The 'Financial' tab is selected. Under the 'Tips' group, the following settings are highlighted with a red box:

Must declare tips at clock out	<input checked="" type="checkbox"/>
Threshold type	Hourly amount plus charged tips
Low tip threshold amount	5
Display low tip warning	<input checked="" type="checkbox"/>
Low tip warning message	Tip Declaration Reg
Override function	Complete checkout

Figure 9 'Hourly Amount Plus Charged Tips' Threshold Type

3. Under the 'Tips' group bar, select **Must declare tips at clock out**.
4. Select **Hourly amount plus charged tips** from the 'Threshold type' drop-down list.
5. Type the **minimum amount**, per hour worked, an employee must declare in the 'Low tip threshold amount' text box. For example, '5.'
6. Select **Display low tip warning**. If you clear this option, a message does not appear when an employee declares an amount outside the tip declaration threshold. You must select 'Shift required to clock in/out' on the Jobcode tab and 'Must declare tips at clock out' on the Financial tab to enable this option.
7. Select the appropriate **low tip warning message** from the drop-down list. You can choose to display the default message, a custom message, or no message at all.
8. Select the **override function** for the system to take when an employee receives a message after declaring a tip amount outside of the defined declaration threshold. You can let the employee

continue with their clock out, display another prompt for the employee to declare their tips again, or require manager approval for the employee to clock out.

**Note:** To allow an employee, typically a manager, to approve a clock out, select 'Approve clock out' in **Maintenance > Labor > Pos Access Levels > Employee** group bar for the access level to which the employee is assigned. If the employee declaring their tips is allowed to approve clock outs, the system assumes they are approving their own clock out and does not display the manager approval screen. The employee clocks out with the declared tips they entered.

9. Click **Save**.

10. Continue configuring each **job code** for tip declaration or exit the **Jobcodes** function.

## Percentage

Use the Percentage threshold type if you want your tip declaration threshold based on the following calculation:

The greater of:

job code tip % threshold  
x employee's tippable sales

OR

employee's charged tips (when  
you clear 'No Minimum  
declared tips')

**Note:** This threshold type allows you to establish a different percentage for each job code. If all employees must declare the same percentage, use the 'Global percentage' threshold type.

**SCENARIO:** A server enters \$100.00 in tippable sales. The restaurant sets the 'Low tip threshold amount' value for the server job code as '10.' When the server clocks out of the system, they must declare at least \$10.00. ( $\$100.00 \times 10\% = \$10.00$ ).

**To configure a job code to use the 'Percentage' tip declaration threshold type:**

1. Select **Maintenance > Labor > Jobcodes > Financial** tab.
2. Select a **job code** from the 'Number' drop-down list and press **Enter**.

Jobcodes		
Jobcode: 1 Server		
Jobcode	Order Entry	Financial
<b>Tips</b>		
<input type="checkbox"/>	Store collects employee tips	
<input type="checkbox"/>	Indirectly tipped	
<input checked="" type="checkbox"/>	Must declare tips at clock out	
	Threshold type	Percentage
	Low tip threshold percentage	10.00
<input checked="" type="checkbox"/>	Display low tip warning	
	Low tip warning message	Tip Declaration Reg
	Override function	Complete checkout
<input type="checkbox"/>	Can perform tip out to other employees	
<input checked="" type="checkbox"/>	Contributes to tip-share pool	
<input type="checkbox"/>	Receives from tip-share pool	
<input type="checkbox"/>	Suppress the tip-share received amount on the employe...	
<input type="checkbox"/>	Auto-declare tips if clock out doesn't occur	
<input type="checkbox"/>	Print sales and tip distribution disclaimer on clock out chit	Clock Out Disclaimer
<b>Report settings</b>		
<input type="checkbox"/>	Do not print or export	
<input type="checkbox"/>	Exclude from Labor Report Summary section	
<input type="checkbox"/>	Do not update FOH Flash Report	
<input type="checkbox"/>	Consider jobcode as salaried for close payroll	

Figure 10 'Percentage' Threshold Type

3. Select **Must declare tips at clock out**.
4. Select **Percentage** from the 'Threshold type' drop-down list.
5. Type the **percentage** of their tippable sales an employee must declare in 'Low tip threshold amount.' For example, '10.'
6. Select **Display low tip warning**. If you clear this option, a message does not appear when an employee declares an amount outside the tip declaration threshold. You must select 'Shift required to clock in/out' on the Jobcode tab and 'Must declare tips at clock out' on the Financial tab to enable this option.
7. Select the appropriate **low tip warning message** from the drop-down list. You can choose to display the default message, a custom message, or no message at all.
8. Select the **override function** for the system to take when an employee receives a message after declaring a tip amount outside of the defined declaration threshold. You can let the employee

continue with their clock out, display another prompt for the employee to declare their tips again, or require manager approval for the employee to clock out.

**i Note:** To allow an employee, typically a manager, to approve a clock out, select 'Approve clock out' in **Maintenance > Labor > Pos Access Levels > Employee** group bar for the access level to which the employee is assigned. If the employee declaring their tips is allowed to approve clock outs, the system assumes they are approving their own clock out and does not display the manager approval screen. The employee clocks out with the declared tips they entered.

