

District 5490

Policies and Procedures

These policies and procedures are issued pursuant to authority of the By-Laws of District 5490 to supplement its provisions with more detailed guidance and to govern various programs and activities of the district.

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**SECTION I
Administrative Policies**

I-A. Duties of District Officers.

I-A-1. District Secretary.

The District Secretary shall:

- a. Assist the District Governor in making arrangements for district meetings and shall compile proper minutes of all such meeting.
- b. Handle correspondence as directed by the District Governor.
- c. Maintain complete files and records of all district business.
- d. Act as secretary of the District Council on Legislation.
- e. Procure approved insurance liability policies for the benefit of the district and its officers.
- f. Deliver all continuing committee files to the incoming District Governor within one month following the end of the Rotary year.

g. Relieve the District Governor of other routine tasks as required and perform any other duties assigned by the District Governor.

h. Maintain a permanent record of all governing documents of each club in the District and coordinate an annual review by the By-Laws and Policy Committee of all amendments to such documents for compliance with the requirements of Rotary International and District 5490.

I-A-2. District Treasurer.

The District Treasurer shall:

a. Promptly pay all district expenses upon receipt of proper documentation supporting such payment.

b. Properly account for all district funds.

c. On or before October 1, forward to each district club a statement of its per capita dues based on the previous June 30 membership reported to the district by the club secretary. Such statement is payable upon receipt to the district treasurer

d. Upon receipt of the prior year's annual financial statement from the immediate Past District Governor, make distribution first to the Finance Committee and then on or before October 1, to each club president, the District Governor, the District Governor Elect, the District Governor Nominee and each Past District Governor who requests a copy.

e. Perform such other duties as may be assigned by the District Governor.

I-B. Duties and Prodecures for District Standing Committees.

I-B-1. District Finance Committee.

I-B-1a. General Duties.

The Finance Committee shall supervise the financial operations of the district including budget preparation and oversight of the District 5490 Fund. It shall also develop financial operational policies in coordination with the By-Laws and Policy Committee.

I-B-1c. Meetings.

The Finance Committee shall meet quarterly subject to the discretion of its chair as to date, time and place.

I-B-1c. Reports.

The Finance Committee is responsible for ensuring the timely submission of all financial and statutory reports required by federal and state regulations, the RI Manual of Procedures and District By-laws or policies, expressly including the annual audit or review required by Article V, Section E of the By-Laws. These include, but are not limited to the following:

i. Federal Tax Form 990s for all accounts that use the District 5490 TIN (Taxpayer Identification Number) or the District 5490 Foundation TIN. All accounts using the District TIN will be consolidated into a single 990, and all accounts using the District Foundation TIN will be consolidated in a separate 990. These filings are due by 15 November each year. State of Arizona filings for the above accounts as required.

ii. State of Arizona Corporation Annual Report for the District Foundation. This report is due 15 April.

I-B-2. District By-Laws and Policy Committee.

I-B-2a. General Duties.

The committee shall conduct an annual review of the By-Laws and, in coordination with other committees or district officers, may draft and put forward for approval at the District Council on Legislation proposed amendments, complying with the requirements of ARTICLE VI of the By-Laws. Upon request from a club wishing to propose an amendment, the committee shall assist in drafting appropriate language.

I-B-2b. Formulation of Temporary Policies.

The committee, subject to approval of the District Governor, in coordination with other committees or district officers, and consistent with the By-Laws, may draft and approve new policies for district activities or amend existing policies on a temporary basis between District Councils on Legislation. To become permanent such policy or amended policy must be submitted to the next Council for adoption by a simple majority of delegates present and voting.

I-B-2c. Maintaining By-Laws and Policy Documents.

The committee shall maintain a master book of current By-Laws and Policies for the district and have the same posted on the district website, keeping it regularly updated as changes occur.

I-B-2d. Annual review of Club Documents

The Committee shall conduct an annual review of all amendments to governing documents of all clubs in the district for conformance with the requirements of Rotary International and District 5490. The Committee may delegate this responsibility to the

District Parliamentarian or any other person of sufficient knowledge and background to accomplish the task and report the results to the Committee and to the District Governor and District Governor Elect for action if any. All clubs in the District shall, by no later than one week following PETS each year, furnish the District Secretary with any amendments made during the preceding year or a statement that there has been no such amendment. The Presidents-Elect and Secretaries-Elect at PETS shall be advised of this requirement each year.

