

DISTRICT 5150

2021 - 2022

DISTRICT 5150 GRANT POLICIES

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CLUB QUALIFICATION FOR ROTARY GRANTS

Frequently Asked Questions

Every year we serve communities around the world through thoughtfully planned out sustainable projects. Grant funds help us to support these projects, and are regulated through club qualification. Get the answers to your most frequently asked questions about club qualification below.

Q: Why must our club be qualified to apply for Rotary Foundation grants?

A: Qualification is the process by your club ensures that it has the necessary financial and stewardship controls in place to manage grant funds. Any club that wishes to be the primary sponsor of a global grant must be qualified. Districts may also require that their clubs be qualified in order to receive district grant funds.

Q: How does our club become qualified?

A: In order to be qualified, a club must sign the club memorandum of understanding (MOU) and send at least one member to a grant management seminar organized by the district. Clubs must complete these steps each year to maintain qualified status.

Download the *Club Memorandum of Understanding*, the *Grant Management Leader's Guide*, the *Grant Management Manual*, and related documents at www.rotary.org/grants.

Q: Who signs the club MOU?

A: The club MOU for each Rotary year is signed by your club's president and president-elect for that Rotary year. For example, the club MOU for 2013-14 should be signed by the 2013-14 club president and 2014-15 club president.

Q: When should the grant management seminar take place?

A: The Foundation recommends that the training be held in conjunction with the presidents-elect training seminar (PETS), the district assembly, or the district conference. However, the district may choose another time and location. Districts should be qualified before holding the seminar for clubs, to ensure that they fully understand the qualification requirements. It is also recommended that districts offer multiple training sessions, for example, one seminar at PETS, another at the district assembly, and subsequent makeup training sessions throughout the year.

Q: Can the grant management seminar be conducted via webinar or other virtual medium?

A: While the Grant Management Seminar has traditionally required in-person attendance, trainers now have the option of holding this seminar as a series of webinars. Webinar instructions may be found in the *Grant Management Seminar Leader's Guide*, found at www.rotary.org/grants.

For more information on how to organize and conduct a webinar, visit the Learning Center on www.rotary.org/myrotary, and take the course on *How to Run a Webinar: For Organizers*.

Q: Can my club attend training in another district?

A: With district permission, clubs may attend training in another district or at a multidistrict event.

- Such exceptions are granted at the district's discretion.
- Districts that allow their clubs to attend another district's training or a multidistrict seminar should ensure that their clubs receive training on qualification requirements specific to their district.
- The club's district is ultimately responsible for ensuring the club receives appropriate training, regardless of where it takes place.

Q: Who attends the grant management seminar?

A: One member from each club seeking qualification must attend training. It is recommended that the club president-elect, another officer, or a member involved in managing club grants represent the club at the training.

- The district determines how many additional members it will invite.
- The district should encourage all club members interested in Rotary grants to attend training, if possible.

Q: Can my district add requirements to club qualification?

A: Districts may add their own requirements for club qualification to the [Rotary requirements](#). Your district requirements should be detailed in an addendum to the club MOU.

Q: What extra requirements can my district have?

A: Your District should take into consideration relevant local laws or district-specific circumstances (for example, extra stewardship standards) when developing additional qualification requirements.

- Club qualification should be attainable for all clubs that want to participate in Rotary global grants, so your district should be careful not to overregulate.
- The requirements should be the same for all clubs in the district.

- Qualification requirements should not be designed to exclude clubs. Your district's qualified status could be jeopardized if it adds requirements that purposely prevent clubs from becoming qualified.

Q: How should my district handle requests for district grant funds from nonqualified clubs?

A: Your Districts can decide whether to grant district funds to nonqualified clubs. The district is responsible for the use of any grant funds distributed to nonqualified clubs. Nonqualified clubs that fail to abide by all applicable Foundation policies, including the terms and conditions for district grants, may jeopardize the district's qualification status.

Q: Who is responsible for club qualification?

A: Your district's governor, governor-elect, Rotary Foundation committee chair, and stewardship subcommittee oversee the qualification of clubs. Your district Rotary Foundation committee chair confirms clubs' qualified status and responds to related inquiries from the Foundation.

Your district must keep the signed club MOUs and the list of training attendees in its archives. These items need not be submitted to the Foundation.

A Guide to Implementing Qualification Requirements

MOU Section	Explanation
<p>Club Qualification</p> <p>To participate in Rotary grants, your club must agree to implement the financial and stewardship requirements in this memorandum of understanding (MOU) provided by The Rotary Foundation (TRF) and to send at least one club member to the district's grant management seminar each year. The district may also establish additional requirements for club qualification and/or require its clubs to be qualified in order to participate in Rotary Foundation district grants. By completing these requirements, the club becomes qualified and eligible to participate in the TRF grant program.</p> <p>A. Upon successful completion of the qualification requirements, the club will be qualified for one Rotary year.</p> <p>B. To maintain qualified status, your club must comply with this MOU, any additional district requirements, and all applicable TRF policies.</p> <p>C. Your club is responsible for the use of funds for club-sponsored grants, regardless of who controls the funds.</p> <p>D. Qualification may be suspended or revoked for misuse or mismanagement of grant funds involving, but not limited to: fraud; forgery; membership falsification; gross negligence; endangerment of health, welfare, or safety of beneficiaries; ineligible contributions; use of funds for personal gain; undisclosed conflicts of interest; monopolization of grant funds by individuals; report falsification; overpricing; acceptance of payments from beneficiaries; illegal activities; use of grant funds for ineligible purposes.</p> <p>E. Your club must cooperate with any financial, grant, or operational audits.</p>	<p>Qualification is the process that your club establishes to ensure compliance with Foundation policies, avoid misuse and mismanagement of grant funds, and ensure that their members have the appropriate training and resources. These measures establish proper stewardship controls and enable clubs to maintain qualified status. Clubs that fail to comply risk losing the ability to participate in the Foundation grants program.</p> <p>How will your club ensure that it complies with the MOU requirements?</p> <p>How will you communicate the responsibilities for managing global grants to all members of the club?</p>
	<p>Notes</p>

MOU Section	Explanation
Club Officer Responsibilities Your club officers hold primary responsibility for club qualification and the proper implementation of Rotary grants. Club officer responsibilities include: A. Appointing at least one club member to implement, manage, and maintain club qualification. B. Ensuring that all TRF grants adhere to stewardship measures and proper grant management practices. C. Ensuring that all individuals involved in a grant conduct their activities in a way that avoids any actual or perceived conflict of interest.	<p>Club officer responsibilities include implementing policies and procedures for qualification and grant management within the club. The officers must appoint at least one club member to manage the implementation of the club MOU.</p> <p>Club officers are also responsible for limiting and disclosing any potential conflicts of interest. An undisclosed conflict of interest impedes transparency, leaving the Foundation and Rotarians vulnerable to potential misuse.</p>
	<p>Who in the club will manage qualification?</p> <p>What is your club's succession plan to ensure that if the designated person leaves, someone else can take over the job immediately?</p> <p>Who in the club will ensure that there are no conflicts of interest when a project is planned?</p>
	<p>Notes</p>
Financial Management Plan The club must have a written financial management plan to provide consistent administration of grant funds. The financial management plan must include procedures to: A. Maintain a standard set of accounts, which includes a complete record of all receipts and disbursements of grant funds. B. Disburse grant funds, as appropriate. C. Maintain segregation of duties for handling funds. D. Establish an inventory system for equipment and other assets purchased with grant funds, and	<p>Developing and implementing a financial management plan is essential to proper oversight, good stewardship, and consistent administration of grant funds.</p> <p>The financial management plan should include detailed, club-specific procedures that are reviewed regularly.</p>
	<p>Who will prepare and oversee the financial management plan?</p>

MOU Section	Explanation
	Notes
Report on Use of Grant Funds Your club must adhere to all TRF reporting requirements. Grant reporting is a key aspect of grant management and stewardship, as it informs TRF of the grant's progress and how funds are spent.	Your club must fulfill all Foundation reporting requirements for global grants. Clubs must submit progress reports every 12 months from the time a grant is paid until the final report is accepted and final reports within two months of completing the grant project. In addition, clubs must meet their district's requirements for reporting on district grant funds. Failure to report on grants can result in a club being unable to participate in the Rotary grants.
	Who will be responsible for reporting grant activity to the full club, the district, and the Foundation? How will this report be incorporated into the treasurer's monthly report to the board?
	Notes
Document Retention Your club must establish and maintain appropriate recordkeeping systems to preserve important documents related to qualification and Rotary grants. Retaining these documents supports transparency in grant management and assists in the preparation for audits or financial assessments. A. Documents that must be maintained include, but are not limited to: <ol style="list-style-type: none"> 1. Bank information, including copies of past statements. 2. Club qualification documents including a copy of the signed club MOU. 3. Documented plans and procedures, including: 	Your club must establish a document retention system for documents related to qualification and Rotary grants. The system can be a combination of electronic and physical files that best fit the needs of the club. Documents that must be retained include bank statements, receipts, club qualification materials, and procedures relating to the MOU. Maintaining documents helps clubs comply with local laws, ensure transparency, and better prepare for grant reporting, audits, and financial assessments. By maintaining these documents, the club will be able to quickly respond to requests by the Foundation, the district or Rotarians.

