

ROTARY DISTRICT 5240 AND DISTRICT 5240 CHARITABLE FOUNDATION AGREEMENT TO ADMINISTER A DISTRICT ROTARACT GRANT PROGRAM FOR THE ROTARY YEAR 2014-2015

A. PARTIES TO THE AGREEMENT

The agreement is between Rotary District 5240 (**The District**) and the District 5240 Charitable Foundation, a 501(c)(3) (**The Foundation**). The approved agreement will be posted at the District 5240 website for public review and supersedes all previous agreements.

B. PURPOSE OF THE AGREEMENT

The purpose of this agreement is to create and support a Rotaract Grant (RG) program. The District has provided a finite amount of funds for use by District 5240 Rotaract clubs to engage in stand-alone local and international projects and to form relationships with their sponsoring Rotary club as well as Rotaract clubs in other countries.

This agreement establishes a fund within The Foundation to reimburse, on a matching basis and in cooperation with a Rotary club, Rotaract Grants in District 5240 for humanitarian projects. The Rotaract Grants will be similar to The Rotary Foundation (TRF) District Grants (DG). This program shall be known as the DISTRICT 5240 ROTARACT GRANT (RG) program.

This program will be reviewed annually for performance (e.g. project effectiveness, use of the funds, feedback from the Rotaract clubs). The District and The Foundation will consider if the program is meeting its objectives and decide if the program is achieving the intended results and should be continued.

C. FUNDING AND MAINTENANCE

The District contributed US\$10,000 from Rotary Year 2008-2009 to The Foundation for the purpose of establishing the RG program. These funds are now managed by The Foundation as a restricted fund for use by the RG program.

The Foundation is responsible for managing the RG funds year to year, communicating to the District Grants Committee the amount available for Rotaract Grants, and complying with this agreement in the disbursement of RG funds.

The Foundation will determine the amount available for use and communicate it to the incoming District Governor, District Governor Elect and District Grants Committee Chair and District Grants Committee Chair Elect by no later than 60 days before the start of the new Rotary Year. In addition, The Foundation will:

1. Assure all 501(c)3 requirements are being met,
2. Track all committed funds and set aside such funds assuring all approved grants are funded year to year,
3. Recognizing that time is of the essence for reimbursement, establish and maintain a process assuring timely payment once approved and requested,
4. Provide approved agreements and forms for publishing on the District Website, and



5. Work with the District Grants Committee to assure the program is promoted to The District Rotaract and Rotary clubs.

The District Grants Committee shall, at their option, create a sub-committee to communicate and manage application criteria to District 5240 Rotaract clubs. This committee, referred herein as District Grants Sub-Committee (**DGSC**) will approve RG applications and final reports based on criteria complying with this agreement and will monitor to ensure that the budgeted amount of funds are allocated fairly and not exceeded.

The DGSC prepares and maintains the District 5240 Rotaract Grant Guidelines, similar to the District 5240 DG Program, based on the TRF DG Terms and Conditions to the maximum extent possible including TRF Humanitarian Grants Program Eligibility Guidelines. The District 5240 RG Guidelines will:

1. Define the maximum amount of RG funds available to each grant on a matching basis,
2. Define the maximum amount allowable to any one Rotaract Club,
3. Assure each Rotaract Club has the opportunity to use a portion of these funds, and
4. Establish such other terms and conditions as the DGSC shall deem appropriate for the orderly and equitable utilization for RG funds.

The DGSC shall circulate, in writing, to all Rotary and Rotaract clubs and to The Foundation Secretary the RG Guidelines. This document shall be entitled the *DISTRICT 5240 ROTARACT GRANT GUIDELINES*. This document will be posted on the District Web Site and reviewed and updated annually.

D. USE OF FUNDS

The Rotaract Grant funds requirements are the same as the TRF District Grant requirements. The only additional item is that the Rotaract club must be sponsored by a Rotary Club who will match the funds provided by the Rotaract club and will provide a 'mentor' who will be one of the three contacts on the Rotaract Grant application. The Foundation will then be requested to allocate and reserve funding for the RG on a \$1 for \$1 basis based on the funds contributed by the Rotary and Rotaract clubs as specified on application. These projects must forward the Objects of Rotary and shall conform to the requirements of this agreement.

