

District 7040 Addendum to Club Memorandum of Understanding 2026-2027 Rotary Year

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. Financial Management
 3. Use of Grant Funds
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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 the single Rotary International Grant Management Recertification Course 2025-2026, the D7040 Grant Management Module, and the MOU Module, online. Additionally, there will be a required session for Presidents-Elect held at PETS covering details of the Memoranda of Understanding.
- b. Should a Club President be continuing in a second year, the club Secretary may sign the MOU as the “president-elect”, having completed the 3 required courses.
- c. 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 at least ONE of the following: Community Service Chair, Foundation Chair, International Service Chair, complete (or update) the full Grant Management Seminar and the single Rotary International Grant Management Recertification Course 2025-2026 online at Rotary International, Learning Center as well as the D7040 Grant Management and MOU Modules, online at 7040Rotary.com.
- d. Once determined, the Project Lead must also complete courses as outlined in (c) above. Other Rotarians are welcome to complete all training as support for the club project and knowledge base.
- e. Prior to the application, a Needs Assessment or statement of need from the beneficiary(ies) shall be undertaken and accompany the application for the District Simplified Grant (DSG) or District Matching Grant (DMG) being requested.

- f. All grant applications must be reviewed by the District Grants Committee.
- g. Photographs of the completed/delivered projects are required with the signed Final Report, for review and payment approval by the Grants Stewardship Committee.

2. Financial Management

- a. District Spend Plan funds (DSG/DMGs) are administered by District once the DSP 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 2025-2026* (7040Rotary.com/grants-management)
- b. If a common club bank account is used for project funding, appropriate accounting practices must ensure accountability of Grant funds, separate from Club operating funds.
- c. Those individuals with signing authority for the Grant Funds account cannot be responsible for oversight of the project.
- d. The Treasurer will review the Final Report and ensure receipts are properly organized before submission to the District.

3. Use of District Grant Funds

- a. The Club acknowledges that it is responsible for the proper disbursement of Grant funds as specified in this District MOU Addendum. 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 undertaken prior to the approval of the Grant by The Rotary Foundation or for any purpose not permitted under The Rotary Foundation Code of Policies.
- d. Receipts, Pro Forma invoices and other paperwork need to be presented to the Stewardship Committee upon request in chronological order and in full detail. Currency exchange rates must be noted at the prevailing Rotary International rate if not so noted on documentation. Scanned copies of receipts and other paperwork should accompany the final report and hard copies made available upon request.

- e. Applications must adhere to the *Terms & Conditions for Rotary Foundation District Grants (February 2025)* (located on 7040Rotary.com/grants-management) This document includes details of eligible/ineligible activities for funding.
- f. 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 and international projects.
 - ii. DSGs are intended for small projects and do not require an international partner.
 - iii. District (DDF) will match a club contribution at a rate of USD \$1.00 for each dollar up to a maximum of USD \$2,500. Grant applications shall be written using USD\$
 - iv. Payment of completed DSG will be in USD\$. DSGs are reimbursable upon receipt of a final report, and accepted by the Stewardship committee.
 - v. Reports are required as soon as the project is completed, and/or no later than April 30th.
 - vi. Projects overages are the responsibility of the club. Project shortages must be returned to the District, for return to The Rotary Foundation.
 - vii. Changes may not be made to the project focus or spending, without prior approval of both District AND The Rotary Foundation.
 - 2) District Matching Grants (DMG)
 - i. DMGs are intended for projects not qualifying for Global Grants.
 - ii. DMGs are international grants and require an international partner.
 - iii. District (DDF) will match a club contribution up to a maximum of USD\$8,000.
 - iv. Project funds will be paid to the District 7040 club initiating the grant request when documentation is provided that all other funding has been obtained.
 - v. All project applications will be written using USD\$ and cheques will be written in USD\$.
 - viii. DMG final report is required as soon as the project is completed, and/or no later than April 30th.
 - ix. Projects overages are the responsibility of the club. Project shortages must be returned to the District, for return to The Rotary Foundation.

- x. Changes may not be made to the project focus or spending, without prior approval of both District AND The Rotary Foundation.
- g. 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 require the club to repay the full amount of the grant to District 7040 and be ineligible for grants in the following Rotary year.

4. Global Grants (GG)

- a. Both International and Host Clubs must be fully qualified at their District, and be in good standing with Rotary International. For details on how to proceed clubs should review *A Guide To Global Grants* from The Rotary Foundation.
- b. In addition to the District MOUs, clubs are required to complete a *Cooperating Organization Memorandum of Understanding*. Both documents are on *7040Rotary.com/grants-management*.
- c. District 7040 clubs, as a Global Grant Lead Club, may request up to \$8,000 USD support from the District Designated Fund (DDF), per project, subject to DDF availability.
- d. Funding for Global Grants is administered by The Rotary Foundation and strict financial and reporting deadlines are in place.
- e. **Failure to comply with TRF deadlines/requests will result in the club being ineligible for ANY grant funding until requirements are met.**
- f. Supporting a Global Grant led by other clubs (e.g. contributing financially) does not require full club qualification, although the Grants Management Seminar is strongly recommended.

D7040 Club Grants Qualification consists of:

- the Grants Management Seminar (10 modules) from the Rotary International-Learning Center (if completed previously, only the annual Update is required)

- the Grants Management Re-certification 2025-2026 (1 module) from the RI Learning Center
- the single District Club Qualification module on 7040Rotary.com
- the single MOU module on the 7040Rotary.com
- for Presidents-Elect, attendance at the MOU session at PELS

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 2026-2027** 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 (current)	President-Elect (current)
Term: 2025-2026	Term: 2025-2026
Name:	Name:
Email:	Email:
Signature:	Signature: