

District 7780

Club Qualification Memorandum of Understanding

1. Club Qualification
2. Club Officer Responsibilities
3. Financial Management Plan
4. Bank Account Requirements
5. Report on Use of Grant Funds
6. Document Retention
7. Reporting Misuse of Grant Funds
8. Authorization and Agreement

1. Club Qualification: Requirements for clubs to participate in Rotary Foundation District Grants are detailed here. By completing these requirements, the club becomes qualified and eligible to participate in The Rotary Foundation (TRF) grant program.
 - A. Upon successful completion of the qualification requirements, the club will be qualified for the following Rotary year.
 - B. To maintain qualified status, the club must comply with this memorandum of understanding (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
 - 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.
 - E. Maintain records for items that are purchased, produced, or distributed through grant activities.
 - F. Ensure that all grant activities, including the conversion of funds, comply with local law.

4. Bank Account Requirements: 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. The club bank account must:
 - A. Have a minimum of two Rotarian signatories from the club for disbursements.
 - B. Be a low, or non-interest-bearing account.
 - C. Document any interest earned and used for eligible, approved grant activities, or be returned to TRF.
 - D. Open a separate account for each club-sponsored grant, and the name of the account should clearly identify its use for grant funds.
 - E. Not be deposited in investment accounts including, but not limited to, mutual funds, certificates of deposit, bonds, and stocks.
 - F. Make bank statements available to support receipt and use of TRF grant funds.
 - G. 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 record keeping 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. Documents that must be maintained include, but are not limited to:
 - A. Bank information, including copies of past statements
 - B. Club qualification documents, including a copy of the signed club
 - C. Documented plans and procedures, including:
 - Financial management plan

- Procedure for storing documents and archives
 - Succession plan for bank account signatories and retention of information and documentation
- D. Information related to grants, including receipts and invoices for all purchases

Club records must be accessible and available to Rotarians in the club and at the request of the district. Documents must be maintained for a minimum of five years, or longer if required by 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.

For your club to qualify for a 2023-24 District Grant, a copy of the final page (signature page) of this MOU must be emailed to the District's Club Qualification Steward, via the Grants email box: grants@rotary7780.org no later than May 15, 2023.

For your club to qualify for a Global Grant in the 2023-24 Rotary year, a copy of the final page (signature page) of this MOU must be emailed to the District's Club Qualification Steward, via the Grants email box: grants@rotary7780.org before you submit the application to the Rotary Foundation.

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 **2023-24** and will notify Rotary International District 7780 of any changes or revisions to Club policies and procedures related to these requirements.

This MOU should be signed by the club members who will serve as President over the next two Rotary years. However, if no Vice President has been selected (or if one member is expected to fill two terms as president), the club member who will serve as Club Foundation Chair should sign.

2023-2024 CLUB PRESIDENT	
Name	
Signature	
Date	

2023-2024 CLUB PRESIDENT-ELECT	
Name	
Signature	
Date	

2022-2023 CLUB FOUNDATION CHAIR	
Name	
Signature	
Date	

Updated March 2023

