

PROPOSED TEMPORARY POLICY CHANGE ADOPTED BY THE DISTRICT
BYLAWS AND POLICIES COMMITTEE

WHEREAS, the District Bylaws and Policies Committee has authority under Policy (I)(B)(2)(b) as follows:

Formulation of Temporary Policies

The Committee, subject to approval of the District Governor, in coordination with other committees or District officers, and consistent with the Bylaws, may draft and approve new policies for District activities or amend existing policies on a temporary basis between District Councils on Legislation at which a quorum exists. To become permanent such policy or amended policy must be submitted to the next Council for adoption by a simple majority of delegates voting in person or by electronic vote; and

WHEREAS, certain changes have been proposed by the District Treasurer which will bring the policies in conformity with actual practice, establish better communication between the Finance Committee and other committees, improve creation and reporting of annual budgets, and improve tracking of District Funds to insure proper recording and record-keeping.

THEREFORE, the District Bylaws and Policies Committee, with the consent and approval of the District Governor, reflected below, hereby adopts the following change (shown in bold):

Section I—ADMINISTRATIVE

A. DUTIES OF DISTRICT OFFICERS

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2. District Treasurer

The District Treasurer shall:

- a. Promptly pay all District expenses upon receipt of proper documentation supporting such payment.
- b. Properly account for all District funds.
- c. Collect dues from Rotary clubs, twice per year, July 1, and January 1, in alignment with the assessment of the Rotary International dues. Invoices will be issued by **August 15 and February 15, respectively**, and shall be payable on receipt.

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B. DUTIES AND PROCEDURES FOR DISTRICT STANDING COMMITTEES

1. District Finance Committee

a. General Duties

The Committee shall supervise the financial operations of the District including budget preparation and oversight of the District Fund. It is charged with reviewing the proposed budget, spending, and expansion plans, as prepared by the Governor-Elect, to ensure appropriate scope of program funding and balanced financial objectives for all district events, committees, and programs. The approval of the Finance Committee precedes the general acceptance of an annual budget and spending program by vote. It shall also develop financial operational policies in coordination with the Bylaws and Policies Committee. **The Finance Chair will assign members of the Committee to liaise with RYLA, Interact, the Education & Leadership Development Committee, Youth Exchange and those responsible for the District Conference in the preparation of annual budgets and reporting to the District.**

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C. DISTRICT MEETINGS

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4. District Council on Legislation (DCOL)

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d. Agenda

No fewer than 30 days prior to the District Council on Legislation, the District Governor shall forward to each District Club President and to each Past District Governor a tentative agenda of matters to be considered at the forthcoming Council including without limitation:

- i. All resolutions proposing amendments to the Bylaws.
- ii. Approval of proposed new or amended policies.
- iii. Election of members of the District Nominating Committee, District Finance Committee, District Bylaws and Policies Committee, District Strategic Planning Committee, District Education and Leadership

Development Committee and District 5495 Directors for the Vocational Fund of Arizona.

- iv. Election of District representative and alternate to the Rotary Council on Legislation.
- v. Committee for RI Director in those years in which such Director is elected.
- vi. Report by Strategic Planning Committee and approval of recommendations of the District Strategic Plan.
- vii. Approval of the budget recommended by the Finance Committee in those years the District opts to consider approval of such budget at the District Council on Legislation; and
- viii. Any other resolution proposed by a District club, a District committee, or the District Governor.
- ix. **Approve the prior year's compiled financial statements, as recommended by Finance Committee (in fulfillment of RI Bylaw 15.060)**

D. DISTRICT FINANCES

1. The District 5495 Fund

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2. District Subsidiary Bank Accounts

District 5495 subsidiary bank accounts include all accounts supporting various elements of District 5495 that use any form of "District 5495" in the name of the account and/or the District 5495 Taxpayer Identification Number (TIN). The following rules apply to all such subsidiary accounts.

- i. No subsidiary deposit accounts shall be opened without advance authorization of the Finance Committee before being established.
- ii. All new subsidiary accounts shall use the District 5495 Taxpayer Identification number (TIN).

- iii. Accounts names shall include "Rotary District 5495" in full or abbreviated form.
- iv. The finance committee shall be informed of authorized signers on all subsidiary bank accounts. The District Treasurer shall have signing authority on all subsidiary accounts except those subsidiary accounts operating under guidelines of The Rotary Foundation.
- v. The District Treasurer shall have electronic banking viewing access on all subsidiary accounts including those operating under guidelines of The Rotary Foundation.
- vi. The mailing address for all accounts shall be the current District Post Office Box. **All district committees and entities (RYLA, Interact, e.g.) shall use only the District Post Office box address. No additional post office boxes are authorized for any district use.**
- vii. The District Treasurer shall regularly sync accounting software with bank records and post transactions utilizing classification accounting to keep subsidiary account activity separate and distinct from other district accounting activity.
- viii. Authorized signers on subsidiary accounts shall utilize electronic banking systems to view and/or print information required for their purposes.
- ix. ~~Quarterly~~ **Monthly** financial statements will be provided by the District Treasurer to the authorized ~~signers corresponding of~~ subsidiary accounts utilizing classification accounting so each subsidiary can review and compare their records to district accounting of their activity.
- x. Subsidiary account representatives shall be invited to participate with voice but no vote at District Finance Committee meetings
- xi. **Any district committee or other entity that uses the District Merchant account in conducting any activity, or otherwise collects funds that are deposited into any District bank account, must inform the District Governor and the District Treasurer in advance to ensure proper reporting and recording of collected funds.**
- xii. **Any individual receiving possession of District Funds shall deposit them into the corresponding District Bank account within five (5) business days.**

Approved:

District Bylaws and Policies Committee

By: _____



Curtis A. Ward, Committee Chair



District Governor Kevin Pitts