MOU Section	Explanation
<p>a. Financial management plan.</p> <p>b. Procedure for storing documents and archives.</p> <p>c. Succession plan for bank account signatories and retention of information and documentation</p> <p>4. Information related to grants, including receipts and invoices for all purchases</p> <p>B. Club records must be accessible and available to Rotarians in the club and at the request of the district.</p> <p>C. Documents must be maintained for a minimum of five years, or longer if required by local law.</p>	<p>Where will your club store its documents related to qualification and grant activity?</p> <p>Will you use your club's current archive system or develop a new one?</p> <p>Who will oversee this process?</p> <p>How will you ensure that your club keeps [or makes or maintains, something to that effect] an inventory of grant assets?</p> <p>According to local laws, how long must you retain documents?</p> <p>Notes</p>
<p>Reporting Misuse of Grant Funds</p> <p>The club must report any potential and real misuse or mismanagement of grant funds to the district. This reporting fosters an environment in the club that does not tolerate the misuse of grant funds.</p>	<p>Because a great deal of effort, time, and dedication goes into fundraising and contributions, all Rotarians are responsible for ensuring that Foundation funds are used correctly. Immediately reporting problems and irregularities increases the likelihood of a timely resolution (which allows the community to still benefit from the project) and decreases the likelihood of the club being required to return funds. Your club is required report misuse or mismanagement of grant funds to its district.</p> <p>How do you ensure that all our your club members understand their responsibility for reporting suspected misuse or mismanagement of funds?</p>

MOU Section	Explanation
	<p>Where has your district designated that reports should go to?</p>
	<p>Notes</p>
Authorization and Agreement	<p>The club MOU is a legal document between the club and the district. By signing this agreement, the club president and president-elect are authorizing it for one Rotary year; the club enters into a legal agreement with The Rotary Foundation to abide by all TRF and RI policies.</p>
	<p>How will you ensure that all of your club members understand their responsibility as outlined in this agreement?</p>
	<p>Notes</p>



TERMS AND CONDITIONS FOR ROTARY FOUNDATION DISTRICT GRANTS AND GLOBAL GRANTS

The Rotary Foundation may modify these terms and conditions at any time to reflect policy changes and to add clarity. Some recent changes include:

- Updating information about the global grant match. Effective 1 July, the Foundation is no longer matching cash contributions for global grants. (see section VI)
- Changing the international sponsor contribution requirement from 30 to 15 percent (see section VI)
- Clarifying work restrictions for project beneficiaries (see section III)

You can find additional updates and resources at rotary.org/grants.

I. WHAT WE FUND

The Rotary Foundation funds district grants and global grants. We distribute district grants as lump sums that pay for scholarships, travel, and projects that all align with our mission. That mission is to help Rotarians contribute to world understanding, goodwill, and peace by improving people's health, supporting education, and alleviating poverty. We fund global grants for scholarships, vocational training, and projects that have measurable goals, are sustainable and based on community needs, and are centered on at least one of our six areas of focus.

II. ELIGIBILITY GUIDELINES

All Foundation grant activities need to:

1. Relate to the Foundation's mission
2. Include active participation from Rotarians
3. Exclude The Rotary Foundation or Rotary International from any liability beyond the amount funded by the grant
4. Comply with the laws of both the United States and the area where the grant will be carried out and cause no harm. If you sponsor projects in or plan travel to countries sanctioned by the U.S. Treasury Department's Office of Foreign Assets Control, you may need to supply more information.
5. Be reviewed and approved by the Foundation before being implemented. You can't use grants to reimburse clubs or districts for activities and expenses that are in progress or already completed. We encourage you to plan for activities before a grant is approved, but don't incur any expenses. If you want

to alter a project after a grant is approved, the Foundation also needs to approve those changes before they are carried out.

6. Demonstrate sensitivity to the traditions and culture of the area where a project will be carried out
7. Comply with the Conflict of Interest Policy for Program Participants as outlined in section 30.040. of [The Rotary Foundation Code of Policies](#) and in Section XIII below.
8. Comply with Rotary International's policies for the use of the name "Rotary" and other Rotary logos, emblems, and graphics, as outlined in sections 34.040.6. and 34.040.11. of the [Rotary Code of Policies](#).
9. Include [signs](#) on or near projects that identify the role of the grant sponsors and The Rotary Foundation, as outlined in section 40.010.2. of [The Rotary Foundation Code of Policies](#) and in accordance with Rotary's [Voice and Visual Identity Guidelines](#).
10. Follow Rotary's Privacy Statement for Personal Data outlined in section 26.080. of the [Rotary Code of Policies](#). Don't include the personal data (name, age or date of birth, or other identifying information) of grant beneficiaries or images of them in grant applications and reports unless the Foundation requests it and you have the written consent of the beneficiary (or their parent or legal guardian). Inappropriately including that personal data can cause delays in the grant process while we ensure compliance with [Rotary's Privacy Policy](#).

District grants

In addition to the eligibility criteria listed above, district grants:

1. Support local and international projects, scholarships, vocational training teams, and related travel
2. May fund scholar and vocational training team orientation and grant management seminars
3. May pay for travel to and participation in Rotary project fairs to help clubs and districts find partners
4. Fund projects and activities both in countries where Rotary has clubs and in areas where we do not, and in geographic areas where permitted by law and in accordance with Foundation policies.

Global grants

In addition to the eligibility criteria listed above, global grants:

1. Support activities that align with one or more of Rotary's six [areas of focus](#). These activities include humanitarian projects, international scholarships to fund graduate-level coursework or research for one to four academic years, and/or vocational training teams that address a humanitarian need by providing professional training.
2. Benefit communities in countries and geographical areas where Rotary has clubs
3. Are based on the needs of the community where a project will be carried out. Any club or district that applies for a global grant to support a humanitarian project or a vocational training team needs to conduct a community assessment and design the project with the host community in response to the results. Sponsors must also include the results in the grant application.
4. Are sponsored by at least one Rotary club or district in the country where the grant project will take place (the primary host sponsor) and one or more outside that country (the primary international sponsor). We

may make exceptions for projects in countries where Rotary doesn't have clubs but where Rotary International's Board is actively pursuing extension.

5. Are [sustainable](#). Communities where a project is carried out must be able to address their own needs after the Rotary club or district has completed its work.
6. Are measurable. Sponsors select standard measures from the [Global Grant Monitoring and Evaluation Plan Supplement](#), and may add their own measurements.
7. May be used to build infrastructure, such as toilet blocks and sanitation systems; access roads; dams; bridges; storage units; fences and security systems; water or irrigation systems; and greenhouses. If your project will access groundwater, you need to have done a hydrogeological survey. The cost of that can be included in the grant budget.
8. Support international travel for up to two people as part of a humanitarian project. These people provide training or implement the project if the local Rotary club confirms that those skills aren't readily available locally.

III. RESTRICTIONS

Grants cannot be used to unfairly discriminate against any group, promote a particular political or religious viewpoint, support purely religious functions, support activities that involve abortion or that are undertaken solely for sex determination, fund the purchase of weapons or ammunition, or serve as a new contribution to the Foundation or to another Foundation grant.

Grants also cannot fund:

1. Continuous or excessive support of any one beneficiary, entity, or community
2. The establishment of a foundation, permanent trust, or long-term interest-bearing account. Grant funds can be used to establish a microcredit fund if the sponsors comply with the requirements detailed in section X.
3. The purchase of land or buildings
4. Fundraising activities
5. Expenses related to Rotary events such as district conferences, conventions, institutes, anniversary celebrations, or entertainment activities
6. Public relations initiatives, unless they are essential to carrying out the project
7. Project signs that cost more than \$1,000
8. The operating, administrative, or indirect program expenses of another organization, with the exception of expenses allowed within the project management allocation for global grants
9. Unrestricted cash donations to a beneficiary or cooperating organization
10. Activities for which the cost has already been incurred
11. Transportation of vaccines over national borders without prior approval of appropriate government and regulatory authorities in the originating and recipient countries

12. Travel to National Immunization Days
13. Immunizations that consist solely of the polio vaccine
14. Study at a university that hosts a Rotary Peace Center in the same or similar academic program as Rotary Peace Fellows

Projects that require a person to work without pay. Projects should instead strive to reinforce labor rights and fair wage practices. If beneficiaries are required to provide sweat equity their explicit consent is required.

Projects that requires work from someone below the country's legal working age, or under age 16 if the law doesn't specify.

Global grants

In addition to the restrictions listed above, global grants cannot fund:

1. [Rotary Youth Exchange](#), [RYLA](#), [Rotary Friendship Exchange](#), [Rotaract](#), or [Interact](#) programs
2. International travel for people under age 18, unless they are accompanied by a parent or guardian
3. New construction of any permanent structure in which people live, work, or spend a significant amount of time, such as hospitals or container and mobile homes, or of structures in which people carry out activities such as manufacturing and processing. If the grant depends on the construction of a building, that construction must be paid for with non-grant funds.
4. Renovations to complete buildings that are partially constructed (including those with only the exterior completed) but that have never been occupied or operational
5. Travel for staff of a cooperating organization involved in a humanitarian project
6. Activities primarily carried out by an organization other than Rotary
7. Humanitarian projects that are primarily research-oriented or focused on data collection
8. Humanitarian projects that consist solely of individual travel expenses
9. Undergraduate studies, such as for a bachelor's degree
10. Multiple unrelated projects under one grant

IV. HOW TO APPLY

Apply for grants online in the [Grant Center](#).

To receive a grant from The Rotary Foundation, all the primary sponsor districts involved need to be [qualified](#) by the Foundation. For global grants, all the primary sponsor clubs involved need to be qualified by their district. Districts, clubs, and all grant committee members also need to be in good standing with Rotary International and The Rotary Foundation, and the name of the project receiving the grant needs to be in compliance with the Rotary International policies for use of the Rotary logos, emblems, and graphics (see section II). People who may not serve on a grant committee include Rotary International fiscal agents, national treasurers, and board members and paid staff of a cooperating or beneficiary organization associated with the grant. As a primary sponsor, each district and each club is limited to 10 open grants at a time.

District grants

Your district needs to establish a grant committee of three Rotarians: the district governor of the implementation year, the district Rotary Foundation committee chair, and the district grants subcommittee chair. These committee members are responsible for authorizing and submitting the district grant application.

Districts may submit one application per Rotary year, and it needs to include a spending plan. Any requests for an increase in the grant amount need to be made before the Foundation has paid any portion of the grant. All district grant applications must be received by 15 May of the Rotary year for which the funds are requested.

