



LAS VEGAS HAWAIIAN CIVIC CLUB

Kulia E Loa'a Ka Na'auao -- Strive to obtain wisdom

7260 West Azure Drive Suite 140-1052, Las Vegas, NV 89130

Cash Handling Procedures (Updated November 5, 2024)

PURPOSE: In order for the Las Vegas Hawaiian Civic Club (LVHCC) to be in compliance with the collection of funds, it is the responsibility of all persons that collect funds for LVHCC to follow all applicable laws, policies, procedures, rules and regulations. LVHCC's funds are to be safeguarded at all times by elected Directors or Officers and managed by the Club Pu'uku (Treasurer). LVHCC operates on a cash received process.

PROCEDURE: The following procedures will be used by all elected Board of Directors (BOD), Officers, Committee and sub-Committee Chairs and their supporting members as well as any and all Club Members involved, or designated, with the collection of LVHCC funds. Certain sections may or may not apply to assigned responsibilities depending on the type of funds being collected and/or disbursed. For the purpose of this procedure the terms "Cash", "Fund", or "Funds" refers to payments as detailed in paragraph 2 below.

1. Directors, Officers, Committee and Sub-Committee Chairs, and supporting Members may collect and disperse cash as directed by the Pu'uku after Board review and Club Pelekikena approval. At no time will undesignated persons receive or handle funds nor will they provide receipts for funds that have not been approved to ensure proper accountability.

2. Type of payments received or funds dispersed:

- Cash
- Checks or money orders
- Credit or Debit Card Point of Sale (e.g., swiped or manually entered using SQUARE)
- Electronic fund transfers (e.g., PayPal, wire transfer, etc.)
- Automated Clearing House (ACH) fund transfers between banks including Zelle
- Cash Cards

3. Collection and receipt of funds:

a. When funds are received by LVHCC (i.e., including but not limited to checks sent via mail, in-person cash, credit card swiping, electronic fund transfers, ACH, cash cards, etc.) they will be received by the Secretary and recorded in a receipt book, with copies of each receipt retained as a record. An Income Voucher will be completed by the Secretary and submitted to the Pu'uku per the below process.

1. Secretary will complete the Income Voucher line by line of each payment received.

2. Secretary will write individual receipts to the Payer and distribute at meetings or by mail.
3. Secretary will hand over the Income Voucher signed and turn in all monies to the Pu'uku.
4. Pu'uku will verify money given and balance on the Income Voucher (e.g., Secretary hands over \$500, Treasurer verifies \$500 was received).
5. Pu'uku signs Income Voucher (2-part carbon-less) and hands Secretary the Yellow part.
6. Pu'uku and Secretary will archive these forms in their Binders each month after Board meetings, GMMs, or on the last Monday of the month.
7. Pu'uku or Secretary will deposit funds into the bank within the time allotted (no later than four (4) business days unless the amount is less than \$200. Amounts under \$200 will be deposited on a Board of Directors or GMM Meeting date only. Amounts over \$200 follow paragraph 5.b. below.
8. Whomever is conducting the deposit will provide a copy of the Deposit Receipt to both the Secretary and Pu'uku. If the Pu'uku or Secretary is unable to make deposits, **ONLY** Executive Board Members on the bank account signature card may make the deposit.
9. Deposit Receipt is stapled to the Income Voucher maintained by the Pu'uku and Secretary.
10. Transaction is complete.

All monies are taken in at the monthly Board and General Membership Meetings (GMM) ONLY unless extenuating circumstances preclude meeting in person (e.g., pandemic related restrictions) or designated event income exceeds amount identified in Paragraph 5 below. No funds, less PayPal or SQUARE Point of Sale transactions, will be deposited past the last Monday of each month. Funds received after this date will be captured on the next month's Income Voucher.

b. The receipt book will list the name of the customer making the payment; type of payment received; check number (if check is received for payment); amount received; how amount was received (e.g., cash, check, PayPal, SQUARE); date payment was received, receipt number, and signature of authorized Board member who verified the funds were received.

c. All funds will be kept in a designated Club bank bag until the funds are verified prior to being transferred to either the Club Pu'uku or Secretary to be deposited.

d. In the event a Club Secretary is unavailable to complete the above process, a BOD Officer designated by the Pelekekina will act as Corresponding Secretary and fulfill the duties noted. If/when a Secretary is in place, they will assume responsibilities for the above process. Paragraph 3.a.8. above is also in effect if the Pu'uku or Secretary is unable to make deposits in a timely fashion and then responsibility reverts to the Pu'uku or Secretary upon their return. The Executive Board Member on a signature card will also ensure the correct amount of bank deposit receipts (two total) are provided to the Secretary and Pu'uku after a deposit is made.

4. Verification of funds received: All funds collected are to be verified between the Secretary and Pu'uku as identified in Paragraph 3.a. above. Upon verification, the funds will be deposited into the Club's bank account.

5. Depositing funds:

a. All non-credit card/debit card funds received by the Pu'uku are to be deposited no later than four (4) business days after receipt of funds amounts totaling over \$200 by either the Pu'uku or the Secretary. Funds amounting to less than \$200 will be retained for deposit until the next Board or General Membership Meeting. During LVHCC events, such as the annual Ho'olaule'a, the Pu'uku will collect funds at daily designated times along with receiving all funds at the end of each day of the event. Should an event occur for more than one day, the Pu'uku will reissue funds the morning of the following day.

b. If non-credit card/debit card funds collected in a day's time period reaches \$200.00 or more, the funds will be deposited the day of collection wherever possible or at the latest by the end of the next day. No funds will be deposited by anyone other than the Board Members authorized to handle cash or checks (i.e., on the bank signature card).

c. A copy of all checks received and deposited will be maintained in the Pu'uku book and records for accountability and records keeping purposes. Copies of checks included in monthly bank statements are the primary approach for this aspect.

d. Credit card payments received are automatically deposited to the bank usually within two (2) business days and the Club Pu'uku must be notified by email of the transaction on the day the payment was received. If the credit card transaction occurs via PayPal, the Secretary or Pu'uku must manually transfer the amounts from the LVHCC PayPal account. This is done using the 1-3 day transaction procedure built into PayPal. Use of the PayPal "instant transfer" option will not occur as it causes a fee to be subtracted from the overall amount.

e. Electronic fund transfer payments (e.g., PayPal) received will be recorded on an Income Voucher by the Secretary upon notification as income for the month they were received. The Pu'uku will ensure once email notification occurs of the funds being available that they are immediately deposited into the Club's primary bank account see paragraph 5.d for more details).

f. Bank deposit slips only reflect amounts (e.g., cash, checks, money orders) deposited by the Pu'uku, Secretary, or designated individual. They do not reflect electronic fund transfers (e.g., PayPal) and will not be used to reconcile total amounts identified on Income Vouchers as they only record a portion of the income stream. To ensure accountability, and for audit purposes, the Pu'uku will use the PayPal or SQUARE invoice function to account for electronic fund transfer transactions. During recurring audits, auditors will use bank statements and the Income Vouchers to reconcile transactions. Bank deposit slips and PayPal invoices are only supporting documents.

6. Use of funds collected:

a. All funds collected will be deposited in the Club's bank account by the Pu'uku, Secretary, or authorized Executive Board Officers (i.e., on the bank signature card). At no time will a Club Member, Director, or Officer not on the bank signature card deposit funds or attempt to withdraw funds.

b. Funds of any type (e.g., cash, check, credit/debit card, electronic fund transfers, etc.) collected at any event will not be used for purchases of any type, including gifts, expenses, refunds, making change for any purpose, donations, or on-site reimbursements at the time funds are collected. This is to ensure full accountability of funds received from that event. No change will be issued from LVHCC for, or from, any cash, check, credit/debit card or funds received via electronic fund transfer during an event. Should funds collected require reimbursement (e.g., Ho'olaule'a cleaning deposits, sales tax amounts) the Pu'uku will generate reimbursement checks for approved bank signature card holders to sign after the event as authorized by the Board.

c. All funds used for purchases outside of the annual Club budget submitted by the Finance Komike (Committee) or Board Officers and approved by the Membership must have Board review for acceptance and Pelekikena approval.

d. All requests for cash or checks for purchases for Club purposes outside of normal operating expenses (e.g., monthly rent, office supplies, storage unit rent, annual website and mailbox fees, or quarterly approved advertising) must be submitted for approval by the Pelekikena to the BOD for approval via a motion detailing the requirement and the Secretary will record the motion and its results for later presentation at the next GMM.

7. Safeguarding of funds: All funds collected will be stored in a designated location, safe, locked desk, locked room, designated lock bag, etc. until they can be deposited.

a. Non-sufficient Funds (NSF). Should a check or money order be returned by the bank for NSF, a penalty fee not to exceed what is identified as the fee imposed for a returned check/NSF as set by LVHCC's current bank will occur subject to changes made by the bank. LVHCC will not impose any fee nor collect any penalty monies above what is identified by the bank. Any transaction made that incurs a bank NSF is cause for immediate cancellation of Club services rendered unless extenuating circumstances exist/are identified. The Club will inform the individual or organization responsible for NSF in writing. The individual or organization will be responsible for assuming the NSF fee which will either be added to the amount owed to the Club or be deducted from the amount owed by the Club. Further, the individual/organization has 14 days from the identification of NSF to resolve the issue and provide funds to LVHCC.

b. Incident of NSF notification to the BOD. Should an NSF incident occur, the BOD will be informed of the details related to the problem, when it occurred, and, not later than 30 days after the incident, will be informed of how the incident was resolved. The BOD will subsequently inform the Membership at the next GMM of the incident.

c. Electronic Fund Transfer payment processes. Use of PayPal or SQUARE incurs fees as part of use of these applications. The Club will ensure all fees are detailed to potential users on Club developed event application forms, included in set amounts (e.g., fundraiser items), or in correspondence to ensure clear understanding. The Club Pu'uku will invoice those individuals and organizations wishing to use PayPal to ensure all fees are included in the amount due. The addition of PayPal transactions for Membership applications on the LVHCC website will also be monitored by the Pu'uku. This will occur via periodic review of the LVHCC PayPal account.

