L A S V E G A S H A W A I I A N C I V I C C L U B

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

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Financial Control Procedure
(Updated October 10, 2026)

PURPOSE: In order for the Las Vegas Hawaiian Civic Club (LVHCC) to ensure LVHCC bank accounts, use of LVHCC Credit and Debit Cards, and funds consolidated have a higher level of security, a control procedure limiting use is required.

BACKGROUND: In January 2024, the LVHCC bank account containing Club funds was hacked and an amount of $10,272.00 was stolen amounting to nearly 50% of Club funds. This occurred as the since closed LVHCC account was hacked by criminals using an LVHCC check that holds address, account and routing number information, and phone number which enabled them to use a company website (Kohls.com) to conduct the theft. LVHCC was able to recover the total amount with the assistance of the bank; reports of the theft were also filed with the Federal Bureau of Investigation (FBI). As a result of this theft, new financial controls were initiated.

PROCEDURE: The following procedure will be used by the Board of Directors (BOD) for all financial related aspects of the LVHCC.

1. Instead of one general fund account, since closed in January 2024, LVHCC now has two accounts: Operating and Disbursement.

A. Operating Account: All income, regardless of source, will be deposited into the Operating account. This account will not be connected to any LVHCC checks, Credit or Debit cards, or any outgoing fund's processes with one exception: a Pelekikena designated, in writing position—which names the current position's occupant—will, on a monthly basis, shift a minimum amount identified during the Board of Directors meeting prior to the date the credit card payment is due from this account to the Disbursement account for purposes of covering normal LVHCC overhead costs (e.g., LVHCC Storage Unit rent, recurring website charges, monthly General Membership Meeting location rent, and identified other payments as approved by motion).

B. Disbursement Account: at no time will more than a minimum amount, as set in Paragraph 1.A. above, be transferred into this account each month. This will ensure that should the account be hacked a significant amount of funds will not be lost. -. This control remains in effect at all times.

2. Use of LVHCC checks. LVHCC will work to reduce the number of checks used for reimbursements, payments of recurring bills, and other aspects and instead shift to secure, electronic means of payment. Use of secure forms of payment (e.g., Zelle) will occur as part of this effort. New checks will continue to have fraud prevention security features and never have the Club's phone number on the checks.

3. Use of LVHCC Credit and Debit Cards.

A. Business Credit Card. As part of the accounts LVHCC has with US Bank, two Business Credit Cards (BCC) are available for use with the Na Hope Pelekikena (1st and 2nd Vice Presidents) designated to be issued the BCCs. LVHCC has assigned the Hope Pelekikena ʻElua BCC to all recurring monthly bills (e.g., including but not limited to storage unit, website). The Hope Pelekikena ʻElua is responsible for oversight of Ways and Means for LVHCC and the assignment of this card to that person provides both a secure, trackable funds disbursement record and enables LVHCC to take advantage of a 3x use awards return on all transactions. The second BCC is assigned to the Hope Pelekikena Mua as a back-up for immediate, on the spot transactions that are either approved by motion, directed by the Pelekikena, or because the Hope Pelekikena ʻElua is unavailable.

B. Debit Card. Debit Cards are directly linked to bank accounts, are considered "cash transactions," and the loss of such a card would enable unrestricted access to LVHCC funds. Debit Card use not authorized.

C. Use of Business Credit Cards for Budget Estimate (BE) purposes. Use of LVHCC BCCs for expenses identified in the annual BE do not require a motion for BCC use as the BE is approved by the Membership, by motion, annually. However, if/when payments are made by credit card, the transactions will be added to the agenda of BODs and GMMs in the form of transactions captured in the Treasurer's Report for transparency of LVHCC fund use.

4. Moving funds from Operating to Disbursement Accounts. Shifting funds between the Operating and Disbursement Accounts, less those amounts identified in Paragraph 3.C., will have the amounts detailed in the monthly Board of Directors' meeting agenda with two identified motions: one authorizing funds movement and clearly identifying which bank signature card holder will do the transfer (i.e., only those Executive Board Members on the bank signature cards may access the accounts to conduct funds movement after a duly recorded motion occurs) and one accepting the monthly financial report specific to the Puʻuku disbursement portion that includes wording noting there was an approved shift of funds from the Operating to the Disbursement account.

A. Credit Card automatic payments for monthly overhead (including Storage Unit and recurring Website costs) does not require a motion to approve monthly payment or shifting funds between Operating and Disbursement accounts per Paragraph 3.C.

B. Once required motions to transfer funds occur, funds will be shifted between the Operating and Disbursement accounts before the 15th of each month. This will ensure both approved disbursements have enough funds to cover the transactions on time and without delay and the monthly business credit card is paid on time—the 15th is the due date for credit card payments. The approved Executive Board Member will use the "Transfer Funds" function on the LVHCC US Bank webpage to accomplish this procedure.

5. Use of electronic forms of payment. Prior to the theft, LVHCC utilized PayPal and SQUARE point of sale functions linked to the single LVHCC account. However, both forms of e-payment incur fees for use which is transferred to those donating or purchasing items from LVHCC.

A. LVHCC has updated account information for PayPal and SQUARE to be linked to the operating account only; however, use of Zelle is in effect in an effort to reduce PayPal and SQUARE related fees. At the same time, Zelle does not accept credit card use. Therefore,

SQUARE use will continue until other forms of accepting credit cards that does not generate fees are identified.

B. Once new point of sale applications are identified, and approved for use, closure of LVHCC PayPal and SQUARE accounts will occur.

5. Prior to LVHCC Directors & Officers writing/submitting grant applications a motion at a Board meeting shall occur approving such an action to ensure only approved submissions occur. Further, the Pelekikena signs all contracts, grant applications, and like documents only after an additional motion to approve submission of the contract or applications has occurred by a majority vote of the Board.

6. This procedure will be reviewed annually and updates recommended will follow in-place Bylaws' procedures for review/approval.

Procedure Approvals:

/s/ November 15, 2026
Kalani Heu, Pelekikena Date

/s/ November 15, 2026
Pat Filbert, Chair, Policy & Procedures Komike Date

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