



# **Rotary International District 5040 Policies**

Effective September 27, 2023

Policy Chair, Rotary International District 5040 Inc.  
PDG Leigh Higinbotham 2020-23

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## **PREAMBLE:**

District 5040 is a legally incorporated entity, known as “Rotary International District 5040 Inc.”. It is governed by a Chair (CEO/DG) and Board of Directors, who are accountable to the Rotary clubs in the District. The By Laws are available on the D5040 Website. District Policies are required to be compatible with our By Laws; in any conflict, the By Laws of Rotary International District 5040 Inc. will prevail. Any references in this document to “District 5040” or “D5040” refer to “Rotary International District 5040 Inc.”.

Bylaws are a legal requirement of an incorporated entity and are approved at an Annual General Meeting and then filed with the Government of Canada. Policies describe the required structure and actions to implement organizational goals and are approved by the District Board. The Addendum to this document provides procedural detail on how policies are to be carried out.

In order to establish district procedures and to provide an orderly system of maintaining records, actions and resolutions of District 5040, this policy is approved and amended as required by the Board of District 5040. The policy shall be used as a guide for District Governors, District Committees, and Rotary Clubs concerning all matters relating to the District.

The policies and procedures of Rotary International are set forth in the Manual of Procedure and Code of Policies of Rotary International. The District Governor, in conjunction with the Board, for District 5040 shall be authorized to amend any section of the district policy to conform to Rotary International legislation, or the requirements of the Bylaws of District 5040. Every club shall be notified of significant changes that affect the clubs.

## **1. AMENDMENTS TO DISTRICT POLICY**

Resolutions proposing to amend the policy of District 5040 may be submitted by:

- any Rotary club in the District, such resolution having been adopted at a general meeting of the club, or by the Board of Directors of the club at a regular meeting.
- any District Committee, such resolution having been adopted by a majority of the members of the committee.

Proposed amendments are submitted to the District Governance Chair for review and comment, prior to going to the District Board for approval.

## **2. ORGANIZATION OF DISTRICT 5040**

### ***2.1 District 5040 Incorporation***

In order for district youth programs to be certified by RI an incorporated entity was required. District 5040 decided to incorporate the district rather than the Youth Exchange program. The terms of incorporation of the district were approved by RI and registered with the Government of Canada.

Download [extract from the Canada Gazette](#) referencing the Incorporation of Rotary International District 5040 Inc.

### **2.2 The Board of District 5040 Inc**

The directors of the Board of District 5040 Inc. comprise:

- The District Governor of District 5040 (CEO and Board Chair)
- The Secretary of District 5040
- The Treasurer of District 5040
- The Immediate Past District Governor of District 5040
- The District Governor Elect of District 5040
- Four Directors at Large who will be appointed to make the total board to number nine. It is recommended that the District Governor Nominee be considered as one of these additional directors.

Such additional directors (at large) shall be announced and confirmed by vote at the AGM of District 5040 on the recommendation of the District Governor Elect as prescribed in the District 5040 Bylaws.

In addition, the District Governor Elect shall, before July 1st of their year, appoint or re-appoint Assistant Governors who will each be responsible for a regional grouping of clubs. Such appointments are normally expected to last for a three-year period.

### **2.3 Governor Team - District 5040**

District 5040 is governed by a Chair and Board of Directors. The Governor Team provides the operational leadership in the District, together with the Board of Directors, to ensure both a strategic and consistent approach to District leadership.

The District 5040 Governor Team consists of the DG Nominee Designate (DGND), DG Nominee (DGN), DG Elect (DGE), current DG and Immediate Past DG (IPDG). The current DG serves as the chair of the Governor team.

The District 5040 Governor Team meets regularly as required and when situations or needs arise that demand more immediate attention or decisions. The Governor team may meet in person or electronically.

By operating as a team in leadership, there are several significant benefits:

- Full involvement in district leadership from the time of selection as the DGND right through to the IPDG year
- Direct participation in the district strategic planning work, setting the future course for the district
- A rolling five-year long-term approach to key directions and decisions
- Effective and extensive practical training and development through participation and experience
- Maximum backup in situations where experience and support are needed
- A team approach with a long-term view and consistency
- Efficient in operation with minimum re-invention

### **2.4 Role and Selection of Vice Governor**

The governor-elect may select a vice Governor. If so, the vice Governor must be a PDG. The role of the vice governor is to replace the governor in case of a temporary or permanent inability to perform the governor's duties. The Vice Governor shall serve during the year following selection.

### **2.5 Strategic Planning**

The district shall develop a strategic plan every three to five years and an annual operational plan reviewing, updating and implementing the strategic plan.

It is recommended that each Rotary club adopt the strategic planning process designed by the District Strategic Planning Committee.

### **2.6 Succession Planning**

The district shall take an organized approach to the filling of positions in the district led by the DGE and the DG team to ensure continuity. The positions are an annual appointment usually renewable for a total of three years.

Every effort will be made in all succession planning to have representation from all geographical areas of the district.

### **2.7 District Committees**

District Committees are responsible to develop initiatives that support club and district activities and functions. Where appropriate, committees work with the governor and assistant governor before and during their terms to establish district goals and check on their progress towards achieving them. For more information, please refer to the Policy Addendum.

The main committees in this section are those recommended by RI, and/or those deemed appropriate based on experience. The establishment of additional committees and subcommittees is

at the discretion of the District Governor and Board of District 5040 in consultation with the appropriate chair.

In the case of a Committee position becoming vacant, the District Governor, or Committee Chair as appropriate, shall appoint a District Rotarian in good standing to fill the vacancy for the remaining term of the appointment.