In a district grant application:

1. Your district may allocate up to 20 percent of its district grant funds for contingencies that may arise during the year, but all projects and activities you add to the grant after it has been approved need to then be approved by the Foundation before you can spend the money. Note this contingency fund on the spending plan and itemize contingency items when you submit your final report.
2. You may allocate up to 3 percent of the grant award for grant-related administrative expenses, such as bank fees, postage, software, and an independent financial assessment.

Global grants

Primary host and international sponsors need to each establish a grant committee of three Rotarians for a global grant. Members of this grant committee need to come from the primary sponsor club (if the grant is club-sponsored) or district (if the grant is district-sponsored). For club-sponsored grant applications, district Rotary Foundation committee chairs need to confirm that the primary sponsor clubs are qualified. Applications are accepted on a rolling basis throughout the Rotary year and approved throughout the year, based on the availability of funds.

In a global grant application:

1. Sponsors may include a budget line item for contingencies representing no more than 10 percent of the total budget, in order to offer protection from price increases or currency fluctuations. Sponsors need to report on the use of these funds or return them to the Foundation if they aren't used.
2. Sponsors may allocate up to 10 percent of the project budget for project management costs, which may include a project manager and project-specific overhead and administrative costs for cooperating organizations.
3. Sponsors may include up to 10 percent of the project budget to cover expenses to measure project outcomes.

Scholars and vocational training team members need to submit individual applications to supplement the overall

grant application. Grant sponsors should ensure that scholar and vocational training team applicants understand that the Foundation needs to approve their applications before they incur any expenses or make travel arrangements. Applications involving travel for scholars, vocational training teams and volunteer travelers need to be submitted 90 days before the travel dates.

Note that:

1. If grant applications aren't formally submitted within 12 months of initiation, the application will be canceled.
2. If grant applications aren't completed and approved within six months of submission, the application will be canceled.
3. If payment requirements aren't met within six months of approval, the grant will be canceled.
4. If grants aren't implemented within 12 months of payment, the grant will be canceled, and the sponsors will be required to return the funds.

Additional criteria for scholarships:

1. Applicants need to provide proof of university admission to a graduate-level program or letter of invitation to conduct postgraduate-level research when applying for the grant. Admission that requires a guarantee of financial support is acceptable.
2. Applicants need to study outside their home country.
3. Applications for scholars who will begin studies in August, September, or October need to be submitted by 30 June.
4. The scholar's study period may begin at any semester during the course of their studies, but funding can be for no less than one academic year.

Additional criteria for vocational training teams:

1. Teams need to be composed of at least three members, including a Rotarian team leader and at least two other members. The team members must have at least two years of work experience each in the area of focus. The Rotarian team leader needs to have a general level of Rotary knowledge, international experience, leadership skills, and some expertise within the area of focus. Non-Rotarians may serve as team leaders if the sponsors establish a need for this in the grant application.
2. Rotarians and their family members may participate in a vocational training team as long as the team is providing training, not receiving training.
3. Relatives of a vocational training team member may participate on the same team if they meet eligibility requirements.
4. If more than one team is traveling under a single grant, the teams must share the same two primary sponsors and begin travel within one year of each other.
5. All team members need to be approved by the Foundation before travel. Any changes to the team's composition need to be reported to and approved by the Foundation.

Global grant applications will have these kinds of assessments:

1. Requests for a World Fund amount of \$15,000-\$50,000, known as Level 1 applications, will be reviewed by the general secretary and analyzed by an expert in the area of focus if necessary.
2. Requests for a World Fund amount of \$50,001-\$200,000, or total funding of \$100,001-\$400,000 involving directed gifts or endowment earnings, known as Level 2 applications, will be reviewed by the general secretary, analyzed by an expert in the area of focus, and have an interim site visit from The Rotary Foundation Cadre of Technical Advisers.
3. Requests for a World Fund amount of \$200,001-\$400,000, or total funding of \$400,001 or more involving directed gifts or endowment earnings, known as Level 3 applications, will be reviewed by the general secretary, analyzed by an expert in the area of focus, have an advance site visit from the Cadre, and have an audit and/or an interim site visit by the Cadre. These applications are also reviewed by the Trustees. The Trustees will review global grant applications received by:
 - a. 1 June in September/October
 - b. 1 October in January
 - c. 1 December in April
 - d. 1 March in June

An area of focus expert, working with the Cadre chair, may decide that a grant needs a different level of assessment, and can waive or add requirements. Grants that consist exclusively of a vocational training team or scholarship are exempt from Cadre review requirements.

V. TRAVEL POLICIES

Anyone traveling for a grant should make their own [travel arrangements](#). They can work with [Rotary International Travel Service \(RITS\)](#) or organize travel on their own.

Rotary Foundation grants will cover these budgeted expenses related to international travel:

1. Economy-class ticket(s)
2. Transportation to and from airports and local travel related to implementing the grant
3. The cost of inoculations or immunizations, visas, and entry and exit taxes
4. Normal and reasonable luggage charges
5. Travel insurance

Rotary Foundation grants will not cover:

1. Expenses associated with optional stopovers before or after travel that has been approved
2. Penalties resulting from changes in personal travel arrangements, including optional stopovers
3. Charges for excess baggage and shipping

The club or district sponsoring the grant should maintain emergency contact information and travel itineraries for anyone traveling on grant funds. You should share this information with the Foundation when asked to do so.

Grant recipients are responsible for:

1. Making travel arrangements. Failure to arrange travel promptly may increase the cost of it or lead to the grant being canceled.
2. Any expenses that exceed the approved travel budget, unless approved by the Foundation
3. Meeting all medical requirements for international travel
4. Arranging and funding any personal travel, which may take place for up to four weeks at the end of the grant activities. After that, grant recipients are expected to return home.
5. Abiding by Rotary International travel restrictions for a particular country
6. Obtaining travel insurance

Each health care professional who will provide services as part of the grant activities is expected to have at least \$500,000 in professional liability insurance coverage (known as errors and omissions liability). This refers to coverage for legal liability that could arise from that person's professional acts or omissions that cause harm to others. The participant should obtain and pay for this coverage.

Rotary International works with a global security advisory firm to maintain a [travel ban list](#) of extremely dangerous countries. The Foundation does not fund travel to these countries because of safety concerns. If a country is added to the list while funded travelers are in that country, plans will be made for their immediate evacuation. Should the person not defer travel to or evacuate from a country as instructed, the Foundation will cancel the grant and request the return of any funds already issued. The Foundation cannot fund any grant whose success relies on international travel to a country on the list, even if the cost of travel is not part of the project budget.

Non-Rotarians who receive grant funding for scholarships, participation in vocational training teams, or travel to implement a humanitarian project are expected to:

1. Demonstrate knowledge of Rotary
2. Participate in an orientation session before their departure (either [online](#) or in person)
3. Take part in club and district activities as requested by their sponsors, such as speaking at club or district meetings and participating in service projects
4. Be proficient in the language of the host country

VI. HOW GRANTS ARE FUNDED

District grants

District grants are funded by The Rotary Foundation solely with allocations from the District Designated Fund (DDF). A district may apply for a single grant each Rotary year to support one or more projects using up to 50 percent of its [SHARE allocation](#), which represents 50 percent of its annual giving from the previous three years plus any Endowment-SHARE earnings.

Global grants

Global grants are funded by The Rotary Foundation from the World Fund in a range of \$15,000-\$400,000. The Foundation matches DDF contributions at 100 percent. Global grants have a minimum budget of \$30,000.

Grant sponsors may contribute cash toward a global grant, but it will not be matched by the Foundation. Non-Rotarian contributions may also be added to a grant, as long as they don't come from a cooperating organization or someone who benefits from the grant. Non-Rotarian contributions will not be matched by the Foundation. Both Rotarian and non-Rotarian cash contributions must include an additional contribution of 5% to offset processing and administrative expenses. Funds should never be collected from beneficiaries in exchange for receiving the grant. At least 15 percent of contributions to global grants that fund humanitarian projects need to come from outside the project country. Host sponsors for humanitarian projects are encouraged to contribute toward the financing of the grant.

Grant financing cannot be changed after it is approved. Paul Harris Fellow recognition credit will be given only for sponsor contributions sent to The Rotary Foundation, not for contributions sent directly to the project. Sponsors shouldn't send contributions before a grant is approved. They'll be credited to the grant application, but if the application isn't approved, the contributions will be credited to the Annual Fund and can't be reallocated after that. All global grant contributions are considered irrevocable contributions to The Rotary Foundation and will not be refunded.

Scholars who receive funding from sources other than their Rotary scholarship may use them, but the Foundation will not match other scholarship or personal funds. The Rotary Foundation is required to withhold tax from global grant scholarships awarded for study in the U.S. (except for scholars from Japan, Canada, and Germany, who are funded through associate foundations in those countries) on any expenses beyond tuition, books, necessary equipment, and fees. The amount withheld will be deducted from the scholarship payment.

VII. COOPERATING ORGANIZATIONS

Cooperating organizations are reputable non-Rotary organizations or academic institutions that provide expertise, infrastructure, advocacy, training, education, or other support for the grant. Cooperating organizations need to comply with all reporting and auditing activities required by The Rotary Foundation and provide receipts and proof of purchases as required. Universities hosting scholars are not considered cooperating organizations.

District grants

All funding provided to cooperating organizations needs to be used for specific project expenses. The sponsor district needs to maintain an itemized report of these expenses.

