

Concord Rotary Charitable Foundation

Community Support Committee Guidelines

09/06/16

INTRODUCTION

The Rotary Club of Concord Charitable Foundation (RCCCF) raises monies for various worthy projects through a series of fundraisers. The Board of Directors approves expenditures from time to time which may be requested by various club committees for many varied projects.

Since the majority of these monies are expended by or through the Foundation's Community Support Committee (CSC), the following guidelines have been developed by the Board of Directors for the Community Support Committee (CSC).

BACKGROUND GUIDELINES

The Club's application to the IRS for tax-exempt status for the RCCCF places certain limits and restrictions on its community support activities. It states that the Foundation should not directly assist individuals or groups of individuals, nor should it enrich any individual or group in their commercial endeavors [Note 1]. It indicates that the Foundation will adopt a "zero-base" funding approach so as not to routinely approve the same project requests year after year and also makes clear that projects requiring long-term commitments of the Foundation's funds typically should not be considered [Note 2].

This document further states that the welfare of the local communities are a primary concern of our club and Foundation. Our principal objective should be to support those local non-profit groups, which can effectively and efficiently benefit those individuals or groups of individuals within the local communities who are in need, namely the poor, the disadvantaged, the handicapped, the elderly and the young. Another objective should be to support those local non-profits which contribute to improving the fabric of civic and community life, for the benefit of all the citizens within the community.

ELIGIBILITY

The primary criteria for Foundation funding by the CSC should be the viability and effectiveness of the non-profit group providing services for the greater Concord communities:

- (1) The non-profit organization should be determined to have (a) an identifiable specific mission to satisfy the needs of its qualifying clients, (b) an active and effective governance process, (c) limited or restricted capability to obtain funding on its own behalf for its activities.
- (2) RCCCF funding should normally fill a funding void, particularly for capital projects. A potential (non-profit) recipient organization with the capability to access

significant philanthropic resources should not normally be a candidate for limited RCCCCF funding. This is an important issue, because the financial assistance of Rotary should provide benefit to those who have limited or no other recourse to assistance.

SPECIFIC CRITERIA

- (1) The recipient non-profit group must be able to demonstrate that its clients have financial or social needs, which the non-profit group's activities will alleviate.
- (2) The recipient non-profit group must be able to document its governance process; describe its beneficial activities in the local area communities, and demonstrate its success in making a positive impact on its qualifying client group.
- (3) The recipient non-profit group should have limited access to substantial other financial resources or donations. However, this should not preclude approving RCCCCF funding to be used as leverage to obtain other private or public funding. Nor should it preclude funding for a discrete portion of a larger project, carried out by a substantial (non-profit) organization, i.e. defibrillators for local community ambulances. In these cases, the RCCCCF funds would be designated for some specific services coupled to the larger project.

PROCESS

(1) Requests for financial support from our local community shall be forwarded to the CSC for review and determination. The CSC is currently authorized to approve funding requests of less than \$5,000 in accordance with these guidelines. Any funding request for \$5,000 or more shall be reviewed by the CSC, and then a recommendation shall be forwarded to the Board of Directors for decision.

(2) Major projects/seed money projects are typically capital projects or leveraged seed money projects of \$5,000 or greater in scope, which do not fall within normal criteria for approval, because they only indirectly affect their beneficiaries. Accordingly, such projects should be considered by the CSC and forwarded to the Board with a clear explanation as to why the committee recommends approval, the actual vote of the committee, and a ranking of the funding request relative to all other requests that fiscal year.

(3) Requests, which, under these guidelines have received the approval of the CSC or which have been approved by the Board of Directors, shall be considered a commitment of the club for one year only. Neither the current CSC nor the current Board of Directors can commit future funds. Therefore, in drafting the notification of approval for one year funding, based upon a multi-year funding request, the letter from the Chair of the CSC shall include a statement of this policy in the response, which is sent to the non-profit organization making the multi-year request.

CONFLICT OF INTEREST POLICY

When consideration is being given to a financial grant to any organization with which a CSC member or a member of the Board of Directors has a relationship of any kind, the policy must be that full disclosure of that relationship shall be provided. Therefore, the following rules shall apply to members of the CSC and members of the Rotary Board:

- (1) Any Club member, in any communication with the CSC or with the Board of Directors regarding a funding request, shall disclose such relationship(s).
- (2) If a member is an officer, employee, a paid director, or otherwise has a financial interest in an organization, under consideration for a financial grant by the CSC, that member shall not participate in the discussion or the decision making process.
- (3) If a member is an unpaid Director or serves in some other volunteer function for an organization, under consideration for a financial grant by the CSC, after disclosure of that relationship, that member may participate in the discussion, but not with the decision making.
- (4) Nothing in this policy is intended to preclude any member from making a funding request to the CSC or the Board of Directors or presenting information on behalf of any organization with which they may be affiliated.

REVIEWS

At the beginning of the Rotary year (and as circumstances dictate) the Board of Directors shall determine the amount of funds which will be available for the CSC. This allocation is broken down into (1) ongoing sustaining community support programs, and (2) major/seed money project funds.

At the same time, the Board of Directors shall provide information to the CSC on the total budgeted funds for Community Support and on the donations made during the previous year.

The CSC may then proceed with grants within its approval authority, subject only to funding availability made available to it.

On a quarterly basis, the CSC shall submit a quantitative report to the Board of Directors as to approved funding requests, categorized by recipient category.

On an annual basis, prior to the end of the Rotary year, the CSC shall submit a final report, consisting of the quantitative information on approved funding requests, and a qualitative summary, with comments and suggestions, which the Board of Directors will use at its July meeting to develop the guidelines for the CSC for the following year.

Note 1: The requirement of not directly assisting individuals or groups of individuals should not preclude funding a request by an individual (or group) for a project that serves a needy population or that benefits the community in general. For example an Eagle Scout project to construct a wheel chair ramp at a church should be considered a qualified proposal.

Note 2: The requirement to adopt a zero-base funding approach should not disqualify an organization from making repeated requests for assistance with an ongoing need, as long as there are no stated commitments for future requests. For example an organization that offers camperships to needy children should be free to make multiple requests.