The District Governor shall, prior to assuming office on July 1, appoint Chairs for the following District committees:

***Annual Conference***

District conferences are an opportunity for clubs to exchange ideas and showcase their achievements. The District Conference Committee plans and promotes the conference, recommends the district conference venue, makes logistical arrangements, publicizes the conference to the media, community leaders, beneficiaries of club service efforts and provides a relevant, motivational, and informative program. An AGM shall be held annually and may be held in conjunction with the Annual Conference. See the AGM Agenda and AGM Voting Procedure in the Policy Addendum.

***Communications/Public Relations***

The committee includes internal and external communications, public relations and public image which includes branding.

***Crisis Management***

The Crisis Management Committee is chaired by the District Governor and includes two past district governors and the Public Relations Chair. The Committee must be notified and consulted about any unforeseen events that occur within a club before the club takes any specific action or provides a response to any media. The Committee will advise the Club President and Board on next steps and protocols so that there is a planned response that should protect all stake holders. The Committee will consult Rotary International as needed and if there is any reputational risk or negative impact on Rotary. For additional information refer to District 5040 Policy Addendum.

***District Governance***

This committee ensures the district has appropriate bylaws, policies and procedures in place to guide the operation of the organization in a legal and ethical manner and in line with the RI and District Bylaws and Policies. The committee provides support to the Board in reviewing and updating existing governance documents as required. This committee may call on subject matter experts as required.

The committee shall consist of a minimum of three members, ideally serving a staggered three-year term with the possibility of reappointment. Members should be knowledgeable about RI's constitutional documents and election procedures. The committee is chaired by a Past District Governor.

The DG Team/Board must liaise with the District Governance Committee on any matters related to policy prior to taking a decision. The DGN will be a member of the committee.

***District Nominations***

The District Nominating Committee shall be made up of the District Governor Elect, the District Governor Nominee, the two most recent Past District Governors, the IPDG being the chair, and one Assistant Governor who is a member of a club in District 5040. The Assistant Governor member will be appointed by the District Governor Elect on or before July 1st and will be a member of the committee for one year only unless reappointed by the following District Governor Elect. See District Nominations in the Policy Addendum.

***Finance***

The Finance Committee is an advisory body for financial management of the District. The committee may request or be asked to review and advise on financial issues in District 5040 and on matters that could have a financial impact on the District.

The Finance Committee shall comprise a Chair and no less than 4 additional members, who shall be appointed by the Chair. All members shall be expected to remain in position for 3 years and should comprise at least one active PDG. The District Treasurer shall be a member.

The committee will be responsible for recommending policy for, and overseeing, all aspects of the District's financial management and obligations. All such policies are subject to approval by the Board of D5040.

### ***Friendship Exchange***

Rotary Friendship Exchange lets Rotarians in one part of the world experience life in another country or culture. Through person-to-person connections across national boundaries, international understanding and goodwill are advanced. Participants may travel as individuals, couples, families, or groups, and may be Rotary members or not.

### ***Learning and Development***

The Learning & Development Team is responsible for providing leaders the knowledge and skills they need to lead their clubs and the district with passion and confidence and to educate all Rotarians about the Rotary organization, its programs and activities.

The L & D Team includes a chair, trainers for each of the District Governor (DG), District Governor Elect (DGE) and District Governor Nominee (DGN) plus chairs of district committees with some training responsibilities and other positions as required. Each trainer is appointed by the DGN and works with them during their years as DGN, DGE and DG.

### ***Membership***

Under the direction of the governor, the committee will identify, promote and implement membership strategies that will result in membership development and growth and the formation and support of Rotary and Rotaract clubs within the district. See Attendance Tracking in the Policy Addendum.

### ***Past District Governor Advisory***

An Advisory Committee for district leadership, comprising active Past District Governors, to provide input, give support and assist in planning activities from time to time. The committee may be asked to provide input on important matters in the district. The Chair of this committee is the Immediate Past District Governor.

### ***Peace***

The District Peace Committee provides an overview and leadership of the District's priorities in Peace development, acts as a catalyst for District and club initiatives that contribute to peace-building, and promotes coordination and collaboration within and beyond the District.

### ***Rotaract***

A Rotaract club is a Rotary club-sponsored organization of young adults, whose purpose is to provide opportunity to enhance the knowledge and skills that will assist in personal development, to address the physical and social needs of their communities, and to promote better relations between all people worldwide through a framework of friendship and service.

The district Rotaract chair and district Rotaract representative serve as co-chairs of the district Rotaract committee. District Rotaract chairs are Rotary members appointed by district governors. A district Rotaract representative is a Rotaract member elected by clubs in their district. They work with committee members to support Rotaract clubs, ensure that club information is up to date, plan leadership training events, and coordinate district service projects.

### ***The Rotary Foundation (TRF)***

This committee educates clubs about the Foundation and inspires them to support its programs and fundraising activities. Responsibilities also include authorizing the use of DDF for grants and qualifying clubs to apply for global grants.

## **Strategic Planning**

The District Strategic Planning Committee encourages and facilitates planning by clubs and district. It provides a source of expertise, resources and experience that can assist clubs and District by advising or participating in strategic planning processes.

In collaboration with the District Governor, facilitates the development and annual review of the district's strategic plan and the District Leadership Plan. Facilitates a semiannual review of district performance and objectives. Assists the District Governor and district leaders in the annual measurement and evaluation of district achievements against defined objectives. Assists the District Governor-elect and district leaders in the formulation of annual goals for the upcoming Rotary year.

## **Youth Programs**

The Youth Committee coordinates direct District involvement in youth programming, including but not limited to RYLA, Youth Exchange, Short Term Exchange Program (STEP), New Generations Service Exchange (NGSE) and Interact. The committee advises the Governor team and District board on appropriate policies that apply across youth programs, especially including those related to youth protection. The Committee promotes participation in youth programs by clubs and provides information and advice to clubs as appropriate, including the necessity for oversight and supervision of youth under the age of 19 years.