Global grants

With a grant application, sponsors need to provide a [memorandum of understanding \(MOU\)](#) signed by both primary sponsors and the cooperating organization. It should include:

1. Verification from both primary sponsors that the grant is initiated, controlled, and managed by Rotary clubs or districts
2. An endorsement from the primary sponsors affirming that the cooperating organization is reputable, responsible, and acting within all governing laws
3. A grant implementation plan clearly listing the activities of each party
4. An agreement from the cooperating organization to participate in any financial review by the Foundation of activities connected with the grant

VIII. PAYMENTS

District grants

Grant funds will be paid only to the district or district foundation bank account that you listed in your application. District grant funds will not be released until the district grant from the previous Rotary year is closed. District grants are paid out at the Rotary International exchange rate at the time of payment. Funds are not available after the close of the implementation year, meaning that if sponsors don't meet all payment requirements by 31 May of the implementation year, the grant will be canceled.

Global grants

Grant funds won't be released until the grant sponsors have entered their bank account information in the [Grant Center](#), sponsor contributions have been submitted to The Rotary Foundation, and any payment contingencies have been met. Grant funds will be sent to the account listed in the [Grant Center](#). Project funds may not be paid to a vendor, cooperating organization, or beneficiary organization before project expenses have been incurred or services have been delivered. Organizations being reimbursed for project expenses need to give the Rotarian project sponsors copies of the original invoice or receipt before they'll be paid. The people with signing authority on the bank account need to be members of the sponsoring club or district. Grants will be paid out at the Rotary International exchange rate at the time of payment. If a grant project is canceled after the project sponsors receive a payment, all remaining grant funds need to be returned to the Foundation and will be credited to the World Fund.

Grants for which the World Fund award is \$50,001-\$400,000, or total funding is \$100,001 or more involving directed gifts or endowment earnings (Level 2 and 3 applications), will be paid in installments according to a

spending plan. Payments after the first installment will be made after the grant sponsors submit a satisfactory progress report and a Cadre representative conducts an interim site visit.

The following points apply to global grants funded with cash contributions:

1. All grant-related transactions will be recorded using the current published monthly Rotary International exchange rate, and all grant-related transactions will be officially communicated in U.S. dollars.
2. For the part of the grant funded by cash contributions, sponsors will be shielded from currency exchange fluctuations of more than 10 percent of the rate at the time it was approved. The Foundation also will not distribute currency gains to project sponsors of more than 10 percent of the rate at the time it was approved.
3. All cash contributions to global grants sent to the Foundation need to include an extra 5 percent to offset processing and administrative costs. Paul Harris Fellow recognition points will be awarded on the full cash contribution, and charitable tax receipts will reflect that amount. The additional 5 percent is not required for contributions sent directly to a project's bank account. Those contributions don't generate Paul Harris Fellow recognition points, however, and the Foundation won't issue tax receipts for them.
4. All cash contributions submitted to the Foundation above the amount pledged to the grant will be transferred to the World Fund.
5. Contributions received for any grants that are canceled will be moved to the World Fund. Donors will have 90 days to ask the Foundation to transfer the contributions to an approved global grant or any Foundation fund.

IX. REPORTING REQUIREMENTS AND DOCUMENTATION

Grant recipients need to report to the Foundation how grant funds are used. Submit progress and final reports in the [Grant Center](#). All forms need to be entirely complete to be accepted. The Foundation won't accept new grant applications if a grant sponsor has an overdue report for any Foundation grant. (*See exception below.) The Foundation may at any time review grants, conduct an audit, send a monitor, require additional documentation, and suspend any or all payments.

These provisions also apply to grant recipients:

1. Districts need to report the use of grant funds to their member clubs according to the terms of their qualification.
2. Grant sponsors need to keep copies of all receipts and bank statements related to grant-funded spending, according to the terms of their qualification and applicable laws.
3. Grant sponsors who don't adhere to Foundation policies and guidelines in implementing and financing grant projects will need to return all grant funds and may be barred from receiving other grants for up to five years.

District grants

These additional conditions apply to district grants:

1. Final reports that document the disbursement of funds must be submitted to the Foundation within 12 months of when sponsors receive the payment, or within two months of the last grant money being disbursed.
2. All grant projects and activities funded by district grants need to be completed within 24 months of the Foundation or the local district transferring funds to the club or project site.
3. If \$500 or more of grant funds remain after the projects are completed, the Foundation needs to approve their use for additional project-related expenses. You can use remaining grant funds of less than \$500 for activities that meet the district grant eligibility requirements and do not require pre-approval from the Foundation. Remaining grant funds in any amount may not be spent on expenses that are not related to the district grant. If you cannot spend these funds as described, you must return them to The Rotary Foundation, and they will be credited to the district's DDF.

Global grants

These additional conditions apply to global grants:

1. You need to send in a first progress report within 12 months of receiving the first grant payment. After that, progress reports are due within 12 months of the acceptance date of the previous report.
2. Final reports need to be submitted within two months of completing the project.
3. If \$500 or more of grant funds remain after a project is completed, the Foundation needs to approve their use for additional project-related expenses. You can use remaining grant funds of less than \$500 for activities that meet the global grant eligibility requirements and do not require pre-approval from the Foundation. Remaining grant funds in any amount may not be spent on expenses that are not related to the global grant. If you cannot spend these funds as described, you must return them to The Rotary Foundation, and they will be credited to the World Fund.

*Both host and international sponsors are required to complete, authorize, and submit global grant reports. However, international sponsors of humanitarian global grants won't be restricted from receiving new grants if a report is overdue and the international sponsors did not receive the funds.

Acceptable reports contain detailed accounts of the project's implementation. You should include:

1. A description of how the project has advanced the goals of the selected area(s) of focus
2. An account of how the project achieved the specific objectives outlined in the grant application, including the measures you set and what data you collected
3. An explanation of how the project's results will be sustained over time
4. A description of how the host and international partners, as well as any cooperating organizations associated with the grant, participated in the project
5. A detailed account of project spending and complete project account bank statements. The Foundation may also ask that sponsors submit receipts. Scholars and vocational training teams need to provide receipts to their sponsors for expenses of more than \$75.

The Foundation will close the grant once the project implementation is complete and sponsors have shown that sustainability measures are in place to ensure that local community members will keep the project going.

X. MICROCREDIT

The Rotary Foundation is committed to using microcredit programs to facilitate small, self-help enterprises. Clubs and districts that are applying for global grants need to work with registered microfinance institutions that have been operating for at least three years in order to administer loan programs as a way to carry out sustainable development projects. But microcredit programs funded by the Foundation need to incorporate a component, such as training, that extends beyond the management of loan capital. In addition:

1. Clubs and districts that want to use global grant funds to support a microcredit project need to submit a [Global Grant Application Supplement for Microcredit Projects](#) with their grant applications.
2. Microcredit activities need to be supervised and controlled by the sponsoring club or district.
3. Grant funds need to be tracked separately in the accounting system of the microfinance institution.
4. Interest and fees generated by microcredit fund capital from The Rotary Foundation may be used for administrative expenses that directly support the project.
5. Grant sponsors need to submit a [Global Grant Report Supplement for Microcredit Projects](#) with the final grant report.
6. If a microcredit project ends before meeting our reporting requirements, sponsors need to return grant funds to the Foundation.
7. The Rotary Foundation will not fund loan guaranty systems.

XI. SPECIAL CONSIDERATIONS FOR ROTARY FOUNDATION (INDIA)

In addition to all other terms and conditions, grants with full or partial payment to a Rotary club or district in India need to follow the payment and reporting procedures below to comply with Government of India laws and the Foreign Contribution Regulation Act (FCRA). For general information about the FCRA, go to <https://fcraonline.nic.in/home/index.aspx>. A FCRA-registered club or district is responsible for furnishing FC-4 return along with the financial statements to the Ministry of Home Affairs, New Delhi, in a timely manner.

Grant payments

All grant payments will be remitted to bank accounts especially opened to receive INR funds or to a club-controlled FCRA account. Grant funds will not be released to a bank account in India unless all general payment conditions listed below have been met. Either the staff need to determine that enough funds are available from contributions made within India or the sponsors need to provide documentation showing that the bank account is registered under the FCRA. Otherwise, the payment will be placed in a queue and paid on a first-come, first-served basis only when more contributions (within India) are made and enough funds are available. Grant sponsors need to ensure that funds received in a FCRA-registered bank account are not commingled with local funds.

District grants

Payment is contingent upon the approval of a detailed spending plan that includes an itemized budget for each listed project or activity. Grant funds will be paid only to the district bank account, which needs a name that identifies both the district and the project (for example, Rotary District 0000 District Grant 12345). District grant funds will not be released until the previous Rotary year's district grant is closed. Funds are not available after the close of the implementation year. If sponsors don't meet all payment requirements by 31 May of the implementation year, the grant will be canceled.

Global grants

Funds won't be released until all sponsor contributions have been submitted to The Rotary Foundation and any payment contingencies have been met. Grant funds will be paid to the account provided by the grant sponsors.

Grant reporting

Progress reports on grant funds paid out from Rotary Foundation (India) through 31 March are due by 31 May of that same year. Final reports are due two months after the grant's completion. All progress reports need to meet all general reporting requirements as listed in section IX. In addition, the grant sponsors need to:

1. Submit a progress report electronically in the [Grant Center](#)
2. Inform the South Asia office that the progress report has been filed electronically in the [Grant Center](#)
3. Submit an original hard copy of the utilization certificate if grant funds have been used, along with a statement of receipt and payment for the grant amount, certified by an independent chartered accountant (including that person's membership number)
4. Submit an original bank statement or pass book (or a photocopy certified by the bank manager or a chartered accountant)
5. Upload all the bills, invoices, and receipts in the [Grant Center](#)

If the grant funds were not used for any reason, include an original bank statement or bank passbook (or a photocopy certified by the bank manager or a chartered accountant) indicating the date on which the grant amount was credited and a statement explaining why the grant amount has not yet been used, even if the grant amount was received before March.

All final reports need to meet all general reporting requirements as listed in section IX. In addition, the grant sponsors need to:

1. Submit a final report electronically in the [Grant Center](#)
2. Inform the South Asia office that the final report has been filed electronically in the [Grant Center](#)
3. Submit an original hard copy of the utilization certificate if grant funds have been used, along with a statement of receipt and payment for the grant amount, certified by an independent chartered accountant (including that person's membership number)

4. Submit an original bank statement or bank passbook (or a photocopy certified by the bank manager or a chartered accountant)
5. Submit a bank reconciliation statement, if multiple grants were paid to a single INR or FCRA account
6. Upload all the bills, invoices, and receipts in the [Grant Center](#)
7. Upload the undertaking in the [Grant Center](#) that “all originals will be kept for a period of eight years and will be produced as and when required by Rotary Foundation (India)”
8. Return any remaining funds of any amount to the Rotary Foundation (India)
9. Retain beneficiary information, including photographs, newspaper clippings, or letters or appreciation from the beneficiaries or beneficiary organization, since it may be requested by Rotary Foundation (India)

XII. SPECIAL CONSIDERATIONS FOR THE PHILIPPINES

In addition to all the other terms and conditions, grants paid to a Rotary district in the Philippines require more documentation to comply with Philippine law. The Securities and Exchange Commission of the Philippines requires foundations to include supporting documents for all projects for which they have provided funding when they file financial statements. More information can be found in Securities Regulation Code 68, as amended. So that the Foundation can comply, grant sponsors need to get certification from any of these people or organizations in the area where they have jurisdiction:

1. Office of the Mayor, stamped with an office seal
2. Head of the Department of Social Welfare and Development, stamped with an office seal
3. Head of the Department of Health, stamped with an office seal
4. Office of the Barangay Chairman, stamped with an office seal
5. Head or an officer of private institution or actual beneficiaries, notarized

Please send five original certificates on each project to:

Phil. Consulting Center, Inc.

c/o Erika Mae Bautista

2D Penthouse, Salamin Bldg.

197 Salcedo St., Legaspi Village

Makati City 1229

Philippines

You can get sample templates of the certification from the Rotary International South Pacific and Philippines office. Certifications of projects that were paid for from July to May should be received by 30 June of the same fiscal year, while those paid in June should be received by 31 July.

XIII. CONFLICT OF INTEREST POLICY FOR PROGRAM PARTICIPANTS

Ensuring integrity in The Rotary Foundation grants program requires that all people involved in a program grant or award conduct themselves in a way that avoids any conflicts of interest. A conflict of interest occurs when someone is in a position to make or influence a decision about a grant or award that could benefit them, an immediate family member, a business partner, or an entity in which they, an immediate family member, or a business partner has a significant financial interest or in which any of them is a trustee, director, or officer.

All actual or potential conflicts of interest need to be disclosed to the general secretary. If you're not sure if there's a potential conflict, you should disclose it. No Rotarians can serve on a grant committee for any global grant for which they have a conflict of interest. Global grants may not be financed with contributions (directed gifts, Corporate Social Responsibility funds, etc.) from donors who have conflicts of interest regarding the grant.

The general secretary will advise grant applicants on how to interpret and implement this policy. The general secretary and/or the Trustees will determine whether a conflict of interest exists in a particular case. If they conclude that there is or has been a conflict of interest in a grant or award, the general secretary will recommend to the Trustees an appropriate remedy to protect the integrity of the grant process. That remedy may be canceling current funding or suspending future funding involving a particular Rotarian, club, or district.

Award recipient eligibility

Some people are not eligible to be candidates or final award recipients or beneficiaries of any Foundation program. As listed in section 9.3 of the Foundation bylaws, they include:

1. Current Rotarians
2. Employees of clubs, districts, other Rotary entities (as defined in section 1.040. of the Rotary [Code of Policies](#)) and of Rotary International
3. The spouses; children or grandchildren by blood, legal adoption, or marriage without adoption; the spouses of those children or grandchildren, or parents or grandparents by blood of people listed above; and employees of agencies, organizations, or institutions that work with Rotary International or the Foundation

Former Rotarians will be ineligible for three years after the end of their membership. People who were ineligible based on their family relationship with a former Rotarian will also be ineligible for three years after the end of their relative's membership. These people will be eligible, however, to participate in vocational training teams and in individual travel for humanitarian projects (if they are determined to be qualified to do so) funded by district grants and global grants as long as they provide a benefit to others.

Impartiality of selection committees

Rotarians who serve on a club- or district-level selection committee for a Foundation program need to be completely transparent about their personal, family, or business relationship with an applicant and must, before a selection process, notify the committee chair of any actual or perceived conflict of interest (for example, working at the same business or organization, being members of the same Rotary club or a member of the club sponsoring

an application, or having a family relationship with a candidate).

The selection committee chair will decide if and how that committee member should participate in the selection process. If the selection committee chair has an actual or perceived conflict of interest, the club board or the district Rotary Foundation chair will decide if and how that person should participate in the selection process.

Business transactions with vendors

Before the Foundation, a Rotary district, a Rotary club, or a Rotarian conducts business related to a Foundation program award that involves a vendor being paid by a Rotary entity, a fair, open, and thorough request for proposals or bidding process must be conducted to ensure that the best services are secured at a reasonable cost. Possible conflicts of interest may arise when a Rotary entity is considering business in which funds will be paid to a Rotarian, a provider of goods or services owned or managed by a Rotarian, honorary Rotarian, and the people listed above who are ineligible for Foundation awards.

Business relationships that may need further review to confirm that there's no conflict of interest include transactions with a partner nongovernmental organization, provider of goods or services, insurance company, travel agency, shipping agency, study institution, or a language skills testing firm. These kinds of business transactions can be completed with the general secretary's approval if they provide the best product or service at fair market cost, as evidenced by a sales quote or offer obtained through a fair, open, and thorough process.

The general secretary will provide advice on how to interpret and implement this policy. Any Rotarian or Rotary entity with an unresolved conflict of interest involving a program grant or award must report it to the general secretary at least 30 days before the selection process or proposed transaction. The general secretary will decide if a conflict of interest might exist in a particular case. If the general secretary then decides there is or has been a conflict of interest in a grant or award, he or she will determine an appropriate remedy that may include canceling current funding or suspending future funding that involves a particular Rotarian, club, or district.

CLUB QUALIFICATION MEMORANDUM OF UNDERSTANDING

THE ROTARY FOUNDATION

1. Club Qualification
2. Club Officer Responsibilities
3. Financial Management Plan
4. Bank Account Requirements
5. Report on Use of Grant Funds
6. Document Retention
7. Reporting Misuse of Grant Funds

1. Club Qualification

To participate in Rotary Foundation global and packaged grants, the club must agree to implement the financial and stewardship requirements in this memorandum of understanding (MOU) provided by The Rotary Foundation (TRF) and to send at least one club member to the district's grant management seminar each year. The district may also establish additional requirements for club qualification and/or require its clubs to be qualified in order to participate in Rotary Foundation district grants. By completing these requirements, the club becomes qualified and eligible to participate in the TRF grant program.

- A. Upon successful completion of the qualification requirements, the club will be qualified for one Rotary year.
- B. To maintain qualified status, the club must comply with this MOU, any additional district requirements, and all applicable TRF policies.
- C. The club is responsible for the use of funds for club-sponsored grants, regardless of who controls the funds.
- D. Qualification may be suspended or revoked for misuse or mismanagement of grant funds involving, but not limited to: fraud; forgery; membership falsification; gross negligence; endangerment of health, welfare, or safety of beneficiaries; ineligible contributions; use of funds for personal gain; undisclosed conflicts of interest; monopolization of grant funds by individuals; report falsification; overpricing; acceptance of payments from beneficiaries; illegal activities; use of grant funds for ineligible purposes.
- E. The club must cooperate with any financial, grant, or operational audits.

2. Club Officer Responsibilities

The club officers hold primary responsibility for club qualification and the proper implementation of TRF grants.

Club officer responsibilities include:

- A. Appointing at least one club member to implement, manage, and maintain club qualification
- B. Ensuring that all TRF grants adhere to stewardship measures and proper grant management practices
- C. Ensuring that all individuals involved in a grant conduct their activities in a way that avoids any actual or perceived conflict of interest

3. Financial Management Plan

The club must have a written financial management plan to provide consistent administration of grant funds.

The financial management plan must include procedures to

- A. Maintain a standard set of accounts, which includes a complete record of all receipts and disbursements of grant funds
- B. Disburse grant funds, as appropriate
- C. Maintain segregation of duties for handling funds
- D. Establish an inventory system for equipment and other assets purchased with grant funds, and maintain records for items that are purchased, produced, or distributed through grant activities
- E. Ensure that all grant activities, including the conversion of funds, comply with local law

4. Bank Account Requirements

In order to receive grant funds, the club must have a dedicated bank account that is used solely for receiving and disbursing TRF grant funds.

- A. The club bank account must
 - 1. Have a minimum of two Rotarian signatories from the club for disbursements
 - 2. Be a low- or noninterest-bearing account
- B. Any interest earned must be documented and used for eligible, approved grant activities, or returned to TRF.
- C. A separate account should be opened for each club-sponsored grant, and the name of the account should clearly identify its use for grant funds.
- D. Grant funds may not be deposited in investment accounts including, but not limited to, mutual funds, certificates of deposit, bonds, and stocks.
- E. Bank statements must be available to support receipt and use of TRF grant funds.
- F. The club must maintain a written plan for transferring custody of the bank accounts in the event of a change in signatories.

5. Report on Use of Grant Funds

The club must adhere to all TRF reporting requirements. Grant reporting is a key aspect of grant management and stewardship, as it informs TRF of the grant's progress and how funds are spent.

6. Document Retention

The club must establish and maintain appropriate recordkeeping systems to preserve important documents related to qualification and TRF grants. Retaining these documents supports transparency in grant management and assists in the preparation for audits or financial assessments.

