

## DISTRICT GRANT AGREEMENT 2022-23 (FY2023)

### Guiding Principles of the District 5520 Grants Program

- The grant projects are intended for Humanitarian purposes and Scholarships that align with The Rotary Foundation mission to help Rotarians contribute to world understanding, goodwill, and peace by improving people's health, supporting education, and alleviating poverty.
- It is desirable that the funds granted result in a lasting benefit to the targeted population; therefore, clubs may join in partnership to sponsor a single project that can be larger, have a broader and more sustained impact and include active participation by more Rotarians from the District.
- Projects identified must be within District 5520, that is, within its geographic boundaries<sup>1</sup>.
- Clubs may partner with outside, third-party organizations to expand the impact of the projects. However, **all projects funded by a District Grant must be proposed by Rotarians, and Rotarians must have a leading role in their management and direction.**
- To participate in the Grants program the club must agree to implement the financial, participation and stewardship requirements in this agreement.

**District Grants** - The District 5520 Foundation Committee makes grants available to provide funding for community service projects that involve active participation of Rotarians.

- A. The base grant amount available to a sponsoring Club is an amount equal to 15% of the club's contribution to The Rotary Foundation Annual Fund-SHARE during the Rotary Year 2019-20. Additionally, if, based on membership numbers as of July 1, 2021, the club contributes to the Annual Fund-SHARE at the level of \$100 per capita during Rotary Year 2021-22, the club will be eligible to have the base grant augmented by a Incentive amount. The Incentive amount is determined by the District Foundation Committee by allocating equally among all incentive-eligible projects the amount of total District Grant funding remaining after the base amounts have been distributed.
- B. The minimum grant amount is \$250.
- C. Up to three Rotary Clubs may jointly request a District Grant for a joint project. Because each club must authorize the project, each participating club's President and Point of Contact must sign this document indicating their club's approval. There must be a lead club that will assume reporting responsibility. Therefore, use the following procedure in requesting a joint project.
  - i. Each club will submit their application separately and will include a budget reflective of the club's participation and signatures of their President and Point of Contact.
  - ii. The reports will be identical and indicate the participating clubs and the club that assumes reporting responsibility. Coordination between clubs is essential.

### 1. Application Process

Applications for District Grants will be accepted from May 1 to June 15 of each year. Should any District funds be unencumbered after June 15 of each year, the District Rotary Foundation Chair

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<sup>1</sup> Rotary defines the boundaries of the District as: New Mexico, and Texas, that portion west and south of the western and southern boundaries of the counties of Reeves, Ward, Crane, Crockett and Terrell and including the municipality of Farwell in the county of Parmer.

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(DRFC) may authorize another application window.

### 2. Award Criteria

The District 5520 District Grants are competitive. The District Grants Committee will consider the following criteria in its funding recommendations:

- A. The merit of the project and the reasonableness of its budget.
- B. Adherence to The Rotary Foundation mission to help Rotarians contribute to world understanding, goodwill, and peace by improving people's health, supporting education, and alleviating poverty.
- C. The documented need for the project and the number of people in the community who will benefit from the project.
- D. The opportunity for media coverage and Rotary visibility in the community.
- E. The strength of the sponsoring club's participation and its ongoing commitment to the project.
- F. The quality of the submitted application and its adherence to the Agreement guidelines.
- G. The sponsoring club's recent support of The Rotary Foundation.
- H. Completion of prior year's projects and ability to meet reporting requirements.

Exceptions to any grant requirement must be approved by the District Grant Chair, Grant Chair, Stewardship Chair, Foundation Committee chair and the District Governor.

### 3. Requirements for Funding

- A. Projects must be Rotary-sponsored and identified as such.
- B. Projects must be short-term and must be completed and reported no later than June 1 of the next fiscal year in which the funds were provided. For grants awarded in 2022, the deadline for completion is June 1, 2024.
- C. Projects must not fund existing projects or activities sponsored by another organization nor fund operational expenses of another organization.
- D. Funds must not be used for travel, salaries, or other administrative costs.
- E. Projects must not involve liability on the part of District 5520, Rotary International, or its Foundation except to provide the amount of the grant funds.
- F. Funds must not be used to reimburse applicants for projects already initiated or completed.
- G. Funds must not be used to purchase land or buildings or to construct substantial buildings. Funds must be used in compliance with the Rotary Foundation's policies on construction and renovation.

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- H. Funds cannot be used to fund the ongoing projects of a Rotary club or district unless it sustains an ongoing project. This does not prevent the replication of successful projects that will benefit additional communities.
- I. Projects are subject to the District Financial Management Plan.
- J. Clubs and projects must comply with The Rotary Foundation's *Terms and Conditions for District Grants*.

