

## 2021-22 Grants Management for 2022-2023



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### Rotary Foundation VISION

*Together, we see a world where people unite  
and take action to create lasting change—  
across the globe, in our communities,  
and in ourselves.*



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## Purpose of this Qualifying Seminar

- Understand requirements of the 4 types of grants
- Learn how to manage a Rotary Foundation grant
- Comply with stewardship expectations
- Prepare clubs to implement the MOU & District Addendum
- Qualify clubs to receive grant funds



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## Our Foundation



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## The Rotary Foundation – Grant-related Updates

- The demand for global grants has dramatically exceeded the capacity of the World Fund
- World Fund resources now match only District Designated Fund (DDF) contributions at 80% beginning 1 July 2021
  - While demand for our grants had shot up by 80%, corresponding Annual Fund contributions never kept pace, showing only a 7% increase during this same time period. Therein lies our fundamental problem.
- International sponsors of global grants now need to contribute only 15% of the project budget, not 30%.



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## The Rotary Foundation – Grant-related Updates

- No more funding for the construction of low-cost shelters and simple schools in a Global grant. Based on the pilot that allowed these activities, the Trustees concluded that these grants were not widely used and were difficult to administer. District grants and disaster response grants may still be used for low-cost shelters and simple schools.
- Beginning in July 2022, Rotaract clubs can be the primary sponsors of global grants.
- By supporting the Annual Fund, members can ensure a steady supply of both DDF and World Fund resources for the global grant projects that change people's lives.



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## The Rotary Foundation – Grant-related Updates (cont'd)

- The Rotary Foundation has made a change that will streamline the payment system for global grants after they're approved. Grant sponsors will now need to provide bank account information as soon as the grant application has been submitted, a change from the current process in which they send that information after a grant is approved.



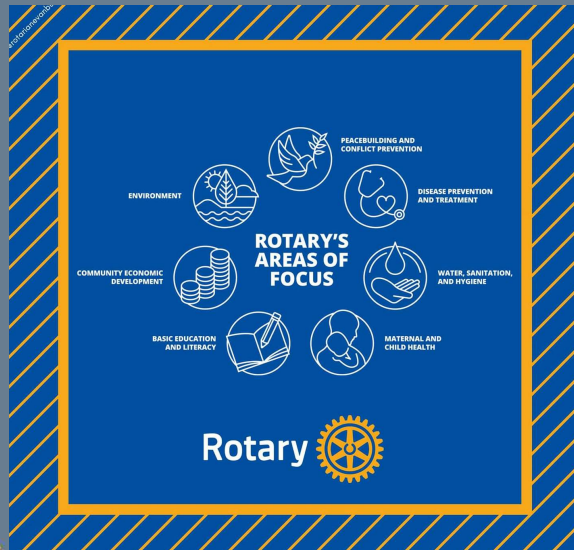
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## Grant Basics



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## 7 Areas of Focus



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## Grant Policy Statements



- ▣ The goals are to increase efficiency in grant processing and ensure quality of funded projects;
- ▣ The content of each policy statement is intended to represent eligible and ineligible activities;
- ▣ Eligible activities reflect those that Rotary clubs and districts have most often implemented;
- ▣ Project planning is a bottom-up and host club/ district-driven process;
- ▣ All grant requests must comply with the policy statements related to each area of focus **which have been updated.**



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## Grant Basics



- **Training** local leaders in the Area of Focus;
- **Supporting** communities and regions affected by the Area of Focus;
- Supporting **studies for career-minded professionals** related to the Area of Focus.



