**Rotary District 7090 Foundation Financial Management Plan**

This document details the district plan for managing 7090 District Rotary Foundation Committee (DRFC) finances and follows the organizational chart as outlined below. The scope of the plan is limited to establishing policies and procedures for managing our stewardship of District Designated Funds (DDF) and any grant monies awarded to the district. It does not pertain to the management of District operational finances.



**Purpose and Overview:**

Districts must have a written financial management plan to provide consistent and transparent administration of grant funds.

The financial management plan must include procedures to:

* Maintain a standard set of accounts, which includes a complete record of all receipts and disbursements of grant funds.
* Disburse grant funds in accordance with established process.
* Maintain segregation of duties for handling funds.
* Establish an inventory system for equipment and other assets purchased with grant funds, and maintain records for items that are purchased, produced, or being distributed through grant activities.
* Ensure that all grant activities, including the conversion of funds, comply with local law.
1. **District Qualification**

Districts have a direct role in managing Rotary Foundation grant funds and must be qualified to participate in district or global grants. To prepare for this responsibility, districts first complete the online qualification process through www.rotary.org and agree to implement the district memorandum of understanding (MOU).

1. **District Officer Responsibilities**

Although district officers may choose to assign tasks to others within the district, it is the governor, governor-elect, and District Rotary Foundation Committee Chair (DRFC) collectively who are responsible to meet the requirements outlined in the District MOU with the Rotary Foundation. These responsibilities include:

1. Establishing policies and procedures for implementing, managing, and maintaining the district and club qualification process.

1. Ensuring that all TRF grants adhere to stewardship measures and proper grant management practices.
2. Abiding by, following, enforcing, disseminating, and educating Rotarians on the terms and conditions for district, global and packaged grants, if applicable.
3. Ensuring that all individuals involved with a grant conduct their activities in a way that avoids any actual or perceived conflict of interest.
4. Ensure that the Grant Management Seminar(s) is/are conducted in a timely manner to ensure that clubs may be qualified to participate in Foundation Grants.
5. **Guiding Principles**

The guiding principles behind the district’s administration of District and Global Grants are:

1. All projects funded with District and Global Grant money will comply with The Rotary Foundation (TRF) rules as set out in the “Terms and Conditions for Rotary Foundation District Grants and Global Grants for grants awarded after 1 July 2013” as modified from time to time.

1. District Grants will be awarded in accordance with the District Grant guidelines aforementioned “Terms and Conditions for Rotary Foundation (TRF) grants awarded after July 2013”, most up to date edition.
2. All projects funded by a District Grant must be proposed, managed, and directed by Rotarians and/or Rotaractors.
3. All activities associated with any grant must be verifiable and auditable.
4. The district’s administration of District and Global Grants will in all particulars be in conformance with the requirements and intents of the District MOU with TRF.
5. The submission, review and funding of all district grant applications, (global and club grants) submitted by clubs will be in accordance with the district 7090 District Grant Guidelines, as outlined below.

1. **Club and District Sponsored Grant Funds Process:**
2. The Grant Chair (GC) will be responsible for document retention including correspondence, electronic and hard copies of forms as appropriate (MOU, applications, and final reports) as well as the development of forms (i.e., grant applications, final report and check requisition forms, etc.) that arise during the operation of the process.
3. Club sponsored grant applications received from qualified clubs will be distributed by the Grant Chair to a lead reviewer of the club grant review committee to review the application. The lead reviewer will connect with submitting clubs to address any identified concerns. Once in order the lead reviewer will ask two other assigned reviewers to look over the application and the team of 3 will confer and address any concerns. Upon completion, the application will be directed to the Grant Chair for final approval. The committee is not to exceed 12 members (refer motion comment).  N.B. Motion passed at AGM October 12, 2012 (refer Minutes on District website).

Subject to majority approval by the review committee, the application will be included in the District Grant Spending Plan (DGSP). Clubs are advised of the committee decision approval/turndown) by the Grant Chair with an explicit caution relative to The Rotary Foundation (TRF) Trustees final approval.

1. District sponsored applications, which may include scholarships, vocational training team opportunities, and other eligible undertakings will be included in District Grant Spending Plan subject to fund availability. Priority consideration will always be given to the support of club sponsored applications and administered by the designated committee.