### **3. DISTRICT FINANCIAL MANAGEMENT** (See the Policy Addendum for additional information.)

#### **District Treasurer and Signing Officers**

The District 5040 Treasurer shall receive and deposit all funds and make all authorized disbursements. The Treasurer shall cause to be kept books of account on all funds coming under their jurisdiction. This should include, but not be limited to, District Youth Exchange, District RYLA and District Conference.

On retirement from office, all books of account and any other property of the District in the Treasurer's possession shall be passed to the new Treasurer as soon as appropriate and possible, in order to maintain the ability for the new Treasurer to fulfil their obligations.

At the expiration of their term of appointment, normally expected to be three years, the Treasurer shall be eligible for reappointment.

#### **Operating Budget and Financial Review**

An annual budget for general district funds for the next year shall be prepared by the District Finance Committee and District Treasurer in cooperation with the District Governor Elect and with input from Committee Chairs, as required. The Draft Budget shall be sent to incoming Presidents no less than 30 days prior to the AGM.

The budget shall be recommended for approval at the AGM of District 5040

Per capita dues shall be set at the AGM by a vote of the majority of the electors present and voting.

#### **The General District Fund**

Provides such expenditures as shall be authorized in the budget approved at the AGM of District 5040.

May provide for supplementary expenditures, not necessarily provided for in the budget, which may be approved by the Board upon the recommendation of the District Governor and review by the Finance Committee.

The Board shall hold a specific amount as "Restricted Funds". The funds are held for use in the event that the District has been, or is to be, wound down or for some extenuating circumstance and any such use would have to be approved by the Board.

Provides for such other expenditures as may be required by virtue of Rotary International policy and requested by the District Governor and Board of D5040.



### **District Conference Fund**

Provides financial support for the district conference program.

The conference shall plan to operate without incurring either a surplus or deficit. If a deficit occurs the loss will be covered by the District following approval by the Board.

Within 90 days after the Conference the Conference Committee chair shall submit to the Immediate Past District Governor a complete financial statement. Any residue will remain in the District Conference Fund, where it will be available should a subsequent deficit need to be covered. Should the balance exceed a reasonable buffer, the District board may authorize a Conference committee to operate with a planned deficit. Conference surpluses shall not be used directly or indirectly for legacy projects. If a conference legacy project is desired, it must be funded separately, possibly with a line on the registration form describing the project and requesting an optional donation.

Within 30 days after the conference, the governor or Conference Chair, shall prepare a report of the conference proceedings and send it to the RI General Secretary and each club secretary.

### **Additional District Funds**

Youth Exchange and Rotary Youth Leadership Award (RYLA) are two additional funds included in the District Operations Budget. These programs are expected to operate on a break-even basis over time. An appropriate carry-over balance may be retained from year to year; pricing should be adjusted if that balance becomes too large or too small.

Under the oversight of the District Treasurer, Youth Exchange and RYLA may each have a program treasurer to maintain the records for the annual expenses and revenues and submit financial reports to the District Treasurer quarterly for regular reporting to the District Board.

### **Source of District Funds**

Dues from clubs in the district based on a per capita amount approved each year by the AGM of District 5040. In addition, this amount will also include the allocation made by RI for the District Governor to fulfill their duties during the year.

Any surplus arising from the District Conference.

Income arising from the investment of funds not required for immediate commitment or expenditure.

Contributions, donations, grants or bequests made by clubs or individuals for designated or general purposes.

## **4. EVENT REGISTRATION CANCELLATION POLICY**

It is understood that circumstances may arise that require cancellation of registration for District 5040 sponsored events. Please read the cancellation policy for District 5040 events before registering. The cancellation policy for each event is set based on contracts with hotels, venue hosts and the need to print training material. Each district hosted event may have a different cancellation policy please ensure you fully understand the policy before registering.

Due to financial obligations for conferences, seminars and other events sponsored by District 5040 there is an administration fee for all canceled registrations. Each event will have a different administration fee.

The amount of reimbursement above the administration fee will be established for each event. Normally the amount of reimbursement is lower closer to the event. If the registrant does not attend the event without providing written notice (no-show) all fees will be forfeited.

All fully paid registrations may be transferable to other Rotarians or non-Rotarians if they are qualified to register for the event or seminar. Transfers must be made by the registered person in writing to the registrar of the event. Details must include the full name of the replacement person, their title, contact phone number and email address.

For more information contact the registrar for the specific event as listed on the registration form.

Thank you for understanding, District 5040 will try to accommodate Rotarians who find it necessary to cancel registration for district events within these guidelines.

## **5. EXPENSE REIMBURSEMENT**

District 5040 reimburses expenses for District leaders incurred as a result of approved activities in their district position. The Finance Committee reviews the policy from time to time, and sets rates as appropriate, for approval by the Board. A separate document is published on the District Website (About Us/District Policies) and in the District Policy Addendum with these details, which are incorporated into the policy of the District.

A DGND, DGN, DGE or DG, may choose to discharge their Rotary duties accompanied by their spouse, partner or companion other than a spouse. Eligibility for partner or companion expense coverage may be approved by the District 5040 Board of Directors. The partner or companion must have agreed to take an active support role for the full governor journey of approximately 3.5 years. See Note 6 in the District Reimbursable Expenses for details.

It is not a requirement for a person on the governor journey to have the support of a spouse, partner or companion.

## **6. DISTRICT AND CLUB ELECTIONS**

DGND election guidelines are distributed by the district governor to Rotary clubs at the time of the official call for nominations.

A fundamental principle of all Rotary elections is that the best qualified candidate should be selected for service in elective offices. The RI Bylaws prohibit any effort by a candidate, a candidate's supporter, or any Rotarian to influence the selection process in a positive or negative manner, including, but not limited to, campaigning or canvassing.

**For all Rotarians** review and comply with RI's election guidelines as explained in RI Bylaws and the Rotary Code of Policy.