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## Examples of Eligible Projects



- **Community activities targeting non-Rotarian participants:** conferences, trainings, screenings, etc.
- **Facilitating workshops** addressing community needs in the Area of Focus
- **Strengthening the ability of communities** to develop, fund and maintain systems in Area of Focus
- **Vocational training teams** supporting the activities
- **Scholarships** for graduate-level study in programs related to the Area of Focus



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## Grants Management



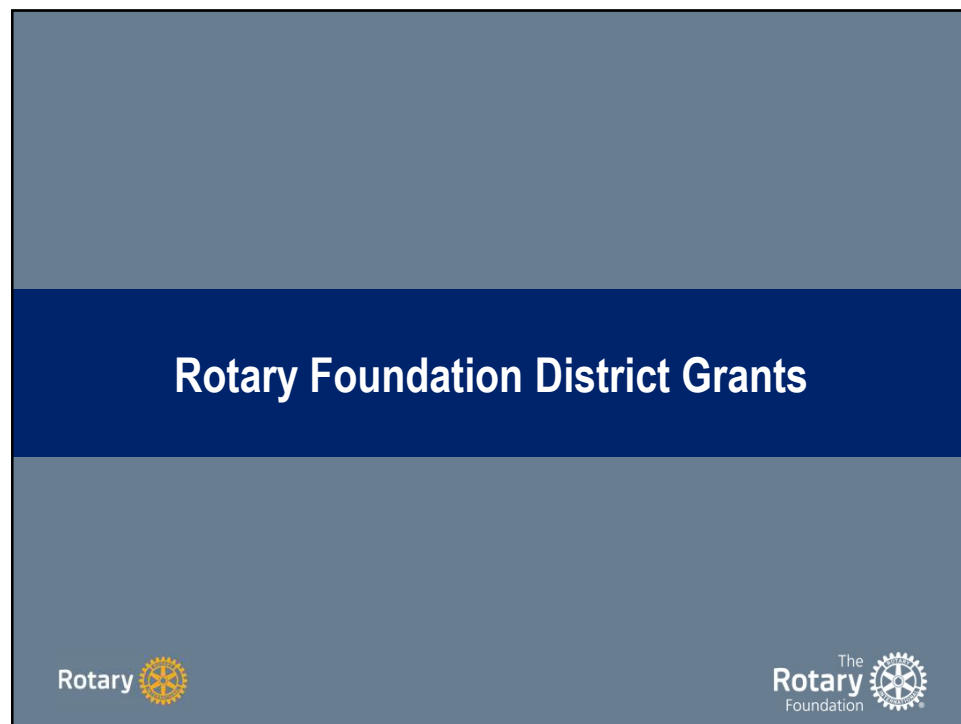
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## Types of Grants

- Rotary Foundation District Grants
- Rotary Foundation Global Grants
- Rotary Foundation Disaster Response Grants
- Rotary Foundation Programs of Scale Grants



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### District Simplified Grants

- Local or International Projects
- Humanitarian, Educational, Travel
- Disaster Recovery *(no COVID)*
- No International Partner Required
- DDF Match *(total available to be determined)*
  - \$0.50 : \$1 up to \$2500 *(you spend first, then reimbursed by District)*
- No World Fund or TRF matching



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## District Matching Grants

- International project
- Requires a qualified Rotary Partner
- Grant limit \$10,000 (\$1 for \$1 by District)  
*(you receive your money before you start the project)*
- NO World Fund Match

**Note:** Simplified and Matching Grants can support projects in other District communities i.e. US club and Iqaluit



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## District Grants

District grants are funded solely by DDF generated from a district's Annual Programs Fund giving from three years prior, including Endowment Fund SHARE earnings.

Districts can request up to 50% of their DDF each year based on a submitted spending plan.

Any unused district grant funds are returned to the Foundation and credited back to the district's DDF balance. DDF will continue to rollover to a district's balance for the following year under Global grants. Rollover DDF will not be used in the calculation of the district grant amount.



