



ROTARY DISTRICT 7780 FINANCIAL MANAGEMENT PLAN

1. Purpose and overview

The District 7780 Foundation Committee, on September 13, 2022, adopted this plan for managing district Rotary Foundation committee finances. The scope of the plan is limited to establishing policy and procedure for managing the stewardship of District Designated Funds (DDF) and any grant funding awarded to the district. It does not pertain to the management of district operational finances.

2. Guiding principles

The guiding principles behind the district's administration of district and global grants are:

- 2a. The district's administration of disaster response, district, global, and programs of scale grants will in all ways conform with the requirements and intent of the [District Qualification Memorandum of Understanding](#)
- 2b. All projects funded by global grants will comply with the [Terms and Conditions for Rotary Foundation Global Grants](#) and [TRF Code of Policy](#)
- 2c. District grants will be awarded according to the [Terms and Conditions for Rotary Foundation District Grants](#).
- 2d. All projects funded by district grants must be proposed, managed, and directed by Rotary members.
- 2e. All activities associated with any grant must be verifiable and auditable.
- 2f. The submission, review, and funding of all district grant applications from clubs will follow the district's district grant guidelines.
- 2g. The applications selected for district grants will be funded and publicized as soon as possible after the start of the Rotary year.

3. District officer responsibilities

The district governor, district governor-elect, and district Rotary Foundation chair hold primary responsibility for club and district qualification, in addition to overseeing the proper implementation of Foundation grants. They will:

- 3a. Implement, manage, and maintain the district and club qualification process

- 3b. Ensure that all Foundation grants adhere to proper grant management practices and stewardship measures
- 3c. Follow, enforce, and disseminate the appropriate terms and conditions for [disaster response](#), [district](#), [global](#), and [programs of scale](#) grants and educate Rotary members on them
- 3d. Ensure that everyone involved in a grant project acts in a way that avoids any actual or perceived conflict of interest (section 30.040) of [The Rotary Foundation Code of Policies](#)
- 3e. District officers conduct the grant management seminar in a timely manner to allow clubs to be qualified to participate in Foundation grants

The primary responsibility of the stewardship sub-committees in our District (including the District Grants Chair, Global Grants Chair, Stewardship/Operations Chair and District Foundation Treasurer) is district stewardship and oversight to promote compliance with Rotary Foundation grants requirements and to ensure that any concerns are first investigated by the District Foundation Committee and resolved within the district. In case the district is unable to investigate the matter, the same should be immediately reported to The Rotary Foundation along with supporting documents.

4. Financial management

- 4a. The district will establish a dedicated district-controlled low-interest or non-interest-bearing bank account that is used only for receiving and disbursing Rotary Foundation grant funds.
- 4b. Separate ledgers, using generally accepted accounting practices, will be kept for each account.
- 4c. The district bank account must have a minimum of two signatories for disbursements. Signatories can be any two of the district governor, the district governor-elect, the district Rotary Foundation chair, and the committee's Foundation Treasurer.
- 4d. If any of the signatories becomes incapacitated, their successor becomes a signatory.
- 4e. A financial assessment of financial controls and compliance will be conducted annually.
- 4f. A detailed report on District Designated Funds will be given to all clubs within three months of the year's end and will be presented at the annual meeting of the district for approval.
- 4g. Bank statements will be kept in the district's financial records to support all receipts and disbursements of the use of Foundation grant funds.

5. Funding and disbursement procedures

Funding of approved district grant and global grant projects will be disbursed as soon as possible after the grant application is approved by the Foundation and payment requirements are fulfilled. Funding will be disbursed as follows:

- 5a. After the committee adopts the district grant spending plan, the chair will submit it to the Foundation. Grant funds will be deposited in a district bank account specifically established for district grants. The current year's

- district grant will be closed as soon as possible each year, to allow the account to accept DDF funds for the next year.
- 5b. For each grant, the district treasurer will prepare a check requisition indicating the grant number; the payee's name, address, and banking information; and the amount.
 - 5c. The bank signatory will verify that the checks' amounts and payees are in accordance with the district spending plan, sign the checks, and arrange for the second signature.
 - 5d. The second signatory will again verify that the checks' amounts and payees are in accordance with the spending plan and will send the signed checks to the recipients.