Avoid any actions designed to gain visibility, publicize candidates' names and achievements, or give anyone an unfair advantage over someone else.

## **7. INSURANCE**

All clubs are required to have liability insurance which is provided through the District 5040 group policy.

The plan provides increased coverage and is priced on a per member basis rather than per club. Consequently, it's much easier for smaller clubs to acquire insurance coverage. The plan will be reviewed each year and the goal is to improve the insurance package whenever possible.

See District website for details on annual coverage, forms and additional information.

## **8. PRIVACY**

Rotary International District 5040 respects the privacy of personal information collected from Rotarians and other individuals. No personal information will be released to any person or organization other than for the use of the administration of Rotary International and District 5040 without the written consent of the individual or as required by law. Personal information shall be retained only as long as necessary or as required by law.

The District Secretary, under the direction of the Board of D5040 is designated as responsible for compliance with this policy. Requests for release of information shall be directed to the District Secretary.

Intellectual property and privacy rights are to be respected. Where practical photographers should

request the permission of people being photographed before taking their photograph. This is particularly important for those underage.

The following statement should be included in the registration for all district conferences, training events, fund raising events, and district sanctioned social events. Where possible the following statement will be displayed at registration desks at all club and district events.

*“By registering for this event, you give Rotary District 5040 and member clubs, specific permission to publish, copyright, distribute and/or display photographic images (photos) of you. Usage shall be for displays and exhibits at official events/activities and for publication in Rotary-sanctioned print, video, or Internet publications or products. In addition, District 5040 and member clubs may authorize publication of photos in local, regional or national media publications such newspapers and magazines.”*

When district 5040 or member clubs are notified by any person, that they do not wish their photograph to be used in district print or digital publications a reasonable effort will be made to not use the photograph and to remove published photographs.

## **9. RECORDS**

Each District Committee shall prepare and keep a record of its activities, minutes of meetings, etc. forwarding copies to the District Governor.

Assistant Governors and each District Committee shall prepare and present, as required by the District Governor, a written annual report.

All District Committees shall, on a semi-annual basis, review their material on the District website and liaise with the webmaster to keep the documents current and within retention guidelines.

## **10. RECORDS RETENTION**

The purpose of this Policy is to ensure that necessary records and documents are adequately protected and maintained and to ensure that records that are no longer needed or are of no value are discarded at the proper time.

All essential records in the custody of District officers on their retirement from office, shall be immediately archived and retained within District Records. These records include, but are not limited to: Accounting and Finance, Contracts, Corporate Records (we are a Canadian incorporated entity), Correspondence and Internal Memoranda, Electronic Documents, Grant Records, Insurance Records, Legal Files and select miscellaneous documents.

The District Secretary shall be responsible for ensuring that all essential records are retained in such manner as to provide for a sustained record of district activity, policies and programs and to determine and action the appropriate retention/disposal time.

## **11. RECOGNITION**

The District will provide an appropriate Past District Governor pin and a suitable gift recognizing the District Governor for leadership and dedication to the District and to Rotary International. The District Governor Elect in consultation with the District Secretary will have the pin and gift available for presentation at the District Conference.

Appropriate District, RI and TRF awards will be presented to individuals and clubs who have made a significant contribution during the Rotary year.

## **12. DISTRICT ABUSE PREVENTION**

Rotary International District 5040 Inc. is committed to creating and maintaining the safest possible environment for all participants in Rotary activities. It is the duty of all Rotarians, Rotarian spouses, partners, and other volunteers to safeguard to the best of their ability the welfare of and to prevent

the physical, sexual, or emotional abuse of all persons with whom they come in contact.

### **13. CRIMINAL RECORD CHECKS**

Any member of any club in D5040 who will be involved with Youth (under 19 years) or Vulnerable Adults, is required to submit for a Criminal Records Check (CRC), performed by the BC Ministry of Justice.

Background record checks are required. Details of the District's implementation of this process can be found on the District website under the "Our Programs" tab.

This is mandatory for members and volunteers directly involved with District or Club Youth Programs and vulnerable adults. This requirement includes members of any D5040 Rotaract club 19 years or older.

Clubs must file with the District a list of all club members and volunteers, who work with youth or vulnerable adults on behalf of Rotary, and their criminal record status. Clubs also need to file an attestation that to the best of their knowledge, the list includes everyone who may work with youth or vulnerable adults on behalf of their Rotary club. Failure to comply will result in the District Governor restricting a club's ability to work with youth and vulnerable adults.

### **14. HARRASSMENT**

Rotary is committed to providing a safe, productive, and welcoming environment that is free of harassment. All participants are required to respect the RI Code of Conduct when participating at in-person, virtual, and hybrid meetings.

This code of conduct applies to all Rotary meeting-related events, including those sponsored by other organizations on public or private platforms.

Rotary has zero-tolerance for any form of harassment, including, but not limited to, sexual harassment. Harassment is broadly defined as any conduct, verbal or physical, that denigrates, insults, or offends a person or group based on any characteristic (age, ethnicity, race, color, abilities, religion, socioeconomic status, culture, sex, sexual orientations, or gender identity).

Harassment can include:

Sexual advances or verbal abuse of a sexual nature

Comments or jokes that denigrate, insult, offend, or ridicule based on a protected characteristic of any participant.

Inappropriate use of nudity and/or sexual images in public spaces or in presentations, or threatening or stalking any participant

Participants shall adhere to the following rules when using virtual meeting platforms and participating in virtual programs and programs with a virtual component:

The recording or transmissions, without permission, of any education sessions, presentations, demos, videos, content, Q&A, chat room activity, and individuals in any format, including by screenshot or copying, is strictly prohibited.

Respect others. No personal attacks — ever. Posts or content that may exclude, silence, or interfere with the participation of another participant are strictly prohibited.