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## District Grant Funding Example

### D7040 Annual Fund Donations

- 2018-2019 = \$138,862 + Endowment Fund earnings
- 2021-2022 = \$69,431 +
- 2019-2020 = \$134,530 + Endowment Fund earnings
- 2022-2023 = \$67,265 +
- 2020-2021 = \$159,156 + Endowment Fund earnings
- 2023-2024 = \$79,578 +



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## Qualification for our District Grants

- If a club is considering *ONLY* a DISTRICT Simplified or DISTRICT Matching Grant, **only two (2) of the following** will need to **annually** attend a District 7040 Grants Management Seminar:
  - sitting President
  - President-Elect (if not the sitting President)
  - Treasurer (Club or Project)
  - Community Service Chair
  - Foundation Chair
  - International Service Chair



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## District Application

- Districts may apply for 1 district grant per Rotary year called a Spending Plan. Prior to submitting their application, districts should decide what activities they plan to support with district grant funds – this is comprised of *your* projects.
  - **Club Applications are due no later than April 30<sup>th</sup> in order for the District to submit the Spending Plan to TRF on time.**
- The District Governor, District Rotary Foundation Committee Chair, and District Grants subcommittee chair will submit the application online.



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## Elements of Club Application

- Club Name
- Project Name
- Project Objective
- Which Area of Focus is addressed by project?
- Community or Neighborhood served?
- Number of Beneficiaries
- Project Starting and Ending Dates
- Sustainability
- Partners?

**Let's practice!**



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## Elements of Club Application

- Rotarian Involvement, doing what and how many?
- Budget: Labor, Supplies and Materials, Equipment, other, and Total
- Amount of Grant requested
- Signatures and contact information
- Understanding:
  - Must keep receipts, club retains originals
  - Copies of receipts must be submitted with **Final Report due by May 30<sup>th</sup>**
  - Requests/application must be signed and signing confirms acceptance of Terms and Conditions of DG; grant funds must be returned upon failure to comply.



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## Payment

- Districts will receive one block payment for the total approved amount of the district grant usually near the end of the first quarter.
- **All previous district grants must be closed** before a new payment will be made, and districts must be **current on reporting for all grants: district and global grants.**



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## District Final Annual Report

- Districts must submit a final report to the Foundation within 12 months of payment of the grant.
- This report must include a final list of funded activities and be submitted in the same format as the district's Spending Plan.
- Some changes in project funding may occur between when a district submits its original spending plan and when it submits the final report. Districts must have requested these changes from TRF and note them on the report.



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## District Final Annual Report

- Districts may submit their final report once they have fully distributed their district grant funds to the individual projects.
- These projects do not need to be complete before a district reports to the Foundation.
- Districts are also required to report annually on their use of district grant funds to their member clubs.



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## Timeline

- February 1, 2022 – Call for applications for 2022-2023 projects
- April 30, 2022 – **Application Deadline** for 2022-2023 projects
- May 30, 2022 – Deadline for current year (2021-2022) **project reports due**
- June 30, 2022 – Deadline for 2021-2022 District Simplified & District Matching Grant Final Reports to TRF from District.
- ~July 15, 2022 – District submits Grant request and spending plan to TRF for **all** 2022-2023 projects in one grant
- ~August 31 - October 31, 2022 – Spending Plan accepted and final award to the District; clubs are then notified they can begin project



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## Rotary Foundation Global Grants



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## Global Grants

- Long-term projects
- Sustainable outcomes
- Larger grant awards aligned with Areas of Focus
- World Fund match in addition to DDF



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## Developing an Eligible Global Grant

- Assessment of needs – ***submission required***
- Choose **ONE** area of focus
- Select goals
- Determine sustainability
- Complete your proposal & submit to Grants Chair
- Submit your application online (*after* approval from Grants Chair)



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## Criteria for Global Grants

- Host Rotary clubs or district and international partner
- Area of focus
- Community need – **Community Assessment required with grant submission** (*revised*)
- Community participation
- Strengthen knowledge, skills, resources
- Long-term benefit /Sustainable
- Measurable results
- US\$30,000 minimum budget



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## Global Grants

Minimum Project Budget .....\$30,000

- Seven Areas of Focus
- International partner (D7040 club) must provide at least 15% of funding
- International & Host Rotary Partners
- World Fund Match:
  - \$1 : 80 cents District Funds (DDF)\*
- Any amount of cash, and/or directed gifts and endowment earnings to reach \$30,000US
- 5% of cash contributions

*\* Up to specified maximum in D7040, i.e. \$15,000 – may vary each year*



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## Global Grant Financing Sample