9. Click **Save**.
10. Continue configuring each **job code** for tip declaration or exit the **Jobcodes** function.

## Percentage of cash sales

Use the 'Percentage of cash sales' threshold type if you want your tip declaration based on the following calculation:

$$\begin{aligned}
 & \text{'Low tip threshold percentage' for the job code x cash tippable sales only} \\
 & \text{for the employee} \\
 & - \quad \text{tip share contribution from cash tippable sales only} \\
 & + \quad \text{(charged tips for the employee - tip refunds - tip share contribution} \\
 & \quad \quad \text{from non-cash tippable sales only) *} \\
 & * \text{ System adds after employee declares.}
 \end{aligned}$$

**i Note:** Effective in Table Service v14.1, you can calculate the minimum tip declaration threshold based on total cash tippable sales, regardless if the employee contributes to a tip-share pool. You must select 'Exclude cash tender type tips and gratuity from charged tips' in **Maintenance > Business > Store > Store Settings** tab > **Financials** group > **Tips** group bar.

When you select 'Percentage of cash sales,' the system separates the transactions tendered to cash from the transactions tendered to non-cash, and the employee must declare against their cash tippable sales only. The system later adds the charged tips to the tip declaration.

**SCENARIO: WITHOUT TIP SHARE** A server enters \$300.00 in tippable sales, \$200.00 of which is tendered to cash and \$100.00 is tendered to non-cash. The server also receives \$30.00 in credit card tips. The restaurant sets the 'Low tip threshold percentage' to '10.' The server must declare at least \$10.00 (10% x \$100.00) in cash tips. Afterward, the system adds their charge tips of \$30.00 (10% x \$200.00). If the server declares the minimum threshold only, their overall declared amount is \$40.00 (\$10.00 + \$30.00).

The same logic applies when a restaurant is using tip share. Tip share is subtracted from the overall tips for the server; therefore, the server does not declare that amount. The system separates the

tip-share amount calculated from transactions tendered to cash from transactions tendered to non-cash.

**SCENARIO: TABLE SERVICE WITH TIP SHARE** A server enters \$300.00 in tippable sales, \$200.00 of which is tendered to credit cards and \$100.00 is tendered to cash. The server also receives \$30.00 in credit card tips. The restaurant sets the 'Low tip threshold percentage' to '10.' Based on total tippable sales, the system determines the server must contribute \$9.00 to the tip-share pool. Since the server is declaring against cash sales only, the tip share contributed from cash sales must be taken out. The system calculates \$3.00 for the tip share contributed from cash sales ( $\$9.00 / \$300.00 \times \$100.00$ ). The server must declare at least \$7.00 in cash tips (10% of \$100.00 - \$3.00). Afterwards, the system adds the calculated charge tips of \$24.00 to the tip declaration, based on the tip share from non-cash sales [ $\$30.00 - (\$9.00 / \$300.00 \times \$200.00)$ ]. If the server declares the minimum threshold only, their overall declared amount is \$31.00 ( $\$7.00 + \$24.00$ ).

In the case where the server has no cash sales, or the tip share amount causes the cash tips for the server to equal a zero or negative amount, the server must declare \$0.00. The system then adds the amount of charged tips.

**Note:** 'Allow tip declaration less than charged tips' applies to charged tips only and has no impact on the 'Percentage of cash sales' tip declaration threshold type.

**To configure a job code to use the 'Percentage of cash sales' tip declaration threshold type:**

1. Select **Maintenance > Labor > Jobcodes > Financial** tab.
2. Select a **job code** from the 'Number' drop-down list and press **Enter**.

Figure 11 'Percentage of Cash Sales' Threshold Type

3. Under the 'Tips' group bar, select **Must declare tips at clock out**.
4. Select **Percentage of cash sales** from the 'Threshold type' drop-down list.
5. Type the **minimum percentage of cash sales** an employee must declare in 'Low tip threshold percentage.' For example, '5.00.'
6. Type the **maximum percentage of cash sales** an employee can declare in 'Maximum tip threshold percentage.' For example, '20.00.' **Note:** A value of 0 (zero) indicates no maximum.

**Note:** The 'Percentage of cash sales' option is the only tip declaration that supports a maximum amount an employee can declare.

7. Select **Do not subtract cash tip share from minimum required** if you want the system to calculate the minimum declaration threshold based on total cash tippable sales, regardless if the employee contributed to a tip-share pool. This option is available for Table Service only, and, by default, the system subtracts the tip share amount contributed by the employee based on their cash sales when calculating the minimum declaration threshold.

**Do not subtract cash tip share from minimum required** — Calculates the minimum tip declaration threshold based on total cash tippable sales, regardless if the employee contributed to a tip-share pool. When cleared, the system subtracts the tip share contributed by the employee for cash sales when calculating the minimum tip declaration threshold. **Documented Version:** v14.1.

8. Select **Display low tip warning**. If you clear this option, a message does not appear when an employee declares an amount outside the tip declaration threshold. You must select 'Shift required to clock in/out' on the Jobcode tab and 'Must declare tips at clock out' on the Financial tab to enable this option.
9. Select the appropriate **low tip warning message** from the drop-down list. You can choose to display the default message, a custom message, or no message at all.
10. Select the **override function** for the system to take when an employee receives a message after declaring a tip amount outside of the defined declaration threshold. You can let the employee continue with their clock out, display another prompt for the employee to declare their tips again, or require manager approval for the employee to clock out.

**Note:** To allow an employee, typically a manager, to approve a clock out, select 'Approve clock out' in **Maintenance > Labor > Pos Access Levels > Employee** group bar for the access level to which the employee is assigned. If the employee declaring their tips is allowed to approve clock outs, the system assumes they are approving their own clock out and does not display the manager approval screen. The employee clocks out with the declared tips they entered.

11. Click **Save**.
12. Continue configuring each **job code** for tip declaration or exit the **Jobcodes** function.

The Charge Tips amount that appears on the Enter Declared Cash Tips screen reflects all tips and gratuities, including those collected for cash tender types. You can configure the system to track tips and gratuity for cash tender types separately from non-cash tips and gratuity when using the 'Percentage of cash sales' threshold type. The Charge Tips that appear on the Enter Declared Cash Tips screen no longer include cash tips and gratuities.



**To ensure the Charge Tips amount on the Enter Declared Cash Tips screen reflects only non-cash tips and gratuities:**

1. Select **Maintenance > Business > Store > Store Settings** tab.
2. Select the **Financials** group located at the bottom of the screen.

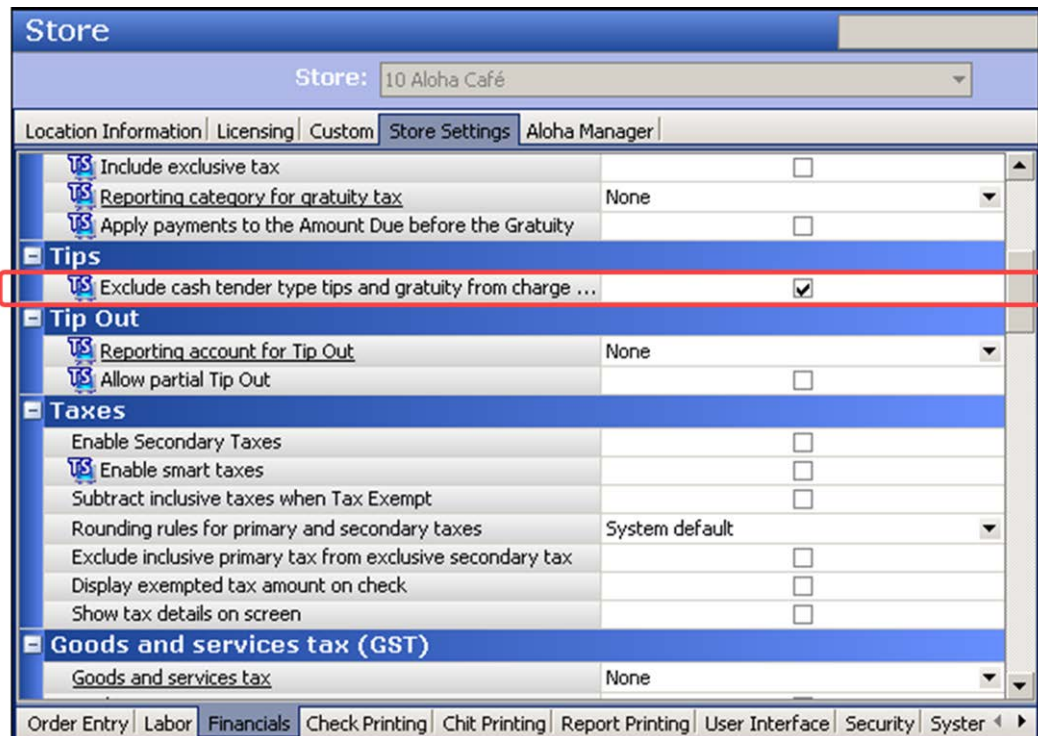


Figure 12 Store Settings Tab - Financials Group

3. Under the 'Tips' group bar, select **Exclude cash tender type tips and gratuity from charge tips**.

**Exclude cash tender type tips and gratuity from charge tips** — Allows you to track tips and gratuity for cash tender types separately from credit cards tips, when using the 'Percentage of cash sales' threshold type for tip declaration. The Charge Tips that appear on the Enter Declared Cash Tips screen reflect tips and gratuity from non-cash tenders only. **Documented Version:** v14.1.

4. Click **Save** and exit the **Store** function.

## Refreshing the data

After all settings are in place in Aloha Manager, you must select Utilities > POS > Refresh POS & All Installed Products to transfer the new information to the Front-of-House (FOH) terminals, or wait for the End-of-Day (EOD) process to accomplish the data refresh for you. If you run the refresh prior to the EOD process, select 'Automatically restart all Aloha POS terminals' and click OK to continue. After the data refresh is complete, all new settings become operational across the Aloha POS network.



**Caution: Refresh data with caution and never during peak hours of operation. All FOH terminals reboot during a refresh and are down for a short period of time.**

## Using Tip Declaration

When you must declare tips with enforced thresholds at clock out, the system calculates the tip amount you should declare, compares it to the amount you enter, and responds accordingly.

### To declare tips with enforced thresholds:

When you are ready, touch Clock Out. Depending on the enforced threshold, either the FOH Enter Declared Tips screen (Figure 13) or the Enter Declared Cash Tips screen (Figure 14) appears.