E. LIMITATIONS TO THE USE OF FUNDS

The following limitations shall apply:

1. The total amount of matching funds requested from The Foundation shall not exceed \$1,500 total per Rotaract club on a single RG or multiple RGs;
2. Unless the District decides to add additional funds to The Foundation in the future for the RG Program, there is a one time limit of up to \$1,500 available to each of the Rotaract clubs in District 5240, presuming there are still five Rotaract clubs in existence and decreased accordingly for increases in the number of Clubs;
3. The request for RG funds can be in increments smaller than \$1,500 with a minimum of \$250;
4. The reimbursement will not be issued without an approved Final Report; and



5. If a Final Report is past due, no additional funds can be applied for until the Final Report is submitted and approved.

F. REPORTING REQUIREMENTS

The DGSC shall manage the application approval and request allocation of funds from The Foundation. The Foundation will manage the final approval of funds. No RG is approved until the DGSC approves it and The Foundation allocates the funds.

The Rotaract club shall complete the RG application and submit it to the DGSC. The DGSC shall forward any approved RG application to The Foundation with a request that funds be allocated for the approved RG. The Foundation will review the request in a timely manner and notify the DGSC regarding allocation of funds. The DGSC will communicate approval to the requesting Rotaract club, the sponsoring Rotary club and The Foundation. The Foundation will restrict Rotaract grant funds based on receipt of the approved RG application.

A log will be maintained by the DGSC of all RGs in progress for a Rotary year including if and when the grant was successfully completed. The requesting Rotaract club will, within 90 days of completion of the project, file the Final Report with the DGSC. Once the Final Report is accepted, the DGSC will submit an RG Check Request to The Foundation after receiving approval from the District Grants Committee chair. The Foundation will pair this original RG application with the RG Check Request and pass the paperwork to The Foundation Treasurer to reimburse the RG in accordance with the approved application. The Foundation Treasurer shall notify The Foundation President and 5240 District Governor of any violations of this requirement.

G. APPLICATION AND APPROVAL

The Foundation shall disburse funds as RG funds if the following has occurred and is certified as such, in writing, by the DGSC to the Foundation:

1. Application is made by a Rotary club which is a part of District 5240 to the DGSC, using the RG application form approved by the DGSC, at least 60 days prior to the project occurring.
2. The DGSC reviews and approves the RG application as meeting the requirements of this agreement and the guidelines defined in DISTRICT 5240 ROTARACT GRANT GUIDELINES. This is a District 5240 program and not a recognized TRF program.
3. The Rotaract club must submit the RG Final Report to the DGSC within 90 days of completing the project.
4. If the project is 12 months beyond the original application date, a progress report is required.
5. The District Grants Chair and District Rotary Foundation Chair sign off on the final Check Request Form officially agreeing that all required documentation is complete.
6. Approved RG projects must be completed within 24 months of approval and if not, the right to request reimbursement will be forfeited.

H. COMPENSATION

The Foundation shall be reimbursed for its costs of administration for the RG funds on deposit at a rate established at the beginning of the Rotary Year and not to exceed 3% of the average RG balance for the year.



I. FUNDS ON HAND AT TERMINATION

Should this agreement terminate as provided herein, then all funds on deposit with The Foundation shall remain the property of The Foundation and The Foundation may, as its discretion, utilize the funds for whatever charitable purpose it deems appropriate.

Agreed to:

For The District:

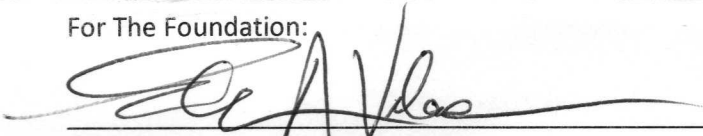


Loretta Butts Governor 2014-2015
Rotary District 5240

1-14-15

Date

For The Foundation:



Edwin Velarde, President 2014-2015
District 5240 Charitable Foundation

1-14-15

Date