- Project Financing:

– Your Club monies	=	\$10,000	<i>(could include another D7040 club \$)</i>
– Matched by DDF	=	10,000	<i>(if available from D7040)</i>
– Our DDF matched by World Fund	=	8,000	
– Host Club monies	=	1,100	<i>(any amount-provides ownership)</i>
– Host District DDF	=	500	<i>(based on their ratio)</i>
– Host District matched by World Fund	=	400	<i>(based on Host Club \$)</i>
– TOTAL for PROJECT	=	\$30,000	TRF contribution \$8,250

**TOTAL GRANT APPLICATION = \$30,000**

**5% on cash (\$11,100) = \$555**

*...Non-Rotarian monies = any amount (not matched)*

Cash sent directly to a project bank account is not subject to the additional 5 % assessment.



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## Conflict of Interest

- Exists when a Rotarian benefits financially or personally from a grant
- Benefit can be direct (the Rotarian benefits) or indirect (an associate of the Rotarian benefits)



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## Financing Guidelines

- Contributions raised by Rotarians
  - *Raise for Rotary* (only US funds & in English at first)
- Funds cannot be raised from beneficiaries in exchange for a grant
- Funds cannot come from other grants
- Contributions credited to donor



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## Resources to Find Partners

- [Rotary Ideas](#), a platform where you can request partners, materials, or international support and contributions
- [Rotary Discussion Groups](#), a forum for clubs to exchange project ideas and request help
- [Rotary Action Groups](#), consisting of Rotary members and others who are experts in a particular field and help clubs and districts with their projects
- [Intercountry committees](#), networks of Rotary clubs or districts in two or more countries that work together on service projects, new club sponsorships, and other activities
- [Project fairs](#), regional events that Rotary districts host to encourage international friendship and collaboration
- [Rotary Fellowships](#), independent social groups with a shared interest in a hobby, recreational activity, or profession



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## Implementation

- Communication!
- Financial management plan
- Recordkeeping
- Following original plan



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## Evaluation

- Assists with reporting
- Improves future projects
- Based on goals
- On-going process
- Identifies successes
- You can budget up to 10% to pay the costs of measuring and evaluating the project.



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## Sustainable Projects

- These projects/programs give a community the skills and knowledge to maintain project outcomes for the long term, after grant funds have been expended.



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## Qualities of Sustainable Projects

- Community fit/Needs assessment
- Materials/Technology available
- Funding
- Knowledge – expands knowledge
- Motivation/Commitment – partners & recipients
- Increases capacity
- Evaluation



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## Measurable Outcomes

- Put a plan in place before implementation
- Establish baseline data
- Determine quantitative and qualitative measures



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## Global Grant Reporting

- Progress report 12 months after funds received
- Every 12 months until project is complete
- Final report submitted within 2 months of project completion



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## Global Grant Reports: *Content*

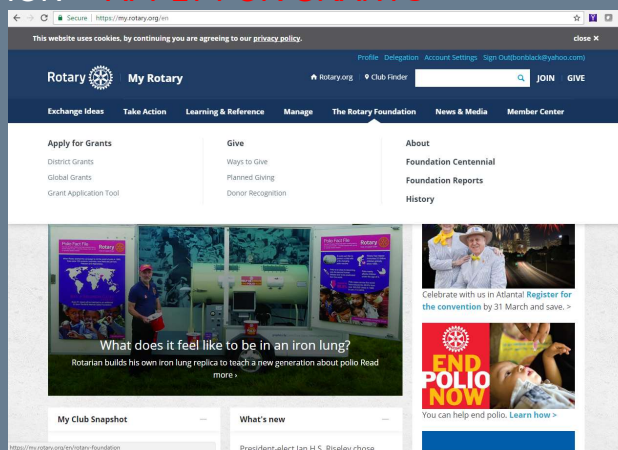
- How partners were involved
- Type of activity
- Evaluation of project goals
- How area of focus goals were met
- How funds were spent
- Number of beneficiaries and how they benefited



