

**I**  
**THE ROTARY FOUNDATION**  
**CLUB QUALIFICATION**  
**MEMORANDUM OF UNDERSTANDING**

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**1. Club Qualification**

To participate in Rotary Foundation global and packaged grants, the club must agree to implement the financial and stewardship requirements in this memorandum of understanding (MOU) provided by The Rotary Foundation (TRF) and to send at least one club member to the district's grant management seminar each year. The district may also establish additional requirements for club qualification and/or require its clubs to be qualified in order to participate in Rotary Foundation district grants. By completing these requirements, the club becomes qualified and eligible to participate in the TRF grant program.

- A. Upon successful completion of the qualification requirements, the club will be qualified for one Rotary year.
- B. To maintain qualified status, the club must comply with this MOU, any additional district requirements, and all applicable TRF policies.
- C. The club is responsible for the use of funds for club-sponsored grants, regardless of who controls the funds.
- D. 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; use of grant funds for ineligible purposes.
- E. 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 TRF grants.

Club officer responsibilities include:

- A. Appointing at least one club member to implement, manage, and maintain club qualification
  - B. Ensuring that all TRF grants adhere to stewardship measures and proper grant management practices
3. Ensuring that all individuals involved in a grant conduct their activities in a way that avoids any actual or perceived conflict of interest. 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 for Global Grants**

In order to receive global 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
  2. Be a low- or noninterest-bearing account
- B. Any interest earned must be documented and used for eligible, approved grant activities, or returned to TRF.
- C. A separate account should be opened for each club-sponsored global grant, and the name of the account should clearly identify its use for grant funds.
- D. Global 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 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 recordkeeping 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.

## **Authorization and Agreement**

*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 Foundation grant funds. By authorizing this document, the club agrees to comply with all of the conditions and requirements of the MOU.*

## **II**

### **Addendum to District 6290 Rotary Foundation Club MOU**

#### **A. Terms and Qualifications:**

Your Club must be qualified to participate in both District and Global Grants by (1) \$100 per Rotarian in your Club minimum contribution to the Annual Fund of the Rotary Foundation during the preceding Rotary year; (2) executing and delivering The Rotary Foundation Memorandum of Understanding and the District 6290 Addendum to the District Stewardship Chair on or before October 15<sup>th</sup> of each year; and (3) paying your Rotary International and District 6290 Club dues as set forth in B.3, below. Your Club may apply for Global Grants (but not District Grants) if you meet requirements 2 and 3, even if you do not meet the per capita contribution requirements of \$100 per Rotarian.

**B. Club Responsibility for Qualification:**

1. As of July 1, 2022, if a club has 20 or more members, at least two (2) of its members (the project chair/grant writer and one other member of the project committee) must successfully complete the live or online Grant Management Seminar (GMS) in 2022 or 2023 with both signing the grant application. Everyone must have completed the course before October 15<sup>th</sup> at midnight.
2. As of July 1, 2022, if a club has less than 20 members, only one (1) member (the project chair/grant writer) is required to successfully complete a Grant Management Seminar in 2022 or 2023 and sign the grant application. Everyone must have completed the course before October 15<sup>th</sup> at midnight.
3. Your Club’s dues to both Rotary International and District 6290 must be paid on or before October 15<sup>th</sup>, 2023 for District Grants. For Global Grants, your dues must be Paid by the 1<sup>st</sup> of the month in which your application is submitted.
4. The Chair of your Club’s project must take the current GMS, and everyone signing a grant application (except your Club President) must also have taken the current GMS.

**C. Reporting on Use of Funds:**

Your Club must submit reports on the use of District Grant funds for each approved grant request within 12 months from the time of receiving funding. Your Club must also submit a final report within 30 days of completion of your project, including complete financials and receipts for all expenditures. If your Club does not submit complete and timely reports, your Club will not be qualified to apply for any subsequent grants.

*On behalf of the Rotary Club of \_\_\_\_\_, the undersigned agree to comply with all of the conditions and requirements of the MOU and Addendum for the current Rotary year and will notify Rotary International District 6290 of any changes or revisions to club policies and procedures related to these requirements.*

Club President current Rotary Year	Club President next Rotary Year
<b>Name</b>	<b>Name</b>
<b>Signature</b>	<b>Signature</b>

**Please send completed, signed Combined Memorandum of Understanding (MOU) and District Addendum to District 6290 Stewardship Chair, Bob Marcus at [rdmarcus@yahoo.com](mailto:rdmarcus@yahoo.com) or call 231-357-2197.**