



# Rotary International District 7910 Annual Memorandum of Understanding (MoU) 2017-18



(Clubs are advised to save the file with their club name added to the file name along with the date it is signed)

**ROTARY Club of** \_\_\_\_\_

**Club ID** \_\_\_\_\_

## 1. Club Qualification

To participate in Rotary Foundation district and global grants, the club agrees to implement the financial and stewardship requirements in this memorandum of understanding (MoU) provided by District 7910 and consistent with the District's MoU with The Rotary Foundation (TRF) and have at least one club member trained per the district's grant management training at all times\*. 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 and global 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 agrees to 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 agrees to cooperate with any financial, grant, or operational audits.

\* Grant management training will be valid for three years provided the trained Rotarian continues membership in a Club in the District. A club must always have at least one trained member to qualify under this criterion.

## 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
- C. Ensuring that all individuals involved in a grant conduct their activities in a way that avoids any actual or perceived conflict of interest

## 3. 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

In order to receive 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 non- interest-bearing account
- B. Any interest earned must be documented and used for eligible, approved grant activities, or returned to TRF.
- C. All project expenses must be paid out of the separate account.
- D. This separate account could be used for other Foundation grant projects, provided a separate ledger is maintained for each of the projects that are conducted simultaneously.



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- E. Grant funds may not be deposited in investment accounts including, but not limited to, mutual funds, certificates of deposit, bonds, and stocks.
- F. Bank statements must be available to support receipt and use of TRF grant funds.
- G. The club agrees to 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 agrees to adhere to all District and TRF reporting requirements. Grant reporting is a key aspect of grant management and stewardship, as it informs the District and TRF of the grant’s progress and documents that grant funds are spent properly.

## 6. Document Retention

The club agrees to 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
    - d. 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 agrees to investigate/identify/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.*

*On behalf of the Rotary Club of \_\_\_\_\_, the undersigned agree to comply with all of the conditions and requirements of the MOU for Rotary year 2017-2018 and will notify Rotary International District 7910.*

**Club President (signature required)**

**Term:** 2017-18

**Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Club Foundation Chair Name:**

\_\_\_\_\_  
**Signature:** \_\_\_\_\_

**Club President-Elect\*\* (signature required)**

**Term:** 2018-19

**Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Position:** \_\_\_\_\_

**Date:** \_\_\_\_\_

\*\* If your Club does not have a President Elect for the specified year, the Immediate or outgoing Past President at the time the MoU is executed can sign as the President Elect