- A. Documents that must be maintained include, but are not limited to:
 - 1. Bank information, including copies of past statements
 - 2. Club qualification documents including a copy of the signed club MOU
 - 3. Documented plans and procedures, including:
 - a. Financial management plan
 - b. Procedure for storing documents and archives
 - c. Succession plan for bank account signatories and retention of information and documentation
 - 4. Information related to grants, including receipts and invoices for all purchases
- B. Club records must be accessible and available to Rotarians in the club and at the request of the district.
- C. Documents must be maintained for a minimum of five years, or longer if required by local law.

7. Reporting Misuse of Grant Funds

The club must report any potential and real misuse or mismanagement of grant funds to the district. This reporting fosters an environment in the club that does not tolerate the misuse of grant funds.

Authorization and Agreement

This memorandum of understanding 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 MOU.

On behalf of the Rotary Club of _____, the undersigned agree to comply with all of the conditions and requirements of the MOU for Rotary year 2020-2021 and will notify Rotary International District 5150 of any changes or revisions to club policies and procedures related to these requirements.

Club President	
Term	2021-2022
Name	
Signature	
Date	

Club President-elect	
Term	2021-2022 (President 2022-2023)
Name	
Signature	
Date	

This Addendum gives Rotary Clubs in District 5150 additional guidance, conditions and requirements above and beyond The Rotary Foundation--Club Qualification Memorandum of Understanding. Clubs must comply with all provisions of both documents in order to participate in any TRF grant program.

REQUIRED BY DISTRICT

1. In order to receive a distribution of District Designated Funds (“DDF”) from The Rotary Foundation for a District or Global Grant, a Club must be qualified. The District will allocate DDF to non-qualified Clubs for them to allocate to other Clubs or Districts, but the Clubs cannot use the DDF for their own project.

2. To obtain club qualification, the Club President Elect’s and President Elect Nominee’s (if identified) participation in District designated virtual trainings and any required webinars is mandatory covering Rotary Foundation Basics and Grants Management--Memorandum of Understanding (MOU). If the President Elect Nominee has not been identified, at least one of the following must participate in this training: International Chair, Community Service Chair or Rotary Foundation Chair. These trainings must be completed by February 28, 2021.

a. The signatures of the President Elect and President Nominee are required on the TRF MOU and District’s MOU Addendum. In the absence of a President Nominee, then one of the above-mentioned club committee chairs who attended the Grants MOU training may sign the District MOU. Only the President Nominee may sign the TRF form, so if one has not been appointed, temporarily appoint one of the other three persons to that position. These two documents must be turned in to the District by April 1, 2021.

b. The Club President Elect, Club President Nominee (or alternate as set forth above) and the Club Rotary Foundation Chair must have taken and passed the Rotary Foundation Basics Course in RI’s online Learning Center no later than February 28, 2021.

c. The Club President Elect must enter goals into Rotary Club Central for The Rotary Foundation’s Annual Fund no later than April 1, 2021

d. Club certification including all the foregoing and following steps must be completed by April 1, 2021 for the 2021- 2022 Rotary Year. Assistant Governors and the Grants Committee are available to assist.

3. Clubs must be:

- Current on Rotary International and District dues;
- In good standing with RI and the District, including membership reporting and financial obligations; and
- Compliant with its State and Federal tax and other reporting requirements. The District Stewardship Chair will require proof of tax filing compliance before approving the Club as qualified to undertake Grants.

4. All information contained in the Grant Application must be true and accurate. The Club agrees to undertake each project as an activity of the Club. Clubs must be compliant with all requirements and conditions of their District and Global grants. Completing District Grant requirements after the due date will make that Club ineligible to participate in a District Grant and Global Grant the following year.

5. Grant funds will be disbursed as represented in the Application for the District Grant.
6. The Club will maintain a separate bank account for each District Grant over \$2,000 and for each Global Grant regardless of size.
7. The Club will comply with the required Rotarian activities and reporting requirements established from time to time by Rotary International and District 5150. If the project takes more than one year to complete, Interim Reports will be submitted every year, and Final Reports will be provided no later than two months after the completion of the project. District Grants must be completed in 22 months.

ADDITIONAL INFORMATION AND RECOMMENDATIONS BY DISTRICT

8. If a Club desires to support a Vocational Training Team, it can be incorporated into a District Grant or a Global Grant Project. Only Global Grants receive matching funds from TRF.
9. Scholar programs may receive DDF allocations through either a District Grant or a Global Grant. Only Global Grants receive matching funds from TRF for Graduate Scholars.
10. The District recommends that the Club appoint the Club Foundation Chair and Avenues of Service Committee chairs to a 3-year term to facilitate continuity in those positions for their Club.

AUTHORIZATION AND AGREEMENT

*On behalf of the Rotary Club of _____, the undersigned agree to comply with all of the conditions and requirements of this Addendum to the Memorandum of Understanding (MOU) for Rotary year **2020-2021** and will notify Rotary International District **5150** of any changes or revisions to club policies and procedures related to these requirements.*

Incoming Club President

President Term 2021-2022

Name _____

Signature _____

Date _____

Incoming Club President Elect

President Elect Term 2021-2022

President Term 2022-2023

Name _____

Signature _____

Date _____

Send by U.S. mail or Email completed TRF MOU and this Addendum to the Assistant Governor assigned to the Club



ROTARY DISTRICT 5150 TAX AND OTHER GOVERNMENT FILING REQUIREMENTS TO MEET GRANT ELIGIBILITY REQUIREMENTS

ENTITY FORMATION AND OBTAINING TAX-EXEMPT STATUS:

Under California law, Rotary Clubs are either corporations or unincorporated associations. Except as noted below, both have the same tax and other government filing requirements. Clubs formed as corporations must file Articles of Incorporation with the California Secretary of State. They have an ongoing filing requirement with the California Secretary of State to designate their officers and directors, address and agent for service of process. Unincorporated associations do not file with the Secretary of State. Rotary Clubs are non-profit entities and are supposed to have Federal Tax-Exempt status under Internal Revenue Code Section 501(c)(4) and California Revenue and Taxation Code section 23701(f). Clubs are not charitable organizations, so payments to them are not entitled to charitable donation status. Those payments from members and others may be entitled to a business expense deduction, and members should consult with their tax preparer with any questions about that.

After a Rotary Club is formed, it must seek Tax-Exempt status. For Rotary Clubs that have always been in good standing with Rotary International, it provides a Group Tax-Exempt Status that precludes the need for obtaining it separately from the Internal Revenue Service. Otherwise, the Club must request Tax-Exempt Status with the Internal Revenue Service by filing Form 1024 and related documents and paying a fee. Once that Tax-Exempt status is obtained, then the Club must file California form 3500A with the California Franchise Tax Board to obtain recognition of Tax-Exempt status for California.

Many Rotary Clubs have affiliated Foundations which are charitable organizations, which means that people and organizations which contribute to the Foundation are making a charitable donation. These entities are incorporated, file articles of incorporation with the California Secretary of State, and are supposed to be Tax-Exempt under Internal Revenue Code section 501(c)(3) and California Revenue and Taxation Code section 23701(d). They have an ongoing filing requirement with the California Secretary of State to designate their officers and directors, address and agent for service of process.

Club Foundations must seek Tax-Exempt status with the Internal Revenue Service by filing form 1023 and related documents online and paying a fee. Once that Tax-Exempt status is obtained, then the Foundation must file California form 3500A with the California Franchise Tax Board to obtain recognition of Tax-Exempt status for California.

ANNUAL TAX FILING REQUIREMENTS:

Rotary International uses a fiscal year of July 1st through June 30th for all of its activities. Most Rotary Clubs and their Foundations use that same fiscal year because it is most convenient since it conforms to the annual changing of officers and directors. For purposes of this explanation, it is assumed that the Club and Foundation use that fiscal year for a tax reporting year.

1. Each year the Club needs to file Internal Revenue Service Form 990 or some version thereof including post cards for Clubs with limited income and assets. Your Club's Tax preparer will decide the appropriate form to file. These returns are filed online. The returns are due four and one-half months after the end of the fiscal year, which would be November 15th for Clubs with a June 30th fiscal year end.

2. Each year the Club needs to file California Franchise Tax Board Form 199 or some version thereof including post cards for Clubs with limited income and assets. Your Club's Tax preparer will decide the appropriate form to file. These returns are filed online. The returns are due four and one-half months after the end of the fiscal year, which would be November 15th for Clubs with a June 30th fiscal year end.

3. Each year the Foundation (if the Club has one) needs to file Internal Revenue Service Form 990 or some version thereof including post cards for Clubs with limited income and assets. Your Club's Tax preparer will decide the appropriate form to file. These returns are filed online. The returns are due four and one-half months after the end of the fiscal year, which would be November 15th for Clubs with a June 30th fiscal year end.

4. Each year the Foundation (if the Club has one) needs to file California Franchise Tax Board Form 199 or some version thereof including post cards for Clubs with limited income and assets. Your Club's Tax preparer will decide the appropriate form to file. These returns are filed online. The returns are due four and one-half months after the end of the fiscal year, which would be November 15th for Clubs with a June 30th fiscal year end.

ANNUAL GRANT ELIGIBILITY REQUIREMENTS FOR DISTRICT 5150:

To meet the District 5150 Grant Eligibility requirements, the Club needs to provide to the Assistant Governor for their Club the following item before December 31st:

1. Proof of electronic filing the form 990 or appropriate version for the Club with the Internal Revenue Service for the prior fiscal year end June 30th. If the return has not been filed by that date, then proof of electronic filing of an extension of the return's due date must be provided.

2. Proof of electronic filing the form 199 or appropriate version for the Club with the California Franchise Tax Board for the prior fiscal year end June 30th. If the return has not been filed by that date, then proof of electronic filing of an extension of the return's due date must be provided.

QUESTIONS AND ASSISTANCE:

If you have any questions about these requirements or need assistance, please contact the District 5150 Grants Chair: David Hellman by email at davidhellman@earthlink.net.