I-B-3. District Nominating Committee.

I-B-3a. Procedure for Selection of the District Governor Nominee.

The District Governor Nominee shall be selected through the following process, pursuant to RI required time frames, not less than 24 months and not more than 36 months prior to the date that person is to take office as District Governor:

i. No later than ten days prior to the announced date for the Nominating Committee meeting, the President of any functioning district club in good standing, having had no outstanding indebtedness to RI or the district as of the close of the preceding year, wishing to place the name of one of its members in nomination (or propose a member of another functioning district club in good standing, having had no outstanding indebtedness to RI or to the district as of the close of the preceding year, with that club's concurrence) for the office of District Governor Nominee shall file with the Chairman of the Nominating Committee a resolution of the club adopted at a regular club meeting. The resolution shall certify that the candidate meets the qualifications for District Governor as provided in the current Rotary International Manual of Procedure and include a picture of the candidate together with a biographical sketch of the candidate's personal and Rotary background. All district clubs should refer to the current Rotary International Manual of Procedure regarding the prohibition of campaigning, canvassing or electioneering for a given candidate and should nominate the best-qualified candidate.

ii. The Nominating Committee shall meet no earlier than January 1 nor later than June 30 to choose a proposed candidate for District Governor Nominee. The District Governor shall set the date for this Nominating Committee meeting and provide at least 60 days notice to the district clubs of such meeting. The Nominating Committee shall not be limited in making its selection to those names submitted by the district clubs. Should the district clubs submit no name, the Nominating Committee nonetheless shall meet and select a candidate in accordance with the procedure set forth in the remainder of this subsection. The Nominating Committee as a whole must personally interview each candidate and balloting shall be by secret ballot with a simple majority sufficient to select a candidate. The name of the candidate proposed by the Nominating Committee, together with a statement of the candidate's qualifications, shall be announced in the next District Governor's monthly newsletter.

iii. No later than the end of the month following the District Governor's announcement of the Nominating Committee's proposed candidate, any district club that submitted a name of a candidate to the Nominating Committee other than the Nominating Committee's choice may challenge. Rules for the challenge and subsequent election by mail shall be in accordance with the current Rotary International Manual of Procedure. If no timely challenge is submitted by any district club, the District Governor shall declare the candidate of the Nominating Committee to be the District Governor Nominee and shall include such announcement in the next District Governor's monthly newsletter as notification to all district clubs, and shall declare him or her to be the District Governor Nominee at the District Conference.

I-B-3b. Other Nominations.

At least 45 days prior to the District Conference, the Nominating Committee shall select and announce the candidates to stand for election as delegates and alternates to the International Council on Legislation and for the Rotary Zone to which the district is assigned, and for membership on the By-Laws and Policy, Finance, and Nominating Committees (with compliance with the area definitions set forth in the District By-Laws) at the District Council on Legislation. In completing this task, the Nominating Committee shall seek input from the current Assistant Governors and district club presidents. Where possible, the Nominating Committee shall offer two candidates for each open position. Additional nominations for the open position will be considered from the floor at the District Council on Legislation.

I-B-3c. Special Charge.

Upon selection of each new District Governor Nominee the committee shall advise that person that under the rules of Rotary International a primary purpose of the District Governor's visits to the clubs in the District is to insure that the constitutions and by-laws of the clubs comply with the constitutional documents of Rotary International.

I-B-4. Electronic Attendance

At any meeting, regular or special, of any District committee with the exception of the annual selection meeting of the District Nominating committee, any member, with advance approval of the chairman, may attend by means of telephonic or other electronic process so long as that member may hear all other members of the committee and may be heard by them. Members attending in that fashion will be counted in determining a quorum.

I-C. District Meetings

I-C-1. District Conference.

The District Governor shall recommend to each district club that it require its president and secretary to attend the District Conference and, if they do, the club shall pay their registration and lodging expense. The District Conference shall be held at such time and place as shall be selected by the District Governor Elect and approved by the majority of the presidents-elect at PETS or the District Assembly, provided that such dates are not the same as those selected for the District Assembly, the International Assembly, or the International Convention. The District Conference and District Assembly should be held as separate, unrelated meetings unless special circumstances require consecutive meetings in which case the District Conference shall be held as the second such meeting. The District Governor Elect shall announce the site and date of the District Conference and the name of the host club at the immediately preceding District Conference.

