

# Rotary International District 5040 Inc.

## The Rotary Foundation

March, 2010

### District Grants Guidelines

***The purpose of these guidelines is to encourage Rotary clubs and Rotarians in District 5040 to carry out international humanitarian service projects and educational initiatives.***

***These guidelines are to ensure stewardship and accountability of Rotary Foundation funds entrusted to District 5040 Rotarians, to establish financial guidelines and for oversight of Rotary Foundation funds.***

*The Mission of The Rotary Foundation of Rotary International is to enable Rotarians to advance world understanding, goodwill, and peace through the improvement of health, the support of education, and the alleviation of poverty.*

*The Mission of Rotary International District 5040 Inc. is:*

- . To support the clubs in District 5040 in fulfilling the object of Rotary;*
- . To promote the concept of service as a worthy endeavour;*
- . To advocate support for the Rotary Foundation;*
- . To strengthen and expand Rotary to communities in District 5040;*
- . To facilitate joint club and district projects.*

1. Where there is a conflict between District 5040 Inc. guidelines and the policies, bylaws or rules of The Rotary Foundation (TRF) or of Rotary International (RI) the RI or TRF policy will apply.
2. All monetary amounts expressed in these guidelines are in Canadian dollars.

3. Each year, no later than March 31st in the year prior to the program year, the District Foundation Committee in consultation with the District Governor-elect will determine the percentage, not to exceed 50%, of **District Designated Funds** that the District will apply for as a **District Grant** from The Rotary Foundation.
  
4. To be eligible to apply for District Grant funds, clubs must be qualified under the terms and conditions established by The Rotary Foundation and/or by the District from time to time. **Club Qualification Requirements** include:
  - A Memorandum of Understanding in prescribed form signed on behalf of the club, and
  - Prior to the start of each program year, two club members attending for a full day a Rotary Foundation Future Vision seminar sponsored by the District, and
  - The club, other than newly chartered clubs, having demonstrated financial support for The Rotary Foundation by making contributions to the Annual Programs Fund of the Foundation in at least one of the preceding three years, and
  - The club is not delinquent in meeting the reporting requirements established from time to time by The Rotary Foundation and the District Foundation committee, and
  - The club is not delinquent in payment of dues or other debts for more than 90 days to District 5040 Inc., Rotary International or The Rotary Foundation.

Club qualification is renewed annually.

5. Rotary clubs planning to apply for District Grant funds during the following program year will first submit a brief project proposal to the District Grants Committee in accordance with the District Grants spending plan. The proposal should include:

- An overview of the project, and
  - The specific needs that the project will meet, and
  - The project partners, and
  - A media publicity plan, and
  - The project timeline, and
  - Details of Rotarian involvement.
6. Subsequent to April 1 of the year prior to the program year, and prior to the commencement of that program year the **District Foundation Committee**, in consultation with the District Governor-elect and qualified Rotary clubs in district 5040, will prepare a **Spending Plan** for the use of District Grant funds. The spending plan will be submitted to The Rotary Foundation in support of the district's application for a District Grant.
7. In preparing the spending plan for District Grant funds, The District Foundation Committee, in consultation with the District Governor-elect, may:
- Designate funds for projects that meet priorities established by the District Governor-elect.
  - Designate funds for projects that meet the goals established by the President of Rotary International or the Trustees of The Rotary Foundation.
  - Establish as a contingency reserve, an amount, not to exceed ten percent of total District Grant funds, to be applied during the program year to unplanned projects arising during the program year due to unforeseen circumstances.
  - Set aside up to three percent of total District Grant funds to meet administrative expenses incurred during the program year.
8. Subsequent to April 1 of the year prior to the program year, the district may apply in the prescribed form to The Rotary Foundation for a District Grant, the application to include the Spending Plan. The district may only apply for one District Grant in each Rotary year.

9. The district may only have one paid District Grant at a time, and will not receive District Grant funds from The Rotary Foundation unless and until all open District Grants are closed.
10. District Grant funds will be managed and disbursed under the control and supervision of the District Foundation Committee in consultation with the District Governor for the program year. Specifically:
- Disbursements will have the prior written approval of the **Grants Review Committee**.
  - Cheques will be signed by any two of the District Governor for the program year, the District Foundation chair, the District Foundation vice chair, the Global Grants chair, and the District Treasurer.
  - The District Foundation Committee will establish and maintain a bank account exclusively for the receipt and disbursement of District Grant funds, such bank account to be managed by the District Treasurer.
  - The District Treasurer will maintain adequate and appropriate accounting records of all District Grant funds, including monthly bank reconciliations, and provide a monthly summary report to the District Governor for the program year, and to the District Grants Committee.
11. The District or one or more Rotary clubs in District 5040 may, after April 1 of the year prior to the program year and at any time during the program year, submit a written application in the prescribed form, to the District Grants Committee for funding for one or more of:
- International or local service projects
  - Volunteer Service travel
  - Disaster recovery
  - Scholarships
  - Vocational training.
  - Projects that meet the goals of The Rotary Foundation and are approved by the District Foundation Committee.

Preference will be given to those projects which demonstrate the potential for sustainability.

Applications for District Grant funds must include a plan for public awareness and media relations regarding the project.