### **4. Club Qualification (MUST BE RENEWED EACH FISCAL YEAR)**

All District 5520 Rotary Clubs are eligible if the Club:

- A. Is current on prior District and Global Grants reporting
- B. Is current on dues payments to District and RI
- C. Is current with IRS (IRS Form 990)
- D. Has no less than two club members trained in grants management
- E. Has the Club President and Point of Contact sign this document as understanding of District Grant procedures and responsibilities and have it uploaded into the Grants Module.
- F. The Point of Contact must participate in Grants Management training
- G. Club qualification may be suspended or revoked for misuse or mismanagement of grant funds.

### **5. Club Point of Contact (POC) Responsibilities**

The sponsoring club will appoint one Rotarian as the Point of Contact who will:

- A. Provide oversight and management of the award funds
- B. Implement, manage, and maintain club qualification as defined in this agreement.
- C. Ensure that all TRF grants adhere to stewardship measures and proper grant management practices
- D. Ensure that all individuals involved in a grant conduct their activities in a way that avoids any actual or perceived conflict of interest.

### **6. Financial Management Plan and Bank Account Requirements**

- A. Grant funds must be deposited within 15 days of the receipt of the payment. Funds not deposited within 15 days will be voided and reallocated to other projects.
- B. Maintain a standard set of accounts, which includes a complete record of all receipts and

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### disbursements of grant funds

- C. The club bank account must be a low- or noninterest-bearing account
- D. Bank statements must be available to support receipt and use of District funds.

### 7. Report on Use of Grant Funds

The club must adhere to all District grant-reporting requirements. Grant reporting is a key aspect of grant management and stewardship, as it informs the District of the grant's progress and how funds are spent. The club is responsible for the use of funds for club-sponsored grants, regardless of who controls the funds.

**The first grant reports are due March 31 of the Fiscal Year of the Grant. If the project is still in progress, identify the report as a Progress Report. If the project has been finalized, identify the report as a Final Report.**

- A. After the March 31<sup>st</sup> deadline, reports are due every six months until the project is finalized using the grant module on the District website. Progress Reports must:
  - Describe the advances made in fulfilling the project as described in the application.
  - Identify any obstacles that have been experienced in the project and the planned solutions to any problems.
  - Present a summary accounting of how the money has been spent by major categories
  - Include an estimate of the remaining time to completion.

#### **EXAMPLE:**

Application period: May 1 – July 15, 2022

First report March 31, 2023

Second report September 30, 2023

Third report March 31, 2024

FINAL REPORT DUE JUNE 1, 2024

- B. Final report: **No later than June 1, 2024 a final report must be completed** (using the grant reporting form on the district website) containing the following:
  - A summary of the project indicating what was done with respect to each of the project goals as set forth in the grant application.
  - A complete financial accounting of how the full project money was spent in detail including all receipts or invoices for items purchased and services contracted.
  - A list of Rotarians who participated in the project and a brief description of what each did on the project.
  - Photographs (up to 6) documenting the project.

If District funds are not fully spent, the unspent balance must be returned to the District.

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### **8. Document Retention and Records Management**

The club must establish and maintain appropriate recordkeeping systems to preserve all documents related to the grant. Club records must be accessible and available to Rotarians in the club and at the request of the District. The Club and all Rotarians must cooperate with any financial, grant, or operational audits. Individual project records will be maintained by the Club for a period of five years after the final report is completed and approved and will include the following:

- A. The original application as reviewed by the District Grants Chair prior to funding.
- B. Documentation of receipt and deposit of the check sent to the (sponsoring) club to fund the grant.
- C. Copies of invoices and receipts for all grant expenditures
- D. Photos
- E. Copies of Public Service Announcement & other advertising
- F. Number of Rotarians participating
- G. Interim reports, if required.
- H. The final report.

### **9. Reporting Misuse of Grant Funds**

All activities associated with Community Grants must be verifiable and transparent at the District and Club levels.

- A. Notify the District Grants Chair of any discrepancies and/or misuse or potential misuse of funds as soon as they are identified. The Club President and Point of Contact will cooperate with the District Grants Chair to resolve any issues. Resolutions could include returning of funds to the District
- B. Projects must not directly benefit: (1) a Rotarian, an employee of a club, district, or other Rotary entity or Rotary International, or (2) a spouse, lineal descendant, spouse of a lineal descendant, or ancestor of any living Rotarian or Rotary employee.

### **Authorization and Agreement**

*This 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 agreement.*

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*On behalf of the Rotary Club of \_\_\_\_\_, the undersigned agree to comply with the conditions and requirements of the agreement for Rotary fiscal year 2023 and will notify the District Grants Chair of any changes or revisions to club policies and procedures related to these requirements.*

**Club President**

**Grant Point of Contact**

**Term: 2022-23**

**Name:**

**Name:**

**Signature:**

**Signature:**

**Date:**

**Date:**

**Email:**

**Email:**

**Note:** If the club president is also the Point of Contact, a second Point of Contact should be appointed and should sign this Agreement as Point of Contact.