

# ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION

## POLICY AND PROCEDURE REGARDING “PASS-THROUGH/CONDUIT” FUNDS

These policies and procedures will apply to any and all monies received by ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION, which fall into the category of ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION being used as a conduit only, characterized by these specific components: (1) the monies received are donated primarily by members of the local community, and others, to benefit a charitable project or scholarship; and (2) no funds would be used to benefit either ROTARY INTERNATIONAL DISTRICT 5280 nor ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION; and (3) there would be a third party beneficiary, benefitting from the net proceeds of the project. Any such funds, which would flow through ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION for such a charitable project or scholarship, would only be upon approval of the Board of Directors.

A Rotarian Project/Scholarship Chairperson must be assigned and would act as the liaison to the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION. Any and all donations for such projects shall be made payable to ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION, shall be received as directed by the Chair of the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION and deposited by ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION into the foundation's bank account. There will be no physical division nor segregation of such funds within the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION account. However, said donations and expenditures shall be itemized separately within the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION accounting. All funds dispersed would only be upon the submission of a proper request to the Treasurer and approval by the Executive Committee of the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION.

No conduit monies shall be a component of the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION general fund, but rather shall be accounted for on a “pass through” basis only. In short, the monies received and expended shall be accounted for outside the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION general fund. Any budget for such charitable project or scholarship shall be a separate budget, created and managed independently by the respective Rotarian Project/Scholarship Chairperson. ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION shall not be responsible for any such budget.

Should any charitable project or scholarship, utilizing the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION as a conduit, remain inactive for more than one (1) year, all funds remaining in the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION bank account will, upon 30-day written notice to the Rotarian Project/Scholarship Chairperson, be absolved into the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION general fund. Prior to establishing a relationship between ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION and any charitable project or scholarship, a written notice and acceptance, thereof, should be provided to and signed by the Rotarian Project/Scholarship Chairperson, setting forth the policy and procedures herein.

Additionally, the ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION shall act as a conduit for any ROTARY INTERNATIONAL DISTRICT 5280 clubs that have not established a 501(c)(3) foundation of their own. Prior to establishing a relationship between ROTARY INTERNATIONAL DISTRICT 5280 CHARITABLE FOUNDATION and any club not having established a 501(c)(3) foundation, a written notice and acceptance, thereof, should be provided to and signed by the President of the respective ROTARY INTERNATIONAL DISTRICT 5280 Rotary Club, setting forth the policy and procedures herein.