The following are District 5150's Policies that apply for allocation and use of District Designated Funds (DDF) from The Rotary Foundation (TRF) for Global Grants and District Grants.

CLUB QUALIFICATION AND MOU REQUIREMENTS INCLUDING REQUIRED TRAINING

- By April 1, 2021 the Rotary clubs must be qualified by the District Stewardship Committee to participate in District Grant or Global Grant funding. To be qualified, Club officers (see next bullet point) must take online courses for the Rotary Foundations Basics Course, Grants Management Course and the District Grants Management and Memorandum of Understanding (MOU) courses, and the President-Elect and President-Elect Nominee must sign The Rotary Foundation's Club Memorandum of Understanding (TRF MOU) and the District's MOU Addendum. In addition, the Club must have no past due Rotary International Dues or District 5150 Dues, must be in good standing with Rotary International and the District, and must be compliant with its State and Federal tax and other reporting requirements.
- To qualify for Club qualification, by February 28, 2021 the Club President Elect and President Elect Nominee (if identified) must have taken and passed the Grants Management and MOU Courses in RI's online Learning Center and participate in any required District Webinar. If the President Elect Nominee has not been identified, at least one of the following must take these courses/and attend any required webinar: International Chair, Community Service Chair or Club Rotary Foundation (TRF) Chair. The signatures of the President Elect and President-Elect Nominee are required on the TRF MOU and District's MOU Addendum. In the absence of a President-Elect Nominee, then one of the above-mentioned club committee chairs who took the Grants MOU courses should be assigned as temporary President-Elect Nominee and may sign the MOU.
- To qualify for Club qualification, by February 28, 2021 the Club President Elect, Club President Elect Nominee (or alternate as set forth above) and the Club Rotary Foundation (TRF) Chair must have taken and passed the Rotary Foundation Basics Course in RI's online Learning Center.
- The Club President Elect must enter goals into the RI online Rotary Club Central for The Rotary Foundation's Annual Fund no later than April 1, 2021. (This is a similar process to entering the Club information that is done pre-PETS, and should be done at that same time.)

ALLOCATION OF DISTRICT DESIGNATED FUNDS (DDF) TO ROTARY CLUBS

- Each Rotary Club will receive a "Fair Share" allocation from the District 5150 DDF that the Club uses for District Grants, Global Grants and other purposes noted below. Rotary Clubs will receive notice of their Fair Share allocations in July, 2021.
- Allocations will be based on each Club's pro-rata share of the three prior years' Annual Fund Share contributions, weighted 33-1/3% for each of the 3 prior years, compared to all Clubs in District 5150. The Fair Share available to each Club for Global Grants will be reduced by: (1) the amount allocated to that Club for District Grants; and (2) the Club's DDF allocated to a District Global Scholarship by the Club's President-Elect at a District meeting preceding the Rotary Year in which the President-Elect will be Club President.

- All District 5150 DDF received from TRF Endowment Earnings shall be allocated in the Rotary year following receipt of the earnings for use for District and Global Grants. The DDF shall be allocated on the same basis as DDF allocated from club contributions to the Annual Fund Share with the same requirements and deadlines. However, before allocation to the clubs in this manner, a portion of the DDF will be provided to new clubs to give them \$500 of DDF for their first three years of existence after the Rotary year the club was chartered. If the Club's own DDF allocation exceeds \$500, then no additional DDF shall be allocated to that Club from these funds.

ROTARY CLUBS USE OF DDF FUNDS

- Each Club may choose how much of its DDF allocation it wishes to spend on District Grant projects and/or reserve for Global Grant projects. Note that TRF will match approved Global Grant projects \$1 for \$1 of DDF from the TRF World Fund, but it will not match any DDF funds allocated to District Grants. There is no limit on the amount of the Club's Fair Share that the Club may request to spend on a District Grant project. However, If the total amount of District Grants requested by all Clubs in District 5150 exceeds 50% of District DDF available for the year (the limit imposed by TRF), then the Chair of the Grants Committee will allocate the available DDF between the Clubs applying for DDF for District Grant projects. Each Club will be allocated their request up to 50% of the Club's total DDF. The excess over 50% will be allocated based upon the Club's requested DDF over 50% of the Club's DDF compared to the total of that amount for all Clubs in District 5150 multiplied times the DDF not used to meet the 50% guarantee.
- District Grant projects may be either local Community Service projects or small International Service projects not tied to a Global Grant and in which our District Club is carrying out the project in the foreign country and maintaining control of all funds for the project.
- Qualified Rotary Clubs whose DDF is not used for District Grants and the Global Grant Scholar can be used by that Club to sponsor its own Global Grant project, to support other Rotary Clubs' or District's Global Grant projects or for other acceptable uses of DDF such as Polio, Peace Centers, Disaster Response Fund, or Endowment Fund. Non-Qualified Rotary Clubs can donate their fair share allowance to a qualified Club's or District's Global Grant project, Polio, Peace Centers, Disaster Response Fund or Endowment Fund.
- Club DDF funding must be committed and reserved for a Global Grant project or other acceptable use of DDF such as Polio, Peace Centers, Disaster Response Fund, or Endowment Fund by providing the Grants Committee Chair with a DDF "FAIR SHARE" TRANSFER or USE FORM by March 1st of the Rotary Year.
- If the Club has any overdue Rotary International Dues, District 5150 Dues, District Grant Reports, and/or Global Grant reports, the District will not allow allocation of the Club's DDF to any other Global Grant until the overdue Dues, District Grant Reports, and/or Global Grant Reports have been submitted and accepted. The Club must also be current on filing all tax returns.

APPLICATION PROCESS

- Applications for District Grants must be completed online at the District 5150 website and are due by **June 1st** preceding the Rotary Year. Only Clubs qualified to administer Rotary Foundation funds (having signed a TRF Club Qualification Memorandum of Understanding and District 5150 Addendum and met all the conditions in these policies) may apply to use their DDF funds for a District Grant.
- By April 20th preceding the Rotary Year, the Chair of the Grants Committee will send the Club President Elects an estimate of their Fair Share for the next Rotary Year based on Annual Fund Share giving to March 31st of that year. The actual amount of DDF available for the next Rotary Year will not be available until July of the Rotary Year. In the Club's Application for a District Grant, the amount of DDF requested for the District Grant project should be characterized as either "up to \$___ of DDF available" or "___% of DDF available not to exceed \$___". The DDF that the District applies to TRF to use for District Grants will be based upon the total dollar amount requested by the Clubs. Clubs should be prepared to fund any District Grant project DDF shortfall with cash from their own Club budget.
- Applications and Reports for Global Grants must be completed online at the Rotary.org website. Log in to "My Rotary" and then go to The Rotary Foundation tab. Global Grants may be applied for at any time. When you commence filling in the Application and have submitted information about the Host and International Clubs, you will be assigned a Global Grant Number. That is an important Number for purposes of Allocating DDF from District 5150 Clubs and other Clubs and Districts. Clubs should work with members of the Grants Committee and the District 5150 Technical Resource Network for assistance and to post their projects on the District website

DISTRICT GRANTS

- Proposed District Grant projects must include the active participation of Rotarians to achieve project objectives. They need to relate to the mission of The Rotary Foundation. District grants can support local and small international humanitarian projects, including service travel and disaster recovery efforts. For example, a District Grant could be used to conduct a Community Needs Assessment for a proposed Global Grant project.
- See the District Grant Scholarship Policy to for specific policies and recommendations. Scholarships for any level, length of time, location, or area of study are eligible for District Grants. These Grants can also be used for youth programs including Rotary Youth Exchange, Rotary Youth Leadership Awards (RYLA), Rotaract and Interact. Vocational training teams (VTT) are also eligible.
- District Grant funds CANNOT be used for: Unrestricted cash donations to a beneficiary or cooperating organization, or for operating, administrative or indirect program expenses of another organization. They may not be used as matching funds for any other project; or as reimbursement for previously completed projects (with some exceptions).

- District grant funds also may not be used to purchase land or buildings, or for construction or rehabilitation of buildings except for water and sanitation projects. Such projects would need to have adequate insurance as approved by the District.
- Fundraising activities and expenses related to Rotary events such as conferences, institutes, anniversary celebrations or entertainment activities are also prohibited.
- Up to 3% of grant funds may be allocated to administrative costs, and not more than 10% of the grant budget may be used for contingencies.

ADDITIONAL RESTRICTIONS APPLY. See TRF publication: "Terms and Conditions for Rotary Foundation District Grant and Global Grant Projects"

ACTIVE PARTICIPATION BY ROTARIANS: District Grants require the direct involvement of Rotarians to:

- assess community needs;
- develop a project plan;
- establish a committee of at least two Rotarians to oversee the expenditure of funds and implementation of the project;
- promote the project in local media; and
- submit the required reports timely.

PROJECT IMPLEMENTATION AND STEWARDSHIP

- The District recommends that each Club maintain a separate bank account for its District Grant Project. However, for projects that use less than \$2,000 of DDF, District Grant DDF funds may be kept in a Rotary Club's bank account. For each District Grant Project using \$2,000 or more of DDF, a separate bank account must be used.
- For smaller projects where a Club does not set up a separate bank account, a separate ledger of expenses and income must be maintained for funds in that multi-use account. Bank statements, cancelled checks, bills/invoices/statements for materials used and other evidence of project cost also must be retained with the Project records for a period of five years after the year in which the project is completed. The Club must provide a copy of all these documents to the District Grants Coordinator as a permanent record.

DICTIONARY PROJECTS

- The following shall apply to Clubs that allocate DDF for dictionary projects that utilize dictionaries purchased by the District, where the Clubs reimburses the District for the cost of the books. When the District Treasurer is distributing DDF to the Clubs pursuant to their approved District Grant applications, the Treasurer shall retain the amount of DDF that each Club has approved for Dictionary costs from that District Grant and credit the DDF against the Club's obligation to the District for the books. The Club shall remain responsible for paying to the District any costs for the books that is greater than the amount of DDF reserved by the District for the books.