Disruption of presentations, discussions and chats is strictly prohibited. All participants must comply with written and verbal instructions.

Content that contains viruses or malicious scripts, or files, materials, or code intended to harm, damage, create an adverse impact on, or interfere with the meeting shall not be posted.

Information posted is available for all to see, and comments and materials are subject to various laws, including, but not limited to, copyright, trademark, advertising, privacy and defamation.

**-END-**

**Rotary**  
District 5040



# **Rotary International District 5040 Policies Addendum**

Effective September 27, 2023

Policy Chair, Rotary International District 5040 Inc.  
PDG Leigh Higinbotham 2020-23

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**Preamble:** This Addendum contains District procedures that support District Bylaws and District Policy by providing details on how the Bylaws and Policy are to be carried out. Some Committee procedures that provide detailed information regarding the operations of committees are maintained by the committee and/or on the District website.

## Annual General Meeting

### *AGM Agenda*

The following is a suggested agenda for the District 5040 AGM:

- Call To Order DG
- Establishment of Quorum DG
- Voting Procedures District Governance Chair
- Approval of Agenda (vote) DG
- Minutes of previous AGM DG or Secretary
- Motion to Accept (vote)
- Submission of Financial Reports IPDG/DGE and/or Treasurer
- Motion to Accept Previous year’s accounts (vote)
- Motion to Accept the Budget for the coming year (vote)
- Motion to Accept the District Dues for the coming year (vote)
- Summary of current Year’s budget and year to date status (no vote)
- Appointment of Board of Directors for the coming year DGE
- Report of the Nominating Committee DGE or Committee chair
- Motion to Accept (vote)
- Appointment of Accountants for coming year DGE
- Motion to Accept (vote)
- Resolutions (District Bylaws) DG
- Motion to Accept (vote)
- Summary of Board approved Policy Changes DG
- Any Other Business (optional) DG
- Additional motions requiring vote or items of Information for members
- Motion to Adjourn DG

### **Annual General Meeting Voting Procedure:**

Each year the AGM shall be held, either in conjunction with the District Conference or virtually, is an important part of the governance of the District. The input from Rotarians in the process of developing new policy and financial plans for the District is crucial.

1. A variety of documents require approval at the District 5040 AGM. These documents must be sent to the clubs thirty (30) days prior to the date of the AGM.
2. Clubs must also be sent the AGM Elector and Proxy Form. The Elector/Proxy Form must be filled out and returned to the District Secretary prior to the AGM so that a list of those voting members (electors) for each club is available at the AGM.
3. **Official Elector:**  
The Club President generally votes on behalf of the club as the official elector. The Board of Directors of the club may select an alternate elector (proxy) in place of the Club President if necessary. If the club is entitled to more than one elector, as described below, the Board of Directors or club members determine who will cast the additional votes.
4. **Number of Electors allowed each club:**  
As per the Rotary International Policy, each club is allocated electors at the AGM based on the number of members as of July 1, of the current Rotary year, exclusive of honorary members. A club with a membership of up to 37 members is entitled to one elector, a club with 38 to 62 members is entitled to two electors, a club with 63 to 87 members is entitled to three electors, a club with 88 plus members is entitled to 4 electors.
5. **Proxies:**  
As per the RI Manual of Procedure, a club may designate a proxy for an absent elector who may

be a member of any club in the district. The proxy designation must be certified by the club president and secretary. The proxy may cast votes for an absent elector in addition to any other vote the proxy may have.

6. As required, the presented documents must be approved by a majority of club voters in Rotary Clubs of District 5040, other than changes to the District 5040 Bylaws which need a 75% approval vote to pass.
7. All Rotarians may vote on each item except on the amount of District dues for the following year where only the named electors may vote or if a call is made on any item to have electors only casting votes.
8. Clubs must be in good standing - that is all RI and District dues must be paid by May 1st. Clubs with unpaid dues cannot vote and if they do, their votes will not be counted.
9. **The AGM requires that a majority of the Rotary clubs in the district are represented at the meeting to establish a quorum, before the meeting can proceed.**
10. **It is important that club electors and any proxies attend the AGM held at the conference or virtually, to vote in person.** Club electors at an in-person AGM are given red (no), green (yes) and yellow (abstain) ballot cards to hold up for any elector only votes. During a virtual AGM, the voting is done electronically, eg. by Zoom poll. For elector only votes, the electors must be identified so that only they vote on the item.

## **Attendance Tracking**

Rotary District 5040 no longer requires clubs to report monthly attendance on the District Website as has been District practice in recent years.

In alignment with the Manual of Procedure (MOP), each club determines their own requirements for attendance of their members.

In determining requirements for attendance, clubs should review the club constitution and bylaws and amend by laws, if necessary.

Clubs are encouraged to continue to track attendance for their own benefit, as attendance is a strong indicator of club health and to monitor the level of member engagement.

## **District Financial Management**

### ***Committee Role and Responsibilities***

The main purpose of the Committee is to support the District Governor and the District Board in all matters relating to the financial affairs of the District, and to ensure compliance with RI directives and policies, all in accordance with District 5040 Policies viz; “the committee will be responsible for setting policy for and overseeing all aspects of the District’s financial management and obligations. All such policies are subject to approval by the Board of District 5040”.

#### **1. District Budget**

- Assist the DGE in preparation of draft Budget
- Review opportunities for savings with DGE
- Recommend the per capita levy (District Dues) for approval by the Board
- Recommend on an annual basis the level of reserves to be held by the District.

#### **2. Monitor District Finances throughout the year**

- Treasurer to submit Income Statement to date against Budget to Finance Committee and District Board on at least a quarterly basis.
- Finance Committee to review and report to the District Board major unexplained variances or major financial risk on a quarterly basis.
- Review the Balance Sheet on a quarterly basis and highlight any problem areas.

