



## District 5050 ROTARY GRANTS: 2021-22 ROTARY YEAR CLUB QUALIFICATION MEMORANDUM OF UNDERSTANDING

### 1. Club Qualification

The Rotary Foundation (TRF) requires that clubs who wish to participate in District or Global Grants must agree to the terms for financial and stewardship requirements in this Memorandum of Understanding (MOU), and to send at least one club member each year to the district's Grant Management Seminar. The Rotary Foundation enables a district to establish additional requirements for club qualification for those grants.

By completing these requirements, the club becomes qualified and eligible to participate in the TRF grant program (District and Global Grants).

- A. Rotary District 5050 requires that a minimum of two club members must attend a Grants Management Seminar each year, and that one of those two members must be the President-Elect. The other member(s) should be the club member(s) that would normally complete and be responsible for the District and or Global Grant applications. It would be beneficial to have the Club Foundation Chair/Director attend the seminars.
- B. Upon successful completion of the qualification requirements, the club will be qualified for one Rotary year. Club members are qualified for three years.
- C. To maintain qualified status, the club must comply with this MOU, any district requirements, and all applicable TRF policies.
- D. The club is responsible for the use of funds for club-sponsored grants, regardless of who controls the funds.
- E. Qualification may be suspended or revoked for misuse or mismanagement of grant funds involving, but not limited to: fraud; forgery; membership falsification; gross negligence; endangerment of health, welfare, or safety of beneficiaries; ineligible contributions; use of funds for personal gain; undisclosed conflicts of interest; monopolization of grant funds by individuals; report falsification; overpricing; acceptance of payments from beneficiaries; illegal activities; and/or use of grant funds for ineligible purposes.
- F. The club must cooperate with any financial, grant, or operational audits.

### 2. Club Officer Responsibilities

The club officers hold primary responsibility for club qualification and the proper implementation of grants.

Club officer responsibilities include:

- A. Appoint at least one club member to implement, manage, and maintain the club qualification.
- B. Ensure that all TRF Grants adhere to stewardship measures and proper grant management practices.
- C. Ensure that all individuals involved in a grant conduct their activities in a way that avoids any actual or perceived conflict of interest.

### 3. Financial Management Plan

The club must have a written financial management plan to provide consistent administration of grant funds.

The financial management plan must include procedures to

- A. Maintain a standard set of accounts, which includes a complete record of all receipts and disbursements of grant funds.
- B. Disburse grant funds, as appropriate.
- C. Maintain segregation of duties for handling funds.
- D. Establish an inventory system for equipment and other assets purchased with grant funds, and maintain records for items that are purchased, produced, or distributed through grant activities.
- E. Ensure that all grant activities, including the conversion of funds, comply with local law.

#### 4. Bank Account Requirements

To receive grant funds, the club must have a dedicated bank account that is used solely for receiving and disbursing TRF grant funds.

- A. The club bank account must
  1. Have a minimum of two Rotarian signatories from the club for disbursements from the grant account.
  2. Be a low or non-interest-bearing account.
- B. Any interest earned must be documented and used for eligible, approved grant activities, or returned to TRF.
- C. A separate account must be opened for each club-sponsored grant, with the name of the account to clearly identify its use for grant funds.
- D. Grant funds may not be deposited in investment accounts including, but not limited to, mutual funds, certificates of deposit, bonds, and stocks.
- E. Bank statements must be available to support the receipt and use of TRF grant funds.
- F. The club must maintain a written plan for transferring custody of the bank accounts in the event of a change in signatories.

#### 5. Report on Use of Grant Funds

The club must adhere to all TRF reporting requirements. Grant reporting is a key aspect of grant management and stewardship, as it informs TRF of the grant's progress and how funds are spent.

#### 6. Document Retention

The club must establish and maintain appropriate record keeping systems to preserve important documents related to qualification and TRF grants. Retaining these documents supports transparency in grant management and assists in the preparation for audits or financial assessments.

- A. Documents that must be maintained include, but are not limited to:
  1. Bank information, including copies of past statements.
  2. Club qualification documents including a copy of the signed club MOU.
  3. Documented plans and procedures, including:
    - a. Financial management plan,
    - b. Procedure for storing documents and archives,
    - c. Succession plan for bank account signatories and retention of information and documentation.
  4. Information related to grants, including receipts and invoices for all purchases.
- B. Club records must be accessible and available to Rotarians in the club and at the request of the district.
- C. Documents must be maintained for a minimum of five years, or longer if required by local law.

#### 7. Reporting Misuse of Grant Funds

The club must report any potential and real misuse or mismanagement of grant funds to the district. This reporting fosters an environment in the club that does not tolerate the misuse of grant funds.



**District 5050 Memorandum of Understanding (MOU) – Signature Page**

*This Memorandum of Understanding is an agreement between the club and the district and acknowledges that the club will undertake measures to ensure the proper implementation of grant activities and proper management of grant funds from The Rotary Foundation. By authorizing this document, the club agrees to comply with all the conditions and requirements of the MOU.*

On behalf of the Rotary Club of,  the undersigned agree to comply with all the conditions and requirements of the MOU for Rotary year 2021 - 2022 and will promptly notify District 5050 of any changes or revisions to club policies and procedures related to these requirements.

**Mailing address of Club:**

**(this is where we will send your grant funds, please make sure it is complete and correct)**

**Name:**

**Position in Club:**

(President- Elect, Foundation Chair, Member)

**Email address:**

**Phone Number:**

**Cell Number:**

**Signature:**

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# District Grant Management Manual 2021 - 2022

## District Grant Criteria

- The District Grant Committee shall consider the following criteria in awarding District Grants to clubs:
- The Project should support the mission of The Rotary Foundation with reference to the Seven Areas of Focus.
- Proposals should request a District Grant amount from a minimum of \$500 to a maximum of \$10,000.
- District Funds will be used to match Club Funds, usually with a minimum of 50 cents per US dollar to a maximum of 1:1 US dollars. The amount of the matching grant will depend upon the availability of funds and the total number of grant requests received. The Foundation Chair may use discretion in determining the final matching amount.
- The Project can be of a short-term or a long-term duration (but not longer than eighteen months).
- The Project can be either local or international.
- Active Rotarian participation in the Project is expected.
- District Grants that require one-time training to accomplish the project may use grant funds to pay for that limited training. No established or on-going salary is eligible.
- District Grants may fund an inside remodel of a school room if the building has been occupied for 1 year or longer.
- Projects must adhere to any terms and conditions of The Rotary Foundation, Rotary District 5050 and the District Grant Committee.

## Club Qualification and Grant Terms

- Each club must attend a District Foundation Grant Management Seminar training session each year to be eligible to receive Foundation Grants.
- Unless an exception is allowed in advance of the Grant Management Seminars by the District Foundation Chair, two members of each Rotary club must attend the seminar, of which one must be the President-Elect.
- The President-Elect plus another member in good standing, on behalf of the Rotary Club, must read and sign a District 5050 Memorandum of Understanding (MOU) and submit a copy to the District Foundation Chair.
- The Rotary Club must have demonstrated financial support for the Rotary Foundation by making contributions to the Annual Programs Fund in at least one of the preceding two years.
- Each club must enter its Citation goals into Rotary Club Central to be eligible to receive funding.
- No Rotary Club may apply for subsequent District or Global grants until reinstated by the District Governor if it has been delinquent for more than 90 days in meeting any reporting requirements of The Rotary Foundation or Rotary District 5050, or delinquent for any other reason (including payment of dues or debts).

## Grant Application

- The full application is to be submitted by use of the District Grants Module on the District 5050 website.
- Grant Applications can only be submitted with the approval of the Board of the applying Rotary Club.
- The Rotary Club must complete the Project no later than eighteen months from the final approved application date.
- Clubs must submit an interim report at twelve months following final approval if the project has not been completed by that date. A final report with full documentation is required at the completion of each project.
- District Grants have a lifetime of 18 months. If a project requires more time due to extenuating circumstances, a 30-day grace period MAY be allowed with permission from the District Foundation Chair.
- District Grants that cannot finish or fail to file timely required 12-month progress and 18-month final reports are required to refund their grant funds.
- Clubs can submit more than one grant request at a time but must prioritize their requests.

- The District Grant Committee can only approve matching grants up to the total available funds available for that year. If there are insufficient funds for all Applications, the District Grant Committee may reduce the ratio of the matching funds for one or more Applications as the Committee decides appropriate.
- Due to high demand for district grants that benefit many, District 5050 will not fund scholarships with District Grants until such time that we find funds exceed grant requests.
- District Grants that repeat the same grant project in the same city, village, or park will be declined.
- Funds will be turned over to the Rotary Club upon approval of their FINAL Application. Accordingly, the Rotary Club will be held to a high level of accountability and stewardship of these funds.
- As stated in the prior section, any Rotary Club failing to meet its project reporting requirements or being delinquent for any reason will lose its qualification and be ineligible for further District or Global Grant funds until reinstated by the District Foundation Chair.

### **Appointment of Club Project Committee**

- Each sponsoring Rotary Club will form a Project Committee of at least three Rotarians.
- The Rotary Club shall designate one primary contact to be responsible for all grant-related correspondence with the District Grant Committee and/or The Rotary Foundation.
- It is the responsibility of any current club president and grant writer to be informed on any new grant rule changes during the life of their club grant.

### **Budget**

- The Rotary Club must create a Project Budget which is to consider the goals of the Project and the fundraising resources of the Rotary Club.
- A preliminary budget is to be submitted with the initial Application and should state the amount of District Grant funds being requested.
- If the initial Application is approved, a detailed, line-item budget is to be submitted with the full Application.
- Non-Rotarian cash contributions are acceptable for matching District Grant funds, provided that the contributions do not come from a cooperating organization taking part in the Project, a beneficiary of the Project or from another grant (i.e., BC Gaming Grant).

### **Bank Account and Document Retention**

- Each club must maintain a club-controlled separate bank account that is used solely for receiving and distributing grant funds.
- Each account will require at least two signatures with one being the Rotary Club Treasurer.
- Each open Grant must have its own separate account.
- The Rotary Club must maintain detailed records and receipts of each grant project.
- The Rotary Club must ensure that it complies with the Memorandum of Understanding, the Grant guidelines from both the Rotary Foundation and the District Grant Committee, with all local laws, and with standard accounting practices.
- The accounts and records of the Project are subject to oversight, review or audit by The Rotary Foundation, the District Grant Committee, and/or the District Stewardship Committee at any time, and by the District Financial Review Committee after the completion of the Project.
- The Rotary Club shall provide copies or originals of any documentation or information upon a request being made by The Rotary Foundation and/or the aforementioned committees.

*I have read the District 5050 District Grant management Manual and will use this document as a guide when applying for a District Grant.*

Signature: