

District 7040 Addendum to Club Memorandum of Understanding 2026-2027 Rotary Year, for 2027-2028 Grants

District 7040 has determined that additional requirements for a club to be qualified to receive Rotary Foundation District Grant funds are appropriate.

1. Club Leadership Responsibilities
 2. Grant Applications/Reports
 3. Financial Management
 4. Use of Grant Funds
 5. Authorization & Agreement
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1. Club Leadership Responsibilities
 - a. To maintain compliance with Rotary International, the District will require any club considering ANY grant to have the Memoranda of Understanding signatories, President AND the President Elect complete District 7040 Club Qualification Module.
 - b. Should a Club President be continuing in a second year, the club Secretary will sign the MOU & Addendum as the “president-elect”, having completed the required courses.
 - c. Clubs need to ensure club Foundation & International officers AND Foundation goals (annual fund and polio) are updated in Rotary Club Central. Clubs must also be in good standing with District and Rotary International dues.
 - d. To ensure that clubs are kept current on detailed Foundation Grant procedures, District 7040 will require that any club considering ANY grant to have the Treasurer (Club or Project) and ONE of the following: Foundation, International, OR Community Service Committee Chairs, AND the Project Lead, annually complete the District Club Qualification Module, and the Rotary International – either Grants Management Seminar (for Global Grants) OR the Club Service Project Essentials Learning Plan (for District Grants).
 - e. Other Rotarians are welcome to complete all training as support for the club project and knowledge base
2. Grant Applications/Reports
 - a. All District Grants are applied for, tracked and reported on the D7040 Clubrunner Grants Module.

- b. Clubs are responsible for maintaining their own online or paper records for all stages of a grant. Practice templates are available in the Grants Resources Section of the District website.
- c. All grant applications are reviewed by the District Grant and Stewardship Committees for content, accuracy and financial balance both prior to initial submission to The Rotary Foundation and final reporting when completed. The District Resource Network is available for advice and guidance at any time.
- d. Prior to the application, a Needs Assessment OR Statement of Need from the beneficiary(ies) shall be undertaken, uploaded, and is part of the project.
- e. Materials/labour estimates for applications, and paid invoices/receipts for reports are required for all projects and are uploaded to the Grants module.
- d. Photographs of the completed/delivered projects showing clear Rotary signage and Rotarian involvement are required.

2. Financial Management

- a. District Spend Plan funds (DSG/DMGs) are administered by District once the Spend Plan is approved by The Rotary Foundation and funds received in the District. Details of the procedure are found in the *District 7040 Foundation Financial Management Plan 2026-2027* (7040Rotary.com/grants-management)
- b. If a common club bank account is used for project funding, appropriate accounting practices must ensure separate accountability of Grant funds.
- c. Those individuals with signing authority for the Grant Funds account cannot be directly responsible for decisions of the project.
- d. The Treasurer will audit the Final Report and ensure receipts are properly organized, balanced, and use of the correct RI Exchange rate, before submission to the District.

3. Use of Grant Funds

- a. The Club acknowledges that it is responsible for the proper disbursement of Grant funds as specified in the District 7040 Financial Management Grant Guidelines. Transferring District 7040 Grant funds to another Rotary Club or cooperating organization does not relieve the Club of this responsibility.

- b. The Club acknowledges that it is responsible for promptly repaying or forfeiting to District 7040 or The Rotary Foundation any Grant funds not properly disbursed or accounted for by April 30th.
- c. Grant funds cannot be used for any project started prior to the approval of the Grant or for any purpose not permitted under The Rotary Foundation Code of Policies.
- d. Applications must adhere to the *Terms & Conditions for Rotary Foundation District Grants (February 2025)* (7040Rotary.com/grants-management). This Rotary Foundation document includes details of eligible/ineligible activities for funding.
- e. District Grant funds may be used for the types of projects or programs below:
 - 1) District Simplified Grants (DSG)
 - i. DSGs may be used for local or international projects.
 - ii. DSGs are intended for small projects, short term (10 months or less) and do not require an international partner.
 - iii. District will match a club contribution at a rate of 1:1 for each dollar up to a maximum of USD \$2,500. Grant applications shall be made using USD\$
 - iv. Clubs must fund the project in its entirety upfront.
 - v. District match portion will be in USD\$ and paid out upon receipt of the final report, and accepted by the Stewardship committee.
 - vi. Reports are due no later than April 30th of the project year.
 - 2) District Matching Grants (DMG)
 - i. DMGs are intended for small to medium sized projects, short-term projects (10 months or less) not qualifying for Global Grants.
 - ii. DMGs are international grants and require an international partner.
 - iii. District will match a club contribution up to a maximum of USD \$5,000
 - iv. District match portion will be in USD\$ and paid to the District 7040 club once the application has been approved by The Rotary Foundation, and funds received in the District.
 - v. All applications and cheques will be written in USD\$.
 - vi. Reports are due no later than April 30th of the project year, with clear, balanced receipts using the appropriate RI Exchange rate. Clubs are responsible for any overages. Project shortages must be returned to the District, for return to The Rotary Foundation.

vii. Projects may not be started, or any expenses incurred until approval by The Rotary Foundation is received.

f. District 7040 clubs will be held accountable for management of grant funds under the terms and conditions contained herein and as specified in the Club Memorandum of Understanding (MOU) and are responsible for providing required reports within the timeframes specified.

Late reporting or misuse of grant funds will result in the club repaying the full amount of the grant to District 7040 and be ineligible for grants in the following Rotary year.

As per Section 1 of this agreement, District 7040 Club Qualification consists of individuals annually completing/updating the following:

- the Grants Management Seminar from the Rotary International-Learning Center for Global Grants
- the Club Service Project Learning Plan from the Rotary International – Learning Center for District Grants (DSG/DMG)
- the annual District MOU Qualification module from the District 7040 Clubrunner site

5. Authorization and Agreement

*We, being responsible for administering grant activities for the **Rotary Club of** _____, certify that the club adheres to the requirements listed in this Memorandum of Understanding for the **Rotary Year 2027-2028** and will notify Rotary International District 7040 Foundation or Grants Chair of any changes or revisions to club policies and procedures related to these requirements.*

President	President-Elect
Term: 2026-27	Term: 2027-2028
Name:	Name:
Email:	Email:
Signature:	Signature: