

ROTARY DISTRICT 5240

CLUB GRANT FINANCIAL MANAGEMENT PLAN

The Rotary Foundation requires that every project that includes Rotary Foundation funds have a financial management plan. The plan helps you manage funds well, provide oversight, promote transparency, and reduce errors and any misuse of funds.

The financial management plan shows how you will:

- Pay suppliers directly.
- Keep thorough financial records.
- Manage a club-controlled bank account.
- Decide where funds will be sent.
- Ensure transparency in the management of funds.

District 5240 District Grants are reimbursement grants. No Rotary Foundation funds are used in the performance of the project. However, District 5240 will be providing District Designated Funds to the clubs in accordance with the District Grant application. Therefore, the district requires that the club manage its project as if it included funds from The Rotary Foundation.

The information below describes the minimum requirements for a District Grant Financial Management Plan. Clubs should use these requirements in developing the Financial Management plan for District Grants.

1. Project oversight

Assign two club members, preferably with financial experience, to oversee the use of project funds.

2. Project budget

When developing the budget, take into account the goals of the project and the funds available to support it. Create a preliminary budget, discuss how much and what kinds of funds will be available and adjust the budget as needed. When possible, obtain competitive bids for all purchases. Ensure that, if goods and services are purchased from Rotarians, ensure that there is no conflict of interest. Identify the amount of District Designated Funds associated with the project. Confirm that cash from clubs in the district meets or exceeds the amount of District Designated Funds. The budget is part of the District Grant application.

3. Control use of funds

Identify the Rotarians who are authorized to spend funds associated with the project and how they will access the funds. Create a timeline for expenditures. Obtain and maintain receipts for all purchases. Ensure that all banking activities associated with the project are in accordance with district policies and local laws.

4. Monthly reconciliation

At least once a month, reconcile expenditures with banking records. Monitor budget versus actual expenditures. Research and explain any variances – positive or negative – from budget and impact on the project if any.

5. Project completion

At the completion of the project, review the expenditures and budget versus actual. Confirm the amount of District Designated Funds you will be requesting from the district. The request for District Designated Funds cannot exceed the amount requested in your approved grant application and must be matched by cash from clubs in the district. Prepare the final report and forward it to the District Grants Subcommittee Chair.

6. Record retention

Retain all records for a minimum of five years or longer if required by local laws. The district provides a records retention system based on box.com where records can be stored for retention.

7. Misuse of funds

Establish a process for reporting potential misuse of funds. Misuse of funds directly violates The Four-Way Test and Rotary's mission and values. Immediately report any misuse of funds to the Club President, the District Governor, and the District Rotary Foundation Committee Chair. Begin an investigation to understand if there is a problem, the extent of the problem, and any corrective actions. Clubs that misuse Rotary Foundation funds jeopardize the credibility of Rotary and the Foundation. If funds are misused, the clubs may be responsible for repaying them in full to The Rotary Foundation. Your club also risks suspension from all Rotary Foundation activities.