#### **3. Supervise the process of producing the Annual Accounts**

- Treasurer to submit draft year end Income Statement and Balance Sheet for review by the committee and by the PDG (target date 1st September). This process should include collecting



reports from treasurers of Rotary District 5040 funds separately controlled (e.g., RYLA funds, Youth Exchange Funds, District Conference Funds) and which are to be consolidated in the District's Final Accounts.

- Treasurer to submit accounts to our External Accountants (target date 1st October)
- Accountants to submit Draft Final Report and Accounts to the Board (target date 31st December)
- Draft Final Report and Accounts to be circulated to Clubs 30 days before the AGM, pending adoption by the AGM at District Conference.

#### **4. Administer the RI District Governor Funding Process**

- DGE receives notice from RI Club and District Support (CDS) of the RI Allocation in February
- Treasurer will receive and deposit 100% of funding on or about 1st July.
- Treasurer will monitor the spending of the RI allocation by checking claims are valid, ensuring proper records are kept, etc.
- Finance Committee Chair will approve all expenses being charged to the RI Allocation.
- Submit the final report to RI CDS following the DG's term. (due date 31st July)

#### **5. Oversight of the District's Financial Systems and Policies**

- Ensure that the District's Funds are handled in accordance with good business practice.
- Establish and keep under review a District Expenses Policy and Expense Claim Procedure. Submit to the Board for approval and publication on website.
- Ensure that funds intended for specific purposes are kept identifiable.
- Ensure that entities such as RYLA, Youth Exchange, District Conference Committee understand their responsibilities in relation to GST.
- Ensure that the Annual GST Return and the Annual Corporate Tax Return are made on time.
- Provide support and assistance to the District Treasurer as required.

#### **6. Support to Clubs**

- Provide a point of contact for Club Treasurers seeking guidance.
- Support the District Learning and Development Committee in providing training for Club Treasurers.

#### **7. General**

- To carry out any investigations, reviews or projects of a financial nature as may be requested by the DG or Board, or generated from within the Committee.
- Ensure that the Committee is aware of any policy changes made by RI or the District 5040 Board which may have financial implications.
- Set policy for which District Financial records must be retained and ensure such records are retained in a secure depository for as long as required, or as required by law, in line with the District Records Retention Policy.

### **District Funds**

The Treasurer shall provide to the District Finance Committee for review, and approval by the Board of District 5040, at a minimum, quarterly reports of all funds under the Treasurer's jurisdiction.

District 5040 by laws require that all cheques, drafts, and orders for payment shall be signed by two Rotarians named by the Board of Directors, who must be members of a Rotary club from District 5040. Any form of transferring money electronically must be approved by the Board of Directors, with each transfer approved by two Rotarians named by the Board of Directors, who must be members of a Rotary club from District 5040.

The Treasurer shall file an electronic copy of the current Financial Statements. This copy is to be maintained in a secure location as backup in case of any data loss, or any other incident, taking place.

The Annual Financial Review includes the requirement to confirm that appropriate Board Meetings have been duly held and minuted, in accordance with normal practice of a Society. The District Secretary is required to ensure that an electronic file backup is maintained and available to the District Governor following each Board Meeting.

Any District Committee which is incurring a single expense in excess of \$3,500 is required to review

the expense with the District Treasurer for Board oversight. This may exclude mandatory payments (such as YEX student airfares or essential Conference payments) at the discretion of the Board, provided these are recorded in advance as approved budget items within the Committee's submitted budgets.

It should be noted that RI requires that the Youth Exchange Program submits a Financial Report to the District Governor on a semi-annual basis.

It is to be recognized that, following a review of our Society, effective. September 21, 2017, Canada Revenue Agency (CRA) has registered District 5040 under the GST/HST for sales tax collection, remittance and reporting. It is also recognized that the areas impacted by the tax may vary over time.

The district will provide a budget for the DGE and spouse to attend the International Convention in his/her year as DGE to a maximum set in District reimbursement guidelines.

Provides financial assistance to ensure the attendance of the District Governor, District Governor Elect and District Governor Nominee at the Zone 28 Training and at such other multi- district meetings as may be called from time to time.

### ***Operating Budget and Financial Review***

A current statement may be prepared by the Treasurer, at the Board's discretion, on the current financial condition of all District Funds, to be presented to the AGM by the District Treasurer.

On the recommendation of the Board of Directors of D5040, the AGM shall appoint an Accountant to review the annual financial statements of all funds under the jurisdiction of the District.

The term of the Accountant shall be the Rotary year excepting that the Accountant for such term shall complete his/her review and make his/her report within 180 days of the end of the financial year under review.

The District financial statements for the concluding Rotary year and the Accountant's report shall be circulated by the Immediate Past District Governor to the Board of District 5040 and each club in the District, 30 days prior to the AGM of D5040.

Accountant is defined as a member of the Chartered Professional Accountants of British Columbia licensed to practice public accounting in the Province of British Columbia.

### ***District Conference Fund***

The chair of the Conference Committee shall submit for the approval of the District Governor a budget of revenue and expenditure not less than 90 days prior to the Conference.

### ***Expense Reimbursement Procedure:***

District 5040 reimburses expenses for District leaders incurred as a result of approved activities in their district position. The Finance Committee reviews the policy from time to time, and recommends rates as appropriate, for approval by the Board. A separate document is published on the District Website and below with these details, which are incorporated into the Policy of the District.

### ***Reimbursable District Expenses - Revised 2022***

The following chart summarizes the allowable expenses. These are further described in the remainder of this Section. This document, as revised from time to time, is an adjunct to District 5040 Policy.