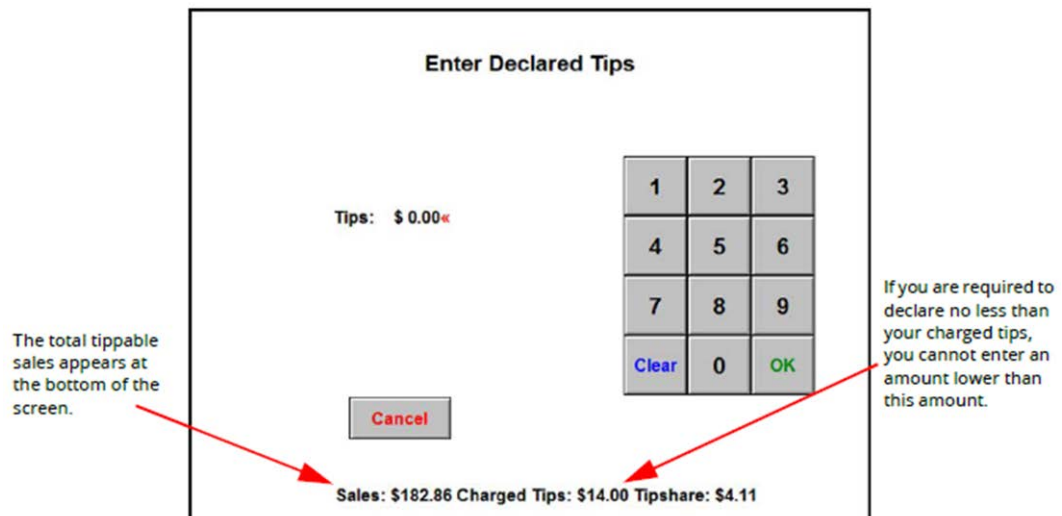


Figure 13 Enter Declared Tips Screen

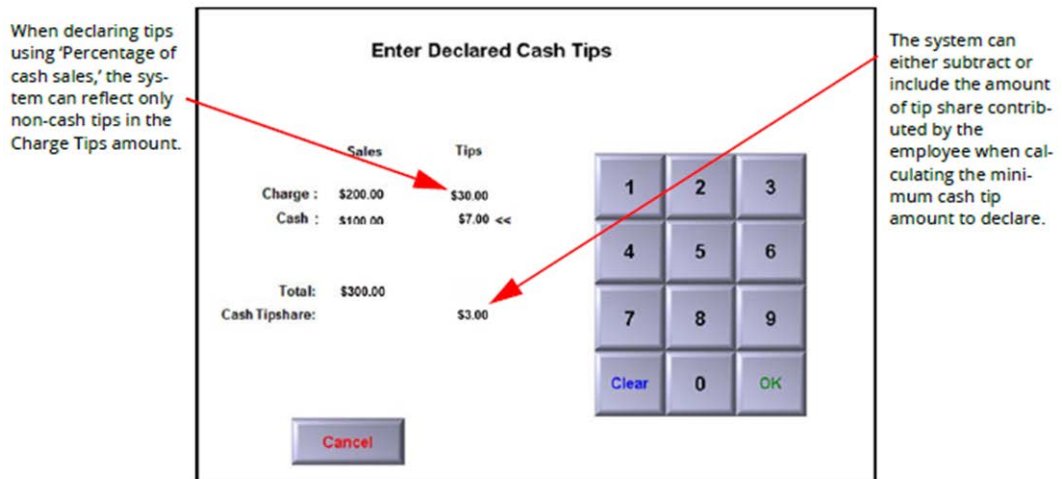


Figure 14 Enter Declared Cash Tips Screen

Enter your tip declaration, using the numeric keypad, and touch OK. If you must declare at least the amount of your charged tips, enter at a minimum the amount located at the bottom of the Enter Declared Tips screen. If you enter less than your charged tips, the following message appears:

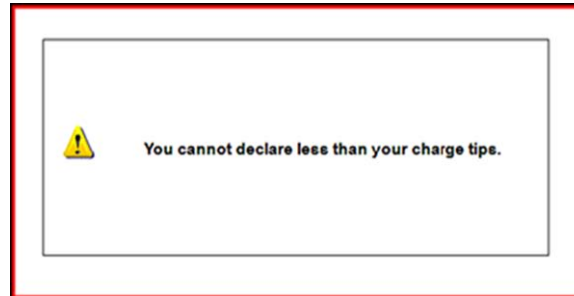


Figure 15 Cannot Declare Less Than Your Charged Tips Message

Touch inside the box to clear the message and try again. The message continues to appear until you enter an amount higher than your charged tips.

The system then checks against the calculated tip threshold. If you enter an amount lower than the calculated threshold, a message similar to the following appears:

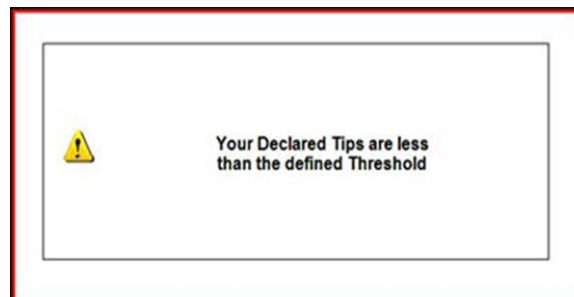


Figure 16 Declared Tips Less Than Defined Threshold Message

Touch inside the box to clear the message.