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## Application Process

**ROTARY.ORG** > **MY ROTARY** > **THE ROTARY FOUNDATION** > **APPLY FOR GRANTS**



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## Application Process

1. Club qualifies
2. Club completes first step of draft application from District website and sends to Grants Chair – **District committee approves proposal**
3. Club submits application to TRF – online – *all the details!*
4. District authorizes application online
5. The Rotary Foundation reviews for approval



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## Club Qualification Requirements

- Any club considering a GLOBAL GRANT will have the **sitting club President, and two (2)** of the following annually attend a District 7040 Grant Management Seminar:
  - President-elect
  - Treasurer (Club or project)
  - Foundation Committee Chair
  - International Service Committee Chair or
  - the Project Lead.
- Submit ORIGINAL signed club MOU and Addendum to DRFC
- Reporting is current and Club is in good standing with RI



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## Maintaining Qualification

- Qualification is required **annually**
- Follow terms of Club MOU & Addendum
- Appoint club member/committee to manage club qualification which includes Foundation Goals entered into Rotary Club Central
- Fully implement stewardship practices to prevent misuse of funds



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## To Learn More About Global Grants...

- Learning Center
  - 2 hours 45 minutes
- These courses look at a grant from start to finish. It's best to take these courses ***before*** you start thinking about the type of global grant activity you want to do.
- <https://learn.rotary.org/members/learn/lp/101/Grant%2520Management%2520Seminar>



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## Comparisons

	District grants	Global grants
What they support	Mission of The Rotary Foundation	7 areas of focus
Impact length	Short-term	Long-term
Minimum budget	None	US\$30,000
Scholarship types available	None in D7040	Graduate-level, international First Master's degree (D7040)
Who administers them	District	The Rotary Foundation
Where funding comes from	District Designated Fund	Annual Fund, donations to specific grants, endowment earnings, term gifts



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## Foundation Committee Structure – 2021-2022

(Operates in conjunction with the DG and DGE)

- Chair PDGBonnie Black
- Stewardship Committee Barbara Fisk, Gerhard Peters & Doug Rowlands
- Grants PDG Bette Miller
- Scholarships Angela Wellman
- Polio Eradication Barbara Fisk
- Annual Fund Committee Theresa Whitmore
  - Paul Harris Society John Gale
- Endowment Fund PDGSue Bellor



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## TRF Club Memorandum of Understanding



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### Terms of Qualification

- Qualification is valid for **one** Rotary year
- **Entire club is responsible**
- Disclose potential conflicts of interest
- Accept TRF Terms and Conditions
- Cooperate with all audits
- Proper use of grant funds
- Grant Reporting - timely
- Potential Disqualification



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## District Addendum

- Club Leadership Responsibilities
- Financial Management
- Use of Grant Funds
  - General
  - Permitted Uses
  - Prohibited Uses



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## Club Qualification Checklist

- What MOU requirements does your club already implement?
- What requirements does your club need to implement?
- ***Is the original signed hard copy of the MOU & Addendum filed with the DRFC?***
- What type of club members would be good choices to help implement the club MOU?



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## Maintaining Qualification

- Follow the terms of the club MOU
- Fully implement stewardship and grant management practices to prevent misuse of funds
- Appoint a club member/committee to manage club qualification
- Comply with Grant Reporting requirements
- All **positions** must qualify annually\*\*



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## Financials



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## Why Have Records?

- Subject to audit & laws
- Backup to all of the work!
- Protection of Rotarians and Club
- Public confidence – in Rotary
- You are comfortable with the data
- Satisfy Club, District and TRF



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## Records

- Manual
- Electronic
  - Excel
  - Prepared accounting system (*i.e. Quickbooks or Simply Accounting*)
- Get advice from accountant or similar project leader
- Retain for 7 years



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## Backups

- Print out monthly records
- Electronic backups on flashdrive (check it!)
- Stored in more than one place (one could be the Cloud)
- Duplicate stored in safety deposit or other secure site in addition to club office (could be the Cloud)



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## MOU Financial Management

Parts 3 & 4 of Club MOU

- *Financial Management – Part 3*
- *Document Retention – Part 4*



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## MOU Financial Management

### *Financial Management – Part 3*

- Separate bank account with 2 signatories
- Non-interest-bearing
- A financial management plan to include the following:
  - Maintain a standard set of accounts: complete record of all receipts and disbursements, and all expenditures equal to or over US\$75 or more (or those of any amount required by applicable law).