12. Applications for District Grant funds will be processed in the order in which they are received by the District Foundation Committee.
13. District Grant funds will not be awarded if either the host partner and/or the international partner are, at the time of the grant application, suspended by The Rotary Foundation.
14. Project sponsors are encouraged to partner with other Rotary clubs or districts where possible.
15. Sponsors of District Grant projects may partner with non-Rotarian organizations, either local or international, provided there is active Rotarian involvement in the design, planning, or implementation of the project. Financial support for a project does not, of itself, constitute significant and active involvement in the project.
16. A club which files an application for District Grant funds must state in writing any real, potential or perceived conflict of interest involved in the project. The conflict of interest policy as set out in **TRF Code of Policy 7.030. “Conflict of Interest Policy for Program Participants”** will apply in District 5040 Inc.
17. It is the responsibility of project sponsor clubs to establish that the intended project qualifies for funding under the eligibility requirements set forth in **The Rotary Foundation Grant Terms and Conditions**, before submitting a grant

project application. Clubs are encouraged to contact the District Grants Chair for advice before submitting an application for funding.

18. Subject to the availability of funds, the District will match \$0.50 of District Designated Funds to each \$1 of cash contributions for club sponsored projects, to a maximum District Designated Funds contribution of \$10,000 for any single grant project in each program year.

19. District Grant funds will not be released to the project unless and until

- The grant application has been reviewed and approved by the Grants Review Committee, and
- The project has been completed, and
- An acceptable final report has been filed with the District Foundation Committee

Notwithstanding the policy of reimbursement of funds expended for completed projects, the District Foundation Committee may approve the disbursement of all or part of the grant funds prior to completion of the project on request by the project sponsor where a delay in disbursement of grant funds causes hardship to the project sponsor.

20. The District or any club in District 5040 awarded a grant must establish a **Grant Project Committee**, consisting of no fewer than three Rotarians.

21. The terms of any grant award and the scope of any grant project may not be altered subsequent to approval of the grant application without the prior written approval of the District Foundation Committee.

22. The project for which District Grant funds have been applied must not commence until after the grant has been approved in writing by the District Foundation Committee, following review and approval by the Grants Review Committee.

23. A club in District 5040 awarded District Grant funds must maintain appropriate cash management, documentation, and accounting procedures to ensure adequate stewardship of grant funds.
24. The Grant Project Committee will cause adequate and appropriate **Accounting Records** of all grant funds to be maintained in accordance with generally accepted accounting practice, and in accordance with policies established from time to time by The Rotary Foundation or the District.
25. The Grant Project Committee will provide copies of all District Grant funding proposals and applications, grant approval letters, and copies of all supporting documentation to the District Foundation Committee.
26. The Grant Project Committee will file a **Project Status Report** with the District Foundation Committee within 12 months of the grant award. Interim project status reports will be submitted each 12 months thereafter for the life of the project, and a **Final Report** will be filed within two months of completion of the project.
27. One or more clubs in District 5040 which have received District Grant funds and subsequently fail to meet the project reporting requirements will lose their qualification, and will be ineligible for further grant funds, either District Grants or Global Grants, until:
- All outstanding reports and supporting documentation have been filed satisfactorily, and
  - The District Foundation Committee has closed the grant, and
  - The club or clubs have been re-qualified.
28. Upon completion of a District Grant funded project, any unspent grant funds will be returned to the District Foundation Committee by the Grant Project Committee within sixty days of completion of the project.

29. Grant applications which are not funded due to a lack of available funds in any one program year will not be carried forward from one program year to the next. A new grant application must be filed for the following program year.

30. On or before July 31 of the following Rotary year, any District Grant funds remaining unspent at the conclusion of the program year will be returned to The Rotary Foundation, and will be credited back to the district's District Designated Funds balance for the following program year.

31. The **District Foundation Committee** will:

- Cause complete documentation relating to the receipt and disbursement of grant funds to be maintained in electronic or paper format in secure storage for five years or such time as directed by the district, and readily available for subsequent review. Documentation to be retained includes the original grant proposal and spending plan, original approved grant application, invoices, bank statements, interim and final project status reports, and confirmation from the project sponsors that projects have been completed.
- Establish a protocol for purging and disposing of records
- Inform District 5040 Rotarians concerning the use of District Grant funds and encourage publicity related to District Grant funded projects.
- Highlight District Grant funded projects on the district website, district newsletter, district seminars and training events.
- Maintain a liaison with the District Public Relations Committee to ensure District Grant funded projects are publicized in a variety of media.
- On or before August 1 each year post on the district website details of all District Grant funded projects, including the club name, a brief description and the dollar amount of each project for the previous program year.
- In consultation with the Grant Project Committee for each grant award, monitor required project reporting to ensure 100% compliance with reporting directives established by District 5040 Inc.

- Meet no less frequently than once every three months for the purpose of reviewing open, in process and closed District Grant funded projects, project interim and final reports, and interim financial reports. The committee may meet via conference call or other electronic means.
- Commission an independent financial review of District Grant financial records and grant documentation, such review to be concluded no later than August 31 of the Rotary year following the program year. The review will be undertaken by a professional accountant (CA or CGA), Rotarian or non-Rotarian, and who is not directly involved in a District Grant funded project during the review program year.