If you use the 'Percentage of cash sales' threshold type and you enter an amount greater than the calculated declaration threshold, a message similar to the following appears:

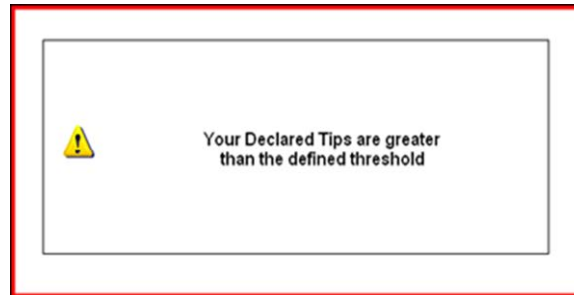


Figure 17 Declared Tips Greater Than Defined Threshold Message

Touch inside the box to clear the message.

The system then determines the action to take, based on one of the following:

- If thresholds are not enforced, the system continues, allowing you to enter less than your tip threshold and clock out.
- If you must enter an acceptable amount, the Enter Declared Tips screen appears again. Repeat Step 2.
- If a manager must approve the amount you enter, and you enter an amount less than the calculated amount, the manager approval screen appears. A manager must enter their password, using the numeric keypad, and touch OK to complete the clock out.

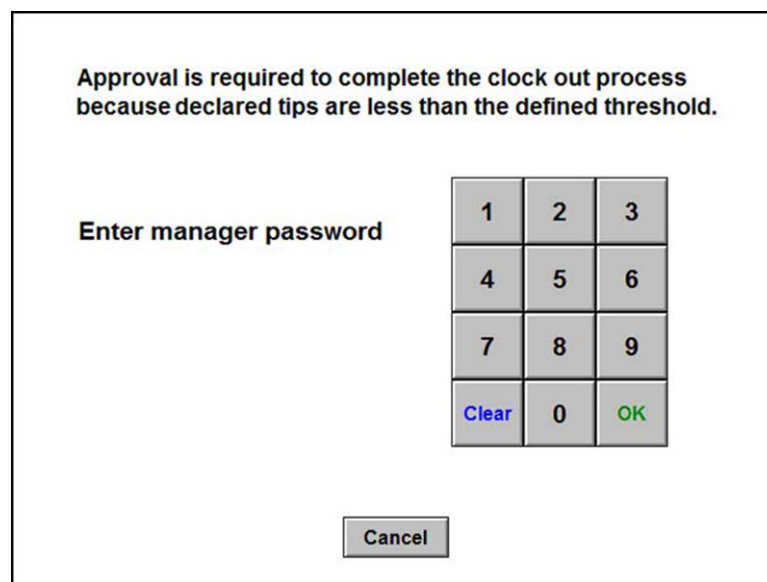


Figure 18 Manager Approval Required to Complete Clock-Out Screen (Minimum)

If a manager must approve the amount you enter, and you enter an amount higher than the maximum calculated percentage of cash tips amount, the manager approval screen appears. A manager must enter their password, using the numeric keypad, and touch OK to complete the clock out.

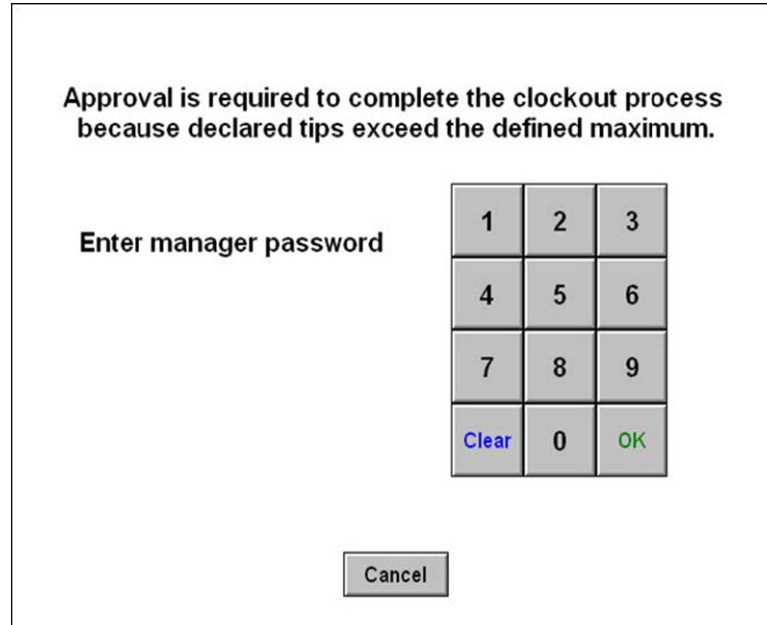


Figure 19 Manager Approval Required to Complete Clock-Out Screen (Maximum)

**Note:** If you are declaring your own tips and have the ability to approve clock outs, the system assumes you are approving your own clock out. The manager approval screen does not appear and the system continues with the clock out, using the declared tips you enter.

The FOH Clock Out chit prints at the local printer.