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## MOU Financial Management

- Disburse grant funds, as appropriate, directly to Rotarians, vendors, and beneficiaries as approved in the grant application.
- District Grants and Global Grant funds not immediately disbursed must be kept in the established project account without diversion, except for direct payment for grant activities or to return funds to the District or TRF
- Maintain separate statements of income and expenses, noting interest earned and recoveries.



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## MOU Financial Management

- Maintain a general ledger that separates funds according to each project.
- Establish an inventory system for the control of assets and equipment purchased with grant funds, and maintain records for items that are purchased, produced, or distributed through grant activities.
- Perform **monthly** bank reconciliations  
(District Audit Committee can request at any time)



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## MOU Financial Management

- Maintain a plan for transferring the custody of the bank accounts in the event of a change in leadership.
- Ensure all grant activities, including the conversion of funds, are in accordance with local law.



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## MOU Financial Management

- **Rotary exchange rates**

- Rotary International exchange rates are based on the prevailing market rate as of the first of each month on *rotary.org*



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## MOU Financial Management

### ***Document Retention – Part 4***

- A. The club must create a document maintenance system or club archives to maintain original documents for a minimum of seven years or longer, if required by applicable law, including, but not limited to:
- 1. Documents relating to qualification.
  - 2. All records and documentation of policies and procedures required by the club MOU.
  - 3. Documentation related to grants, including original documents for all grants, copies of proposals and applications, copies of grant agreements, copies of reports submitted to TRF and the district, receipts and invoices for all purchases made with grant funds, written or electronic correspondence
- B. Documents must be stored in a known location that is accessible to club Rotarians and must be provided to TRF or the district upon request or in the case of an audit.



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## Project Oversight

- Should be conducted by **committee** of responsible Club members with regular reports to entire Club membership
- Project plans should include a series of “checks and balances” to ensure transparency
- Reporting for each Grant year is posted on the District website



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## Project Oversight

Planning and executing a global grant project is a large undertaking and takes time to do well, so we want to give grant applicants plenty of time for each stage. TRF also aims to keep inactive grants and abandoned projects from cluttering the system and using staff time, to keep the Grant Center and the grants process working efficiently for everyone. For those reasons:

- If a grant application isn't submitted within 12 months after it's started, it will be canceled.
- If a grant application isn't completed and approved within 6 months after it is submitted, it will be canceled.
- If a grant's payment requirements aren't met within 6 months after the grant is approved, it will be canceled.
- If a grant project isn't implemented within 12 months after payment is issued, the grant will be canceled, and the sponsors will be required to return all of the funds.



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## Stewardship

### **The District Rotary Foundation**

**Stewardship Committee** is responsible for annually assessing the district's financial management plan and its implementation in accordance with section IV of the District Memorandum of Understanding (MOU).

#### **Committee members:**

- play a key role in financial oversight
- meet with the District Rotary Foundation Committee Chair and the District Grants Subcommittee Chair to decide on an action plan for the District's annual assessment and random club assessments.



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## Auditing

### **This plan should include:**

- Examination of a sample of disbursements and reconciliation to supporting documentation
- Review of expenditures
- Identification of financial management procedures
- Review of bank reconciliations
- Development of a report on the findings of the assessment
- Additional financial reviews as deemed necessary by the Audit



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## Questions?

- Contact:
  - DRFC Chair, PDG Bonnie Black  
[bonnie.black@rotary7040.com](mailto:bonnie.black@rotary7040.com)
  - Grants Chair, Bette Miller  
[bette.miller@rotary7040.com](mailto:bette.miller@rotary7040.com)