Travel, lodging and meal expenses are covered for the following activities for District leadership positions:

- DG – District Governor
- DGE – District Governor Elect
- DGN – District Governor Nominee
- DGD – District Governor Designate
- AG – Assistant Governor
- D. Chairs – District Committee Chairs

Blue Denim - A Training event for incoming Governor teams from the PETS Districts

PETS - President Elect Training

Year Ahead– formerly the District Assembly

District Training – District leadership Training (ie District Team training, AG Training)

District Meetings– District leadership Meetings (ie Strategic Planning)

Y (+ S) – Yes (plus Spouse/Companion - See note #6)

Expenses covered by Rotary International

Expenses covered by District 5040

Expenses not covered

	DG Note 2	DGE Note 2	DGN	DGD	AG	D. Chairs
Blue Denim	Y + S	Y + S	Y + S	Y + S	N	N
PETS Note 3	N	Y	Y	Y	Y	N
Year Ahead	Y	Y	Y	Y	Y	N Note 4
District Training	Y	Y	Y	Y	Y	Y
District Meetings	Y	Y	Y	Y	Y	Y
District Conference	Y	Y	N	N	N	N
International Convention Note 1	N	Y + S	N	N	N	N
Club Visits	Y	N	N	N	Y	N
Zone Training Note 5	Y + S	Y + S	Y + S	N	N	N

**Notes:**

1. International Convention – The District will provide a budget for the DGE and spouse to attend the International Convention in his/her year as DGE to a maximum of \$6000.
2. The RI allocations for DG and DGE cover expenses related to PETS, District Conference and other District travel activities. Expenses for spouses are not covered by the RI allocation.
3. Assistant Governors are expected to attend PETS, except in the year in which they are resigning the position.
4. District Chairs attend the Year Ahead sessions at their own cost unless required to be a speaker/presenter.

5. The DG, DGE and DGN and their spouses are covered to attend the annual Zone Training. The District will cover costs for one member of the DG team as determined each year by the DG team, to attend the western Zone Symposium. Costs for the spouse are not covered for the Symposium. The DG team can consider supporting up to two young Rotarians or Rotaractors to attend the Zone Training as future leaders.
6. The Rotarian serving as DGD, DGN, DGE and DG, may have expenses covered for the partner or companion instead of the spouse. Here are the criteria:
  - eligibility for partner or companion expense reimbursement has been approved by the District 5040 Board of Directors;
  - expenses must not exceed the allowance for a spouse as prescribed in the financial policy;
  - the partner or companion agrees to take an active role in supporting you as governor, including learning opportunities.

It is not a requirement for a person on the governor journey to have the support of a spouse, partner or companion.

**Reasonable and proper expenses incurred in the performance of duties are reimbursed as follows:**

All expenses incurred and being claimed should be done so promptly, but no later than the end of the quarter in which they are incurred. All expenses incurred in the final quarter of the Rotary year must be claimed within 30 days of the end of the Rotary year. District 5040 Expense Claim form available under Documents Download on the District website.

**Mileage** Mileage will be reimbursed for approved travel. Mileage reimbursement amount will be based on the monthly per km. rate established by RI and accessible from the RI website. Approval in advance may be given by the DG, DGE or District Chair within budget to cover just the cost of gas not mileage if the individual agrees. Carpooling/Ride share is encouraged wherever possible in order to reduce costs. Expenses for local mileage under 20km one way, are not reimbursable unless approved by the Governor in advance.

**Flights/ Vehicle cost claims** If the cost to be reimbursed for mileage is over \$250 then the participant must show that the airfare is more. If the vehicle is then used, then the reimbursement will be the lesser of the mileage or the airfare amount. Proof of the airfare costs versus mileage should be submitted with the expense claim. All flights should be booked as soon as the travel requirements are known to achieve the lowest possible fares.

**Lodging** Reimbursable rate will be based on a standard single room at the hotel where the event is held or a similar rate at a nearby hotel. One hotel night prior to the event start date and one night after the event end date will only be reimbursed if required due to travel arrangements.

Accommodation at PETS for AG's is based on shared room rate. Additional costs for a private room to be paid for by the AG.

**Meals** Reimbursable only on overnight stays except when you are expected to pay for a meal that occurs on official Rotary business. Meals will be reimbursed at a reasonable cost and include gratuity and taxes. **Liquor with meals is not a reimbursable cost.** The District covers meal costs for the DG spouse when accompanying the DG on Zone, Blue Denim and District Conference. The District will cover reasonable meal costs at the International convention including the District 5040 dinner. Other optional scheduled special meals at the International Conference, but not including host-sponsored events, may be included within the DG allowance only with the approval of the Finance Committee chair.

**Registration Costs** Registration fees are covered for the District Conference, International Convention and other Training Events for those District Leaders attending as per the table above.

## **Administrative Costs**

- **Telephone, Cellphone, Fax** - at cost for Rotary activities
- **Postage** - at cost; If there is going to be anything other than just a letter or standard package – such as a large mail out – this must first be cleared with the District Governor
- **Printing** - at cost within the budget set for the committee
- **Photocopy** - at cost within the budget set for the Committee