Employee Clock Out		05/09/2008
Unit #1171		
FRANCES CHILDE		03:20 PM
Job: SERVER		
Time in:	4:55 PM	
Time out:	11:27 AM	
Hours this shift:	18:32	
Hours this week:	22:29	
Sales:	\$ 12.84	
Tipshare:	\$ 5.00	
Carry Over Tips:	\$ 0.00	
Declared Tips:	\$ 3.00	
Tip Rate:	23 %	
Charge Sales:	\$ 12.84	
Charge Tips:	\$ 0.00	
Charge Tip Rate	0 %	
Sales Subject		
to Cash Tips:	\$ 0.00	
Cash Tips:	\$ 0.00	
Cash Tip Rate:	0 %	

Figure 20 FOH Employee Clock Out Chit

**Note:** When the End-of-Day occurs in a non-24-hour mode, and an employee has not declared their tips, the system declares \$0.00 in tips for the employee.

## Changing a tip declaration

A manager can change a tip declaration for an employee from the Back-of-House (BOH) using the Edit Punches function.

### To change the tip declaration for an employee:

1. Select **Functions > Edit Punches**. The Edit Prior Days' Time and Attendance function appears.
2. Select a **date**.

3. Select a **shift** for an employee and click **Edit**. The **Edit Shift Data** dialog box appears.

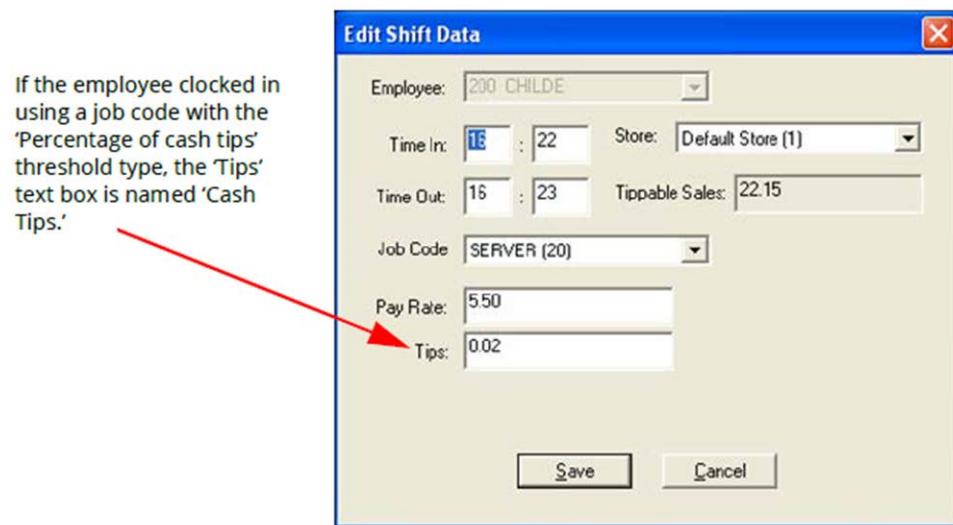


Figure 21 Edit Shift Data Dialog Box


4. Type a **declaration amount** in the 'Tips' or 'Cash Tips' text box.
5. Click **Save** and exit the **Edit Punches** function.



## Reporting Tip Declaration

You can use the FOH and BOH reports found within the Aloha POS system to help you manage the tip declaration from your employees. The FOH reports include data for the current day only. The BOH reports include data for the current day or any dated subdirectory. You can use the following reports:

- FOH Clock In/Out Times Report
- BOH Labor Report
- BOH Audit Report
- BOH Employee Tip Report
- BOH Tip Income Report

 **Reference:** Refer to the Aloha Table Service or Quick Service Report Guides for complete information on using the reports in the Aloha POS system.

### Viewing the FOH clock in/out times report

The Clock In/Out Times report displays clock in and out information by each employee, sorted by job code, with an ending total. It also includes total hours worked and declared tips.

Unit #1171		<span style="background-color: green; color: white; padding: 2px 5px;">Done</span>		
	Time In	Time Out	Total Hrs	Decl Tips
<b>BUSSER</b>				
GARCIA JOSE	16:56	--:--	23.93	\$ 0.00
<b>TOTAL:</b>			23.93	\$ 0.00
<b>SERVER</b>				
CHILDE FRANCES	11:27	11:31	0.07	\$ 10.00
CHILDE FRANCES	14:26	14:27	0.02	\$ 4.00
CHILDE FRANCES	14:28	14:28	0.00	\$ 1.00
CHILDE FRANCES	14:28	14:29	0.02	\$ 0.05
CHILDE FRANCES	14:49	14:50	0.02	\$ 100.00
CHILDE FRANCES	15:12	15:14	0.03	\$ 3.00
CHILDE FRANCES	15:17	15:20	0.05	\$ 4.06
CHILDE FRANCES	15:21	16:17	0.93	\$ 2.59
CHILDE FRANCES	16:19	16:20	0.02	\$ 7.45
CHILDE FRANCES	16:55	11:27	18.53	\$ 3.00



Print

Figure 22 FOH Clock In/Out Times Report

## Viewing the BOH labor report

The BOH Labor report generates shift information for a selected period of time. The report can contain employee clock in/clock out times, break information, regular and overtime pay rates, regular and overtime hours, declared tips, and more. Define, name, save, and run as many labor reports with separate settings, as needed. In the following procedure, we discuss the options that only contain information on tip declaration.

### To view the BOH Labor report:

1. Select **Reports > Aloha Point-of-Sale > Employee > Labor**. The Labor Report - dialog box appears.
2. Select a **single date**, or a **range of dates**, from the selection list.
3. Select an **employee** or **Select All Employees** to include sales information for all employees on the report.
4. Click **Settings** to open the report configuration dialog box, which allows the report title to be established using the 'Report Title' text box, as well as the selection of the information to include on the printed report.