I-C-2. Club Leadership Training Seminar.

Each district club President-Elect and Secretary-Elect shall attend the Club Leadership Training Seminar unless excused by the District Governor Elect. If so excused, he or she shall send a designated representative from the club whose duty it will be to report back to him or her. The Club Leadership Training Seminar shall be held on a date after PETS, not in conflict with the Rotary International Convention and preferably in April or May. The District Governor Elect shall select the site, date and host club of the Club Leadership Training Seminar with the approval of the District Governor. Each president-elect shall have one vote and the presence of a majority of the votes cast shall be required for approval of any matter considered except for the budget recommended by the Finance Committee which shall be adopted as required by Article V, Section C of the District 5490 By-Laws. If no Club Leadership training Seminar is held or a quorum is not obtained, any matter that otherwise could have been determined at such Club Leadership Training Seminar, other than approval of the budget recommended by the Finance Committee may be determined in a ballot by mail in accordance with the current Rotary International Manual of Procedure.

I-C-3. President-Elect Training Seminar (PETS).

I-C-3a. Date and Site of PETS.

The District Governor Elect, in cooperation with the District Governor, shall select the site, date and host club for the PETS which date preferably shall not be later than one month following the International Assembly and at a different time than the District Assembly.

I-C-3b. Required Attendance.

Each district club President-elect and Secretary-elect shall attend the President-elect Training Seminar unless excused by the District Governor Elect. If so excused, he or she shall send a designated representative from the club whose duty it will be to report back to him or her. If the president-elect does not attend the president-elect training seminar

and the district assembly, has not been excused by the governor-elect and, so excused, does not send a designated club representative in his place, he or she shall not be able to serve as club president. In such event the current president shall continue to serve as club president until a successor who has attended a president elect training seminar and district conference or undergone training deemed sufficient by the district governor-elect has been duly elected.

I-C-4. District Council on Legislation (COL).

I-C-4a. Composition.

The District Council on Legislation shall be constituted as follows: Each district club shall select, certify and send to the District Council on Legislation, one elector for every 25, or major fraction thereof, of their members. Such membership shall be determined by the number of members in the club as of the most recent January 1. Each club elector shall be its President or a member, other than honorary, in good standing of the club appointed by the President. Notwithstanding the foregoing, each district club which has no outstanding indebtedness to RI, or to the district for more than 3 months preceding that in which the District Conference is held, shall be entitled to at least one elector. An elector must be present at the District Council on Legislation to vote.

I-C-4b. Chairman.

The District Governor shall serve as Chairman of the District Council on Legislation unless unable to serve, in which event the most recent Past District Governor present shall serve as Chairman. The Chairman may appoint a parliamentarian to act as an advisor in all matters of parliamentary procedure and in his/her discretion may direct the parliamentarian to act as the presiding officer during the council. The District Secretary shall act as secretary of the Council.

I-C-4c. Date and Location, Attendance and Participation.

The District Council on Legislation shall meet during the District Conference at a time designated by the District Governor. The meeting shall be open to attendance by all Rotarians. Only members of the Council may participate in the discussion, except special privilege may be given by the Chairman to any Rotarian to speak.

I-C-4d. Agenda.

No fewer than 45 days prior to the District Council on Legislation, the District Governor shall forward to each district club President and to each Past District Governor a tentative agenda of matters to be considered at the forthcoming Council including without limitation:

- i. All resolutions proposing amendments to these By-Laws.

ii. Approval of proposed new or amended policies.

iii. Election of members of the District Nominating Committee, District Finance Committee and District By-Laws and Policy Committee.

iv. Election of district representative and alternative to the Rotary International Council on Legislation for those years in which such Council meets and of district representative and alternative to the Rotary Zone to which the district is assigned, as needed.

v. Election of district representative and alternate to the Nominating Committee for RI Director in those years in which such director is elected.

vi. Approval of the budget recommended by the Finance Committee in those years the district opts to consider approval of such budget at the District Council on Legislation; and

vii. Any other resolution proposed by a district club, a district committee or the District Governor.