8. Reconciliation:

a. The person preparing and the person approving must sign and date fund receipt reconciliation by utilizing the Income Voucher Form process outlined in Paragraph 3.a. above.

b. No funds will be deposited—less PayPal, SQUARE, Zelle, or ACH transactions—after the last Monday of each month to support Pu'uku monthly reconciliation and development of the previous month's Pu'uku Report. Electronic fund transactions (EFT) will be confirmed and identified in the monthly Pu'uku Report after reconciliation with the monthly bank statement. Any funds, less EFT, received after the last Monday of each month will be held by either the Pu'uku, Secretary, or designated representative for deposit on the first day of the next month (unless the amount is less than \$200.00) and be counted as income for the next month.

c. Annual reconciliation to maintain fiscal accountability to LVHCC Membership via an annual audit series of Pu'uku and Secretary books will occur per the LVHCC Fiscal Year Policy Letter. The purpose of such audits is to validate that all financial records, source documents, etc. are reported in accordance to generally accepted accounting principles; specifically, that no impropriety or mismanagement of funds occur.

d. The audit should occur by an independent, qualified vendor (non-Member) to review all records, accounts and financial reporting for the Club. Funds to procure such a financial compilation should be allocated as part of the annual budget development process.

e. If an external audit is not feasible, or if the audit is being conducted during a transitional period, an LVHCC Audit Komike of no less than three Club Members (excluding the Secretary and Pu'uku) will be formed to conduct the audit. The Hope Pelekikena Mua (1st Vice President (VP)) will chair the komike and a request for a minimum of two LVHCC Members to be on the komike will occur. The komike will conduct their audit prior to, but not later than, the end of the months of May and November per the LVHCC Fiscal Year Policy.

f. Regardless of whether the audit is external or internal the Secretary and Pu'uku will surrender their books to the 1st VP, or designated Board Officer, by May 15 and November 15, respectively, to support the process. Results will be presented to the Membership at the June and January GMMs. The Pu'uku and Secretary will maintain copies of audits in their books.

9. Sales Tax:

a. If the Club should sell items that are taxable, the appropriate Nevada sales tax will be collected at the current rate identified by the State of Nevada for all sales excluding donations. A Sales Tax Permit will be maintained by the Club prior to any to sales tax being collected and displayed at events where LVHCC is conducting sales. Sales tax will be recorded and reported quarterly to the Nevada State Tax Board by the Pu'uku or their designated representative if/when such taxes are accrued not later than the 30th day of the month following the end of the quarter (e.g., the January-March [1st Quarter] report will be filed no later than the 30th of April). All Club event sales will include a notice that sales tax is being collected; however, donations for

Club items (e.g., Membership Polo shirts, raffle ticket donations) do not require adding sales tax to the donation or completing a sales tax form.

1. Club event leads will ensure a flyer with transaction fees and sales tax are posted during events for customers to see. Event leads will maintain a list of items sold for inventory purposes, item sales amounts, and item sales tax amounts. Event leads will provide the totals to the Secretary for income and receipt purposes not later than three (3) business days after the event unless the Pu'uku has been designated as the event fund's collector (e.g., annual Ho'olaule'a).
2. The Secretary and Pu'uku will follow paragraph 3.a. for income accounting.
3. The Pu'uku will use the Nevada Department of Taxation Combined Sales and Use Tax Return Form, found at <https://tax.nv.gov/Forms/salesAndUseTaxForms/>, to capture and submit sales tax amounts collected for the current quarter and pay via check sales tax amounts required by the state once the BOD has approved cutting a check. Quarterly reports will be filed with the state using the form whether money was received or not (i.e., "zero sales" tax reports).
4. Once the form is completed, the Pu'uku will submit the form online by the form's quarterly due date to the NV Department of Taxation. The Pu'uku will also print out and maintain a copy of the form in the Pu'uku book. The Pu'uku will also save an electronic copy of the form and provide to the Secretary for electronic form storage.

b. Should the Nevada Department of Taxation approve a sales tax exemption for Club sales, the Club will follow the stipulations as directed specific to the sales tax processes.

10. Updating and reviewing cash handling procedures: The Board will review these procedures annually or upon Nevada law changes. The Finance Komike will review/integrate changes and submit to the BOD for review/recommend approval prior to signature. This will also occur when there is a change in persons authorized to handle cash or the Finance Komike Chair changes.

Procedure Approvals:



Kalani Heu, President

December 31, 2024

Date



Nicole-Rene Petri, Acting Pu'uku

December 31, 2024

Date



Patrick Filbert, Finance Committee Chair

December 31, 2024

Date

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