Figure 23 Labor Report Settings Configuration Dialog Box

5. Select the **appropriate options** relating to tip declaration, as needed.
6. Click **View** to preview the report or click **Print** to print the report.

1171 - IBER CAFE  
1320 Tennis Dr  
Bedford, TX

**Labor Report**  
10/02/2007 -- 10/06/2007

Page 1  
05/09/2008 - 11:31 AM  
6.5.0 Development

Emp #	CC Tips	Decl Tips	Emp Tippable Sales	Threshold Type	Tip Threshold
*** Emp 200 FRANCES CHILDE ***					
200	11.00	10.00	86.64	2.00%	1.73
	0.00	3.00	0.00	2.00%	0.00
	0.00	0.02	0.00	2.00%	0.00
	0.00	4.00	45.80	2.00%	0.92
	0.00	0.01	0.00	2.00%	0.00
*** Emp 201 GRAHAM KRAKKER ***					
201	0.00	0.02	36.45	2.00%	0.73
*** Emp 300 ABBY GALE ***					
300	0.00	1.14	0.00	Global 8.00%	0.00

Page 1 of 1    Close    Print Page    05/09/2008 11:31 AM 110%

Figure 24 BOH Labor Report

### Viewing the BOH audit report

The Audit report provides detailed tracking of individual transactions that occur in the FOH. In the following procedure, we discuss the options that only contain information on tip declaration.

**To view the BOH Audit report:**

1. Select **Reports > Aloha Point-of-Sale > Audit**. The Audits dialog box appears.
2. Select a **date** and click **OK**. The Select Transactions to Audit dialog box appears.