I-C-5. Attendance at District Meetings.

The success of district meetings depends largely upon the support of the clubs in attendance and participation by their members. Clubs should insist that their incoming officers and directors plan their time to enable them to attend the scheduled training sessions and it is highly recommended that each club assist in payment of their expenses to the extent of its ability.

I-D. District Finances

I-D-1. The District 5490 Fund.

I-D-1a. Surplus Funds.

In addition to financing the current activities of the district, the District 5490 Fund shall include surplus funds, defined as the cash component of unrestricted net assets, to maintain and purchase property and equipment in support of district activities and for unforeseen contingencies. At the end of each fiscal year the District Governor and District Treasurer for that year just ended shall prepare and provide to the Finance Committee, within 90 days following the end of the fiscal year, an evaluation of the District 5490 Fund identifying the amount, if any, of excess surplus funds, defined hereby as unrestricted cash in excess of the greater of 40% of the approved district budget for the next fiscal year or \$40,000. Each district club that has paid in full the levy for the fiscal

year just ended shall receive a credit or a refund of excess surplus funds on a pro rata basis based upon the club's reported membership upon which that levy was based.

I-D-1b. Authorized Expenditures.

Monies in the District 5490 Fund may be expended to pay:

i. The expenses of the District Governor for travel, postage, telephone, stationary, printing, secretarial service and other administrative expenses beyond the monies allocated to the District governor for such purposes by Rotary International.

ii. The expenses of conducting district affairs including the District conference, the District Assembly, District Presidents-Elect Training Seminar and special district functions.

iii. The expenses of the District Governor and District Governor Elect and their spouses, partners or significant others for not more than economy class air fare and basic necessary expenses for attendance at the Zone Institute-GETS (Governors Elect Training Seminar), The Rotary International Convention and The Rotary International Assembly (beyond any amount provided for such travel and expenses by The Rotary International Assembly), provided that all such persons must attend all business and training events at these meetings. The expenses of the District Governor Nominee and his/her spouse, partner or significant other to the Zone Institute-GNTS (Governors Nominee training Seminar) shall be paid beyond any expenses provided by the Zone of RI.

iv. The expenses for the district representative to the Rotary International Council on Legislation held every third year, which are beyond the amount allocated by Rotary International.

v. The expenses of registration for presidents-elect and secretaries-elect at the District Assembly and for the presidents-elect at the Presidents-Elect Training Seminar (PETS) if such registration fee is required. Further, lodging will be provided for Presidents-Elect attending PETS for one night for those traveling at least 50 miles from home and two nights for those traveling more than 100 miles from home (or as this formula may from time to time be modified by the PETS Committee).

vi. The expenses of equipment and supplies required for new clubs chartered in the district, including an initial contribution to the new club's treasury in the amount of \$150. Existing district clubs shall be encouraged to contribute such equipment and supplies to help defray the cost of district funding.

vii. The premium expense of comprehensive liability insurance for the benefit of the district and its officers.

viii. Other expenses that the District Governor determines are in the best interest of the district and are approved by the Finance Committee.

I-D-2. Other District Funds.

I-D-2a. Budget for Special Funds.

When funds are to be raised for a specific purpose, such as Youth Exchange, RYLA or Interact, a budget of income and expenditure shall be prepared and submitted to the Governor Elect and the finance committee for approval. This shall then be included in the budget recommended for adoption by the finance committee.

I-D-2b. Special Fund Income and Disbursements.

Income instruments for specific programs will be made payable to District 5490 and deposited in a district account. Standard expense documentation shall be provided for all expenditures. A separate checking account for such funds is permissible and is required for Youth Exchange. When used, a copy of each monthly bank statement of such account shall be forwarded to the District Treasurer within one week of receipt. All such accounts will be included in the financial review/audit conducted of the district fund. When a separate account is not utilized, the District Treasurer will issue funds for payment as approved by the district officer or committee chairman in charge of the program involved.

I-D-2c. Special Fund Reserves.

Where it is appropriate for individual programs to carry a financial reserve from year to year, the permissible amount of such a reserve will be determined by the district finance committee. This reserve will be carried by the district and recorded in district financial statements.

The above policies are as amended May 20, 2014