6. Document retention

Districts and clubs that receive Rotary Foundation funds are responsible for retaining documentation that meet the requirements of the Foundation.

- 6a. All documents will be retained in an electronic and/or hardcopy format by the club
- 6b. District documents will be stored in an electronic and/or hardcopy format on the district's website or a cloud-based system or district office.
- 6c. Documents that must be retained include but are not limited to:

CLUB QUALIFICATION

- Copy of the signed club MOU and financial management plan and related procedures
- Bank information:
 - Account details
 - Bank statements
 - List of signatories
 - Bank procedures for changing signatories
- Legal documents
- General ledger and statement of accounts
- Document retention procedures
- Succession plans
- Correspondence on qualification

DISTRICT AND GLOBAL GRANTS

- All grant e-mail correspondence
- Beneficiary documentation, including:
 - Community assessments
 - Agreements
- Vendor invoices and receipts
 - Quotes for materials
 - Agreements
- Scholar documentation
 - Receipts and invoices

- Agreements
- Vocational training team documentation
 - Receipts and invoices
 - Agreements
- Information related to global grants
 - Bank statements
 - Quotes from vendors
 - Receipts and invoices
 - Inventory list
 - Photos
- Information related to district grants
 - Fund requests or applications
 - Quotes from vendors
 - Receipts and invoices
- Reports
- Other information required by the district
- Other documents

DISTRICT QUALIFICATION

- Copy of the district financial management plan
- Copy of the district grant spending plan
- Copy of the district's district grant guidelines
- Copy of the district's global grant guidelines

6d. Clubs will develop a system for tracking reports of misuse or mismanagement of grant funds and will report any such misuse or mismanagement per the [Club Memorandum of Understanding](#)

6e. The district Foundation Chair will maintain documentation related to any reported misuse or mismanagement of Foundation funds.

6f. District records must be accessible to all Rotary members in the district and shall include but are not limited to the district spending plan, financial assessment reports, and all grant documentation.

6g. Documents will be retained for a minimum of five years, or longer if required by local law.

7. Reporting requirements

Club project committees are responsible for filing all reports in accordance with the timelines published in the district's district grant guidelines and its global grant guidelines.

7a. Progress reports will be submitted every 12 months, beginning 12 months after the funds are received.

7b. Final reports need to be submitted within two months after the grant project is completed.

7c. Clubs will submit reports on district grant funds to the district Rotary Foundation chair and reports on global grants to the Foundation with

copies to the District Foundation Committee, which includes the District leaders (DG, DGE, DGN, DRFC and the stewardship sub-committees).

8. Unused funds

If more than \$1,000 of grant funds cannot be spent as approved, the district must return them to The Rotary Foundation, and they will be credited to the district's DDF. Grant funds of \$1,000 or less that are returned to the Foundation will be moved to the World Fund.

9. Method for reporting and resolving misuse of grant funds

- 9a If any member believes that any Foundation funds have been used inappropriately, they shall notify the Chair of the District Foundation Committee.
- 9b The Chair and relevant stewardship subcommittee members shall investigate the complaint, taking extreme care to maintain confidentiality in the matter, and shall notify the Foundation of the complaint and the steps that will be taken.
- 9c When the investigation is completed, the district governor will report the findings to the Foundation.
- 9d If any member believes that any Foundation funds have been used inappropriately and is unable or unwilling to report that to the District Foundation Chair, the member must instead report it to the District Governor, the District Governor-Elect or the Immediate Past District Governor who will then follow the procedure in 9b above.

Adopted by vote of the District Foundation Committee
September 13, 2022