1. Submission of the District Grant Spending Plan, subject to prior final circulation to District Grant committee members, to TRF, will be in accordance with established requirements.
2. Upon final agreement within D7090 Foundation committee, the Grant committee will be notified of final District Grant Spending Plan proposal that will be posted to District 7090 website.
3. Upon approval, the Grant Chair notifies clubs of TRF decision, and to provide an outline of next steps.
4. Upon receipt of the club’s final report, the Grant Chair reviews the Final Report Form and Check Requisition to ensure that it is in order with all supporting documentation and completes the approval with noted address to any currency conversions required. The Grant Chair then submits the full documentation, including the requisition of a check, via email approval message to release funds for sign-off approval with subsequent onward transmission to the District Rotary Foundation Committee Chair (DRFC). The District Foundation Treasurer and DRFC Chair sign the respective check after verification that the requested amount is in accordance with the approved District Grant Spending Plan. Arrangements are made for a presentation of the check, when possible, by a member of the grant subcommittee to express congratulations to the club on the project, as well as to emphasize the continued need to support The Rotary Foundation.
5. The District Grant will be closed as soon as possible each year (no later than July 15th), thus permitting the account to accept TRF District Designated Funds (DDF) for the subsequent year. An electronic copy of the DGSP final closing report, once accepted by TRF, will be posted on the district 7090 website at the earliest opportunity and included in the Foundation committee report to **next** District Council, (historically in September) to ensure compliance of the required three (3) month of year end reporting requirement.
6. Storage of all documentation, electronic backup, and hard copies, will be kept in the club runner grants module and google documents, which are available and shared with respective Foundation Committee Chairs. Future storage options considered on an ongoing basis.
7. All required documentation shall be shared with incoming officers to ensure full access to all files and records to undertake the role to their mutual satisfaction.
8. **Global Grant Funds Process:**
9. DRFC receives notification of online application and requests the Grant Chair to undertake a review of the online application with any items of concern discussed with appropriate club contact and DRFC Chair.
10. All clubs (host, international partner, and non-primary) requesting district designated matching monies, must be qualified, and provide notice in writing to the Grants Chair of their request. Clubs are required to “submit a grant request” in the D7090 website member area>my club grants, in order to be considered for funding. Funding consideration is a match of D7090 clubs only and based on availability.
11. Grants Grant chair provides recommendation for approval via email to DRFC Chair.
12. Grants Chair confirms club MOU documentation in order, circulates copy of Global Grant application to voting committee of all District Foundation Subcommittee Chairs, DG, DGE, DGN, and Immediate Past DRFC Chair, (must be active Rotarian), with any relative concerns noted in email.
13. Final decision relayed to committee via email and voting noted in the club runner module.
14. Confirmation of DDF allotment, subject to a ceiling of a match of club committed funds to a maximum of $10,000.00, provided to the relative club.
15. Electronic approvals completed for DDF allotment and club qualification status.
16. Storage of all documentation onsite, electronic backup (club runner module) and hard copies, with DRFC Chair, excepting MOU, which is stored on the club runner grants module.
17. **Financial Management:**
18. The district will establish a separate bank account for each grant received and said accounts will be low or noninterest-bearing accounts.
19. The two signatories on the bank account will be the DRFC Chair and the DRFC Financial Officer/Treasurer. The bank statements of all grant fund accounts shall be mailed in accordance with the bank of record policies to the district 7090 treasurer for filing of district financial statements in accordance with district 7090 requirements.
20. In the event any of the signatories are incapacitated their replacement shall be named at the unanimous call of the district responsibly officers, governor, governor-elect, and the district Rotary Foundation committee chair, unless that officer is the one incapacitated, then the decision will rest with the governor and the governor-elect, subject to their unanimous call.
21. Bank statements will be available to support all receipts and disbursements of the use of TRF grant funds.
22. Separate ledgers will be kept for each account using generally accepted accounting practice.
23. A financial assessment of financial controls and compliance will be conducted annually.
24. A detailed report of the District Designated Fund will be provided to all clubs within three (3) months of the year’s end and will also be presented at the annual meeting of the

district for approval. All documentation will be received, maintained to allow ready access to all Rotarians in the district for a minimum of five (5) years or longer if required and retained in accordance with the current requirements of The Rotary Foundation.

 **7. Reporting Requirements:**

1. It is the responsibility of the club project committee to file all reports in accordance with the timelines as published in the district 7090 District Grant guidelines and District 7090 Global grant guidelines, subject to all TRF reporting requirements that may occur during the relative Rotary year.
2. Clubs will submit reports for club grant funds to the Grants Chair and reports for global grants to TRF online as per compliance guidelines.

 **8. Report of any Misuse of funds**

1. Districts must create a system to facilitate and track reports of misuse and/or mismanagement of grant funds.
2. Districts must promptly investigate reports of misuse or mismanagement of grant funds.
3. Districts must report any potential or substantiated misuse or mismanagement of grant funds to TRF.

The Stewardship Committee is district stewardship and oversight capacity to promote compliance with Rotary Foundation grants requirements and to ensure that any concerns are immediately reported to The Rotary Foundation.

1. In the event an individual believes there is any inappropriate use of TRF funds they shall notify the chair of the stewardship committee.
2. The stewardship committee shall investigate the complaint taking extreme care to maintain confidentiality in the matter and notify TRF of the complaint and the steps that will be taken.
3. Substantiation of reports to be undertaken via a tribunal of Senior Leaders. comprised of 3 Past District Governors, and current District Governor team (DG, DGE and DGN).
4. Upon completion of the investigation the District Governor will report the findings to TRF.

**9. Annual District Financial Assessment**

The financial management plan and its implementation shall be assessed annually. A financial assessment is an evaluation of financial controls and compliance. The district shall choose either an independent firm or the district Rotary Foundation stewardship committee to conduct the annual financial assessment.

**A**. A financial assessment is substantially smaller in scope than an audit or review, and includes:

1. Confirmation that the district adhered to its financial management plan.
2. An examination of expenditures for district grants, district-sponsored global grants, and district sponsored packaged grants that include:

a. Reconciling a selection of disbursements against their supporting documentation.

b. Reviewing the full listing of expenditures to ensure that funds were expended in a manner consistent with the terms and conditions of the grant award

c. Confirming that a competitive bidding process was conducted for all significant expenditures.

10. Voting may be done by email

d. Reviewing the process to disburse funds to ensure that proper controls have been maintained.

1. A determination that all financial transactions and project activities related to the grant were conducted at least at the level of standard business practices:

a. Confirmation of adherence to TRF document retention requirements.

b. Other procedures that the district Rotary Foundation stewardship committee or an independent firm deems necessary.

1. A report of the findings from the annual financial assessment, which must be given to clubs in the district within three months of the end of each Rotary year.

**B.** If the district has the district Rotary Foundation stewardship committee conduct the assessment or audit, the committee may not include individuals directly involved with TRF grants and must meet the requirements found in the RI Bylaws, including:

a. Have at least three members

 b. Have at least one member who is a past governor or a person with audit experience

 c. Have members from both countries