## **Additional Guidelines**

- Spouse/Partner expenses are not normally reimbursed unless attendance is expected and/or requested by the Governor. Chairs/AGs may request prior approval from the Governor on an individual case basis.
- Participation in club fundraising activities including routine club draws/raffles is an individual choice and is not reimbursable by the District.
- Routine attendance at events of the District or individual clubs is not normally reimbursed. When District Officers, Committee Chairs and/or Members are official participants at an event representing the District or attending in an official capacity, the expense may be reimbursed.
- Meal expenses for Assistant Governors making required club visits are incurred by the visited club.
- The District will not pay expenses for Committee Chairs to attend the adjunct training sessions at the Zone Training unless determined by the DG team to be required in a specific year for a specific position.
- Expenses incurred by the Governor(s) and Assistant Governor(s) will not be applied to a Committee budget without the prior approval of the Committee Chair.
- Assistant Governors will be reimbursed for a maximum of four (4) club visits. One visit will be the official visit of the Governor, one will be a visit prior to the beginning of the Rotary year. The other two visits are at the discretion of the Assistant Governor. Any additional visits will not be reimbursed unless approved in advance by the DG for a specific purpose.
- A District Committee may choose to fund some of the expenses when the Governor(s) and Assistant Governor(s) is/are invited to participate.
- The District will cover the cost of the return airfare and one night accommodation for the PDG chosen as the COL Representative (every three years) and the Representative on the Directors Nominating Committee (every four years). No costs will be covered for the delegate or their spouse to attend the full Zone Training though it is hoped that the delegate will attend at their own cost.
- All expenses being claimed should be within the Budget submitted and approved for the respective committee or person. Any exceptions must be submitted to the District Treasurer and approved prior to the expense being incurred.
- Major expenses, such as flights, can be claimed in advance of the date of the trip.
- The District Treasurer shall send a year to date compared to budget report to each District Chair for the second and third quarters in the Rotary year. District Chairs should be sent a copy of the budget.

## **District Governance**

### ***Committee Chair Responsibilities***

1. Review and revise District By-laws, Policies and Procedures for required updates, inconsistencies and overlaps and bring forward recommendations for changes to the DG Team, Board and if required, the AGM.
2. Provide an orderly system of maintaining records, actions and resolutions of District 5040. Bylaws are adopted and amended by a motion approved at the Annual General Meeting of District 5040. Policies are adopted and amended by the Board.
3. Ensure club presidents are notified in advance of any major changes to policy being proposed by the Board.
4. Provides advice on policy matters that arise at the club and district level.
5. Reviews bylaws and policies initiated by the clubs, DG and District Committees.
6. Works with the District Governor and District Secretary to ensure that the AGM follows policy and procedure as established in District Policy and Bylaws and RI policy.
7. Raise policy issues for consideration by the DG team and Board.

8. Liaise with other district committees as required.
9. In consultation as required, with the District Leadership team, the chair will select new committee members.

## **District Nominations**

### ***Committee***

The chair of the District Nominating Committee shall be the Immediate Past District Governor. If for any reason a vacancy occurs, the District Governor shall fill such vacancy with a Past District Governor who is a member of a club in District 5040 and not a member of the committee to ensure that there are 5 members of the Committee.

The positions that fall under the responsibility of the District Nominating Committee shall be the District Governor Nominee Designate (DGND), District representative to the Council on Legislation, the District representative to the Zone 28 Nominating Committee, the PETS OPCOM Representative and PETS OPCOM Chair.

Nominations for the District representative to the Council on Legislation, the District Representative to the Zone 28 Nominating Committee, the PETS OPCOM Representative and PETS OPCOM Chair shall be made by the District Nominating Committee as required by the guidelines and time frames set out by either Rotary International or the PETS OPCOM Manual of Procedure depending on the position being filled.

The serving D5040 PETS OPCOM Representative is eligible to put his or her name forward for the PETS OPCOM Chair, if this position comes up for Nomination during their tenure.

### ***DG Nominee Designate – Nominations and Election***

The Manual of Procedure of Rotary International provides that a District Governor is nominated by the clubs in a district and elected by the Rotary International convention. The district shall select a nominee for governor between 24 and 36 months before taking office.

On or before October 1 of the third year prior to the year in which it is anticipated a District Governor shall assume office, the President of a club wishing to place the name of one of its members in nomination shall file with the chair of the nominating committee and the District Governor a resolution of the club, adopted at a regular meeting of the club naming such candidate and certifying that the candidate meets the qualifications for District Governor as provided by the Manual of Procedure for Rotary International.

The club resolution shall be accompanied by a current photograph of the candidate and a resume setting out both Rotary service and their personal background.

The District Governor, early August, will publish an invitation to all clubs in the District to propose a member for District Governor Nominee Designate.

On or before November 1 of the same year, the chair of the Nominating Committee shall call a meeting of the Committee to choose a candidate for District Governor Nominee Designate. In making its selection, the committee shall not be limited to those names submitted by clubs in the District. On or before November 10 the Committee shall notify the District Governor in writing of the Committee's choice. The name of the candidate chosen by the Nominating Committee, together with a statement of the candidate's qualifications, shall be published by the District Governor.

A candidate for District Governor Nominee Designate may be challenged. Such challenge shall be made pursuant to the Manual of Procedure of Rotary International except that the challenge shall be made no later than December 15 of the same year. If no challenge is received the nomination is confirmed.

## **CRISIS MANAGEMENT**

In the case of a crisis occurring to the operations, or personnel, associated with District 5040, the following responsibilities shall be allocated, and processes shall be followed by all members affected.

The District Governor shall have overall responsibility for the management of any occurrence that materially affects the operation of the District, or the committees thereof, including notification to Rotary International if appropriate. This may include, but not be limited to:

- Issues concerning the wellbeing of members, or of non-members who are part of a District program (e.g., Youth Exchange, RYLA etc.), where the incident takes place as part of a Rotary International D5040 activity;
- In the case of Youth Programs, the policies that form part of the RI Certification Process, and which are published by RI and the District, shall at all times be followed. This includes the Policies and Procedures stated in the Youth Programs section of the District website;
- Appointment of a Crisis Management Committee to oversee all aspects of managing the incident.
- Appointment of a Media Relations person who should be the sole point of contact and communications between the District and the media. In addition, direction should be sought from Rotary International Media Relations personnel;
- Communication with the District Insurance representative should there be any likelihood of liability on the part of the District or its officers, or legal action towards the District.

Club executives in District 5040 are also reminded that any incident that may attract a liability to their club, and that may be covered under our Insurance Policy, should be immediately communicated to our insurance company and the District Governor, with details of the circumstances surrounding the incident.

**-END-**