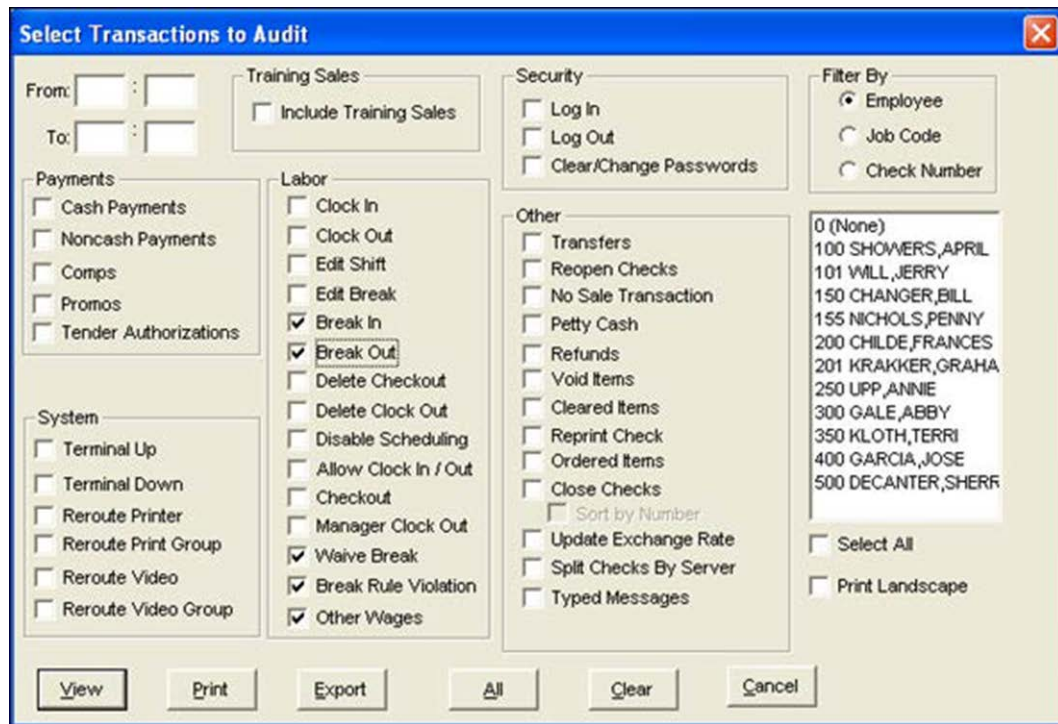


Figure 25 Select Transactions to Audit Dialog Box

3. Click **View** to preview the report or click **Print** to print the report.

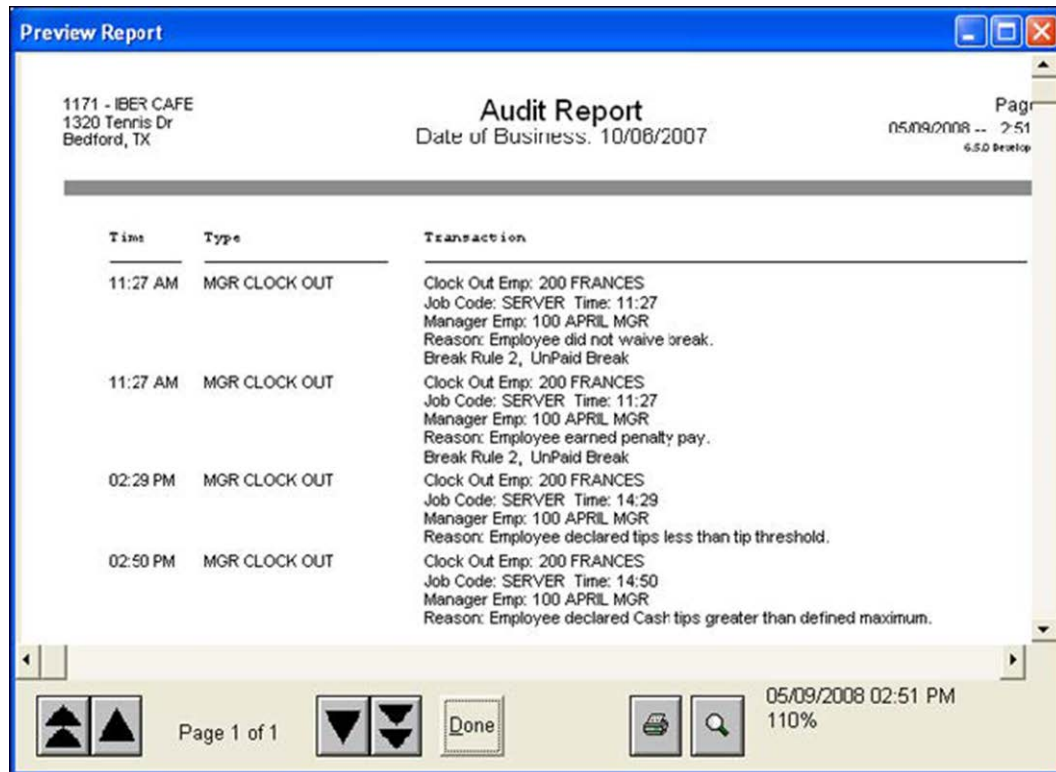


Figure 26 BOH Audit Report

## Viewing the BOH employee tip report

Use the Employee Tip report to display the tip declarations of tipped and indirectly tipped employees. With this report you can monitor and eliminate the under declaration of tips, and also obtain all the

information you need for filing your annual 8027 report. You, and your tipped employees, are responsible for reporting tip information.

1171 - IBER CAFE  
1320 Tennis Dr  
Bedford, TX

**Employee Tip Report**  
10/02/2007 -- 10/06/2007

Page  
05/09/2008 -- 2:05  
6.50 Bytes

\*\*\* Directly Tipped Employees \*\*\*

	Total Sales	Total Tips	Total %	Charge Sales	Charge Tips	Charge %	Non Charge Sales	Non Charge Tips	Non Charge %	Tip Variance	Sales w/ Auto Grat	Auto Gratuity
200 FRANCES CHILDE	188.01	28.03	14.91%	54.47	11.00	20.19%	133.54	17.03	12.75%	7.44%	0.00	0.00
201 GRAHAM KRAKKER	39.00	0.02	0.05%	0.00	0.00	0.00%	39.00	0.02	0.05%	-0.05%	0.00	0.00
300 ABBY GALE	0.00	1.14	0.00%	0.00	0.00	0.00%	0.00	1.14	0.00%	0.00%	0.00	0.00
Directly Tipped Total:	227.01	29.19	4.99%	54.47	11.00	6.73%	172.54	18.19	4.27%	2.46%	0.00	0.00

\*\*\* Indirectly Tipped Employees \*\*\*

400 JOSE GARCIA		1.15										
Indirectly Tipped Total:		1.15										

\*\*\* Total Tips \*\*\*

Total Tips: 30.34

\*\*\*\*\* End of Report \*\*\*\*\*

Page 1 of 1    Close    Print Page    05/09/2008 02:05 PM 110%

Figure 27 BOH Employee Tip Report

## Viewing the tip income report

The Tip Income report is used to conform to the IRS TRAC reporting policy. The report includes tippable sales, declared tips, charged sales with tips, charged tips, and auto gratuities for each employee. The Charge Tips column includes tips and auto gratuity for all charge sales. The Auto Grat

column is for cash auto gratuities only. This report allows a summary over a specified range of dates to be created.

1171 - IBER CAFE  
1320 Tennis Dr  
Bedford, TX

**Tip Income Report**  
10/02/2007 -- 10/06/2007

Page 1  
05/09/2008 -- 2:23 PM  
6.5.0 Development

Emp #	Emp Name	Tippable Sales	Payments	Declared Tips	Non Cash Tips	Cash Tips	Total Tips
200	FRANCES CHILD	175.69	188.01	17.03	11.00	0.00	11.00
300	ABBY GALE	0.00	0.00	1.14	0.00	0.00	0.00
400	JOSE GARCIA	0.00	0.00	1.15	0.00	0.00	0.00
500	SHERRY DECAN	0.00	0.00	1.15	0.00	0.00	0.00
201	GRAHAM KRAKK	36.45	39.00	0.02	0.00	0.00	0.00
<b>Total:</b>		212.14	227.01	20.49	11.00	0.00	11.00

\*\*\*\*\* End of Report \*\*\*\*\*

Page 1 of 1    Close    Print Page    05/09/2008 02:23 PM    110%

Figure 28 BOH Tip Income Report

Tip Declaration, Feature Focus Guide

NCR Voyix welcomes your feedback on this document. Your comments can be of great value in helping us improve our information products. Please contact us using the following email address:  
[Documentation.HSR@NCRVoyix.com](mailto:Documentation.HSR@NCRVoyix.com)