- In determining whether the Club needs to establish a separate bank account for its District Grant project, the amount of DDF retained by the District shall not count as part of the cash for the project. When the Club accounts for the District Grant dictionary project in its Final Report, it shall include in its accounting the amount of DDF allocated for dictionaries that was retained by the District and applied to the purchase cost of the books.

MULTI-CLUB PROJECTS

- For projects that are sponsored by more than one Club in our District, the following shall apply.
 - A. Each Club participating in the project shall submit a separate District Grant Application for use of DDF for the project. The Application must be submitted to the District Grants Coordinator within the time requirements for all Grants. A Master Application may be created that has blanks for the Clubs to complete the items with numbers:
 - ❖ Club Name
 - ❖ Club Rotarian participation
 - ❖ Project Contacts (for Club)
 - ❖ Budget including DDF, amount of Club Match (if any), and Total contributions to the project by the Club
 - ❖ Funding (Club portion of the total project)
 - ❖ Authorization (Club signatures)
 - B. Each Club shall submit separate required Reports for the project. The Report(s) must be submitted to the District Grants Coordinator within the time requirements for all Reports. A Master Report form may be created that has blanks for the Clubs to complete the items with numbers (if applicable):
 - ❖ Rotary Club name
 - ❖ If the master form does not show the number of participants by Club, then add a line indicating how many of the reporting Club's members participated
 - ❖ Income Amount complete for the Club—DDF used, Club Funding provided, other funding arranged by the Club, and total
 - ❖ The Club's percentage of the expenditures listed based on total project funding
 - ❖ Date/Signature/Club Name

DISTRICT GRANT REPORTING REQUIREMENTS

- District Grant reports must be completed on line at the District 5150 website in no more than 22 months from the beginning of the Rotary Year. A final report for a completed project or an interim report for an uncompleted project must be made by the Club to the District by **May 1st of the Rotary Year**, and if the project is longer than a one-year project, a final report is due **May 1st of the next Rotary Year**.
- Projects must be pre-approved by the District Grants Coordinator to assure compliance with TRF Grant guidelines and District Policy. The project may be the same as a project previously completed by the Club with a District Grant. Clubs that fail to timely submit their reports will not be qualified for a Memorandum of Understanding for District and/or Global Grants for the next Rotary year. These Clubs will also be excluded from participating in the next Rotary Year's District and Global Grants.

PROJECTS NOT COMPLETED

- DDF allocated but not used by a Club for an approved District Grant project may be re-allocated for another District Grant project for that Club. Reuse of funds must be in the same Rotary year and must be approved by the District and TRF. All funds allocated to the Club that are not used must be returned to the District for it to return to TRF. In that case, the DDF returned to TRF will be credited to the Club for it to use or allocate to others for Global Grants, or to be reallocated by the District under the terms of the District's Global Grants policy.

GLOBAL GRANT ASSISTANCE FOR ROTARY CLUBS

- All lead Clubs should notify the Grants Committee Chair at the commencement of the Club's Global Grant Project Application about the nature of the project, if the project needs additional cash and DDF support, and if the Club needs assistance from the Grants Committee in developing their Global Grant Application.
- If projects are acceptable, the Grants Chair will cause the Global Grant projects to be posted on the District Website. The posting will include if the project needs additional cash or DDF funding. That will be the source of District information for all Clubs to see if they want to assist the project.
- If requested, the Grants Committee Chair will assign a technical resource expert to work with the Club to develop the Global Grant project and to complete the Application. The assigned person will periodically inform the Grants Committee Chair and the District International Service Committee Chair about the Global Grant application progress and any need for additional funding from other Clubs and Districts.

DEADLINE FOR USING ROTARY CLUB DDF GRANT FUNDS AND ALLOCATION THEREAFTER

- Uncommitted Fair Share DDF allocations to Clubs will expire on **March 1st**. By January 15th of the Rotary Year, the Grants Committee Chair will communicate with all District Clubs that they have until **March 1st** of the Rotary Year to use or commit any unused DDF allocation to a Global Grant project for that Rotary Year. The commitment can be to their own or another qualified Club's or District's pending (but not funded) Rotary Year Global Grant project, Polio, Peace Centers, Disaster Response Fund or Endowment Fund.
- The unused DDF will be recaptured for reallocation to meritorious projects. The allocation will be made by the "Grant Allocation Group" composed of the District Governor for the Rotary Year that this policy applies, District Rotary Foundation Chair, and the Grants Committee. This group shall be chaired by the Grants Committee Chair for the Rotary Year that this policy applies. If a member of this Committee is also a member of a Club that is applying for a DDF allocation for a Global Grant, that member must abstain from participation in the vote on any allocation for the member's Club being considered by the Committee.
- All Clubs requesting unused DDF from the Grants Committee to supplement a Global Grant after March 1st shall submit a written request to the Grants Committee Chair.

- DDF that is not allocated by Clubs by the March 1st deadline shall be allocated to District 5150 Global Grant projects for which a District 5150 Club is the primary international sponsor. This allocation is to complete funding for projects that are ready to be submitted to TRF but need some additional DDF to complete the financing. If there are not sufficient projects to use all the funds, the Committee shall decide between other Global Grant projects in the District, Polio Plus, Peace Centers, Disaster Response Fund or Endowment Fund or to hold the DDF for future use.

PROJECTS NOT ABLE TO PROCEED

- DDF allocated by a Club to a Global Grant project that does not come to fruition, as indicated by removal from the TRF list of pending Global Grants, shall be re-allocated to the donating Club during the following Rotary year.

Contact: David Hellman, Grants Committee Chair

Email: davidhellman@earthlink.net

OVERVIEW

Clubs can develop and manage a Club scholarship program using District Grants or alternatively using its own funds. This policy covers the use of District Grants for scholarships.

Factors to consider are:

- Who will manage the application process for scholarships funded by district grants.
- What types of scholarships will be offered.
- Determine and communicate the eligibility requirements for the scholarships.
- Define and publicize the application and selection process as early as possible.
- Determine what reporting you will require of scholars.
- Help scholars prepare for their scholarship experiences.
- Determine how the funds will be transferred to the scholar.
- Establish a procedure for obtaining receipts for expenses covered by the scholarship and communicate it clearly to scholars.

MANAGING THE PROCESS

Clubs may want to set up a scholarships subcommittee, perhaps under the Youth Services Committee. Clubs may enlist the services of another organization to help with the process. For example, an organization which helps low-income students prepare for college application and enrollment may be used to provide a pool of applicants for the scholarships based upon the eligibility requirements set by the club. Rotarians must be actively involved in the selection process. Any fees charged by that organization cannot be funded by the District Grant.

DECIDING TYPES OF SCHOLARSHIPS

Clubs may consider many types of scholarships, such as:

- Location of studies (county, District, state, U.S., foreign).
- Level and/or type of studies (secondary, vocational, undergraduate, graduate).
- Length of the study program (one semester, one academic year, full undergraduate or graduate degree program).
- Field of study, research or vocational training.
- Basis for funding (financial need, merit, or a combination of the two).
- Amount of scholarship award (fixed, within a range, open amount based upon the application).

Clubs may set certain responsibilities and expectations that applicants should be made aware of. These might include:

- Make presentations at Club meetings and events, both before and after the study program.
- Submit a written report or keep an online journal to document their achievements and experiences or to give feedback about the scholarship.
- Become involved with Rotary in the community where they will study by attending Rotary Club meetings, speaking to Rotaract clubs or participating in service projects.

SETTING ELIGIBILITY REQUIREMENTS

Clubs determine the eligibility requirements for scholarships funded by a District Grant. Typical requirements may include:

- Minimum academic level and performance.
- Financial need. For example, an income below a certain level.
- Geographic location. This may be either a residency or full-time work or study within an area.
- Strong public speaking and interpersonal skills.
- High ethical standards demonstrated in their personal, academic or professional lives.
- Knowledge of local, regional, national and international current events.

Scholarships funded by District Grants cannot be awarded to anyone in the following categories:

- Rotarians, including honorary Rotarians.
- Employees of Rotary Clubs, Districts or other Rotary entities, or of Rotary International.
- Spouses, lineal descendants (children or grandchildren by blood, legal adoption, or marriage without adoption), spouses of lineal descendants, or ancestors (parents or grandparents by blood) of persons in the above categories.
- Employees of agencies, organizations, or institutions that partner with the Rotary Foundation or Rotary International.
- Former Rotarians and honorary Rotarians who have terminated their membership within the preceding 36 months.
- Persons who were ineligible based on their familial relationship to a former Rotarian or honorary Rotarian, for a period of 36 months after termination of their family's membership.

All eligibility requirements that are set must conform to all antidiscrimination laws in effect in California.

DEFINING THE APPLICATION AND SELECTION PROCESS

The Club decides what documentation applicants must provide and specifies how applicants may submit their application materials. The club should identify and share the contact information for a Rotarian who will answer questions about the scholarship, the deadline, and the application process. The club should establish a selection committee and ensure that members have no actual or perceived conflicts of interest. Notification procedures should be established as part of the process.

SETTING REPORTING REQUIREMENTS

Clubs are required to collect and retain receipts from the scholar for expenses of \$75 or more for a minimum of five years.

ISSUING SCHOLARSHIP FUNDS

The Club may choose to transfer the scholarship funds directly to the scholar or to the organization assisting with the scholarship program which in turn will direct the funds to the scholar.

The Club may issue the scholarship funds in installments, to ensure that any reporting requirements are met or to simply assist the scholar with budgeting. If the scholarship will be paid in installments, clearly communicate when they should expect to receive the disbursements and the amount of each disbursement.

CLOSING GRANTS

The District 5150 Final or Interim District Grant Report is to be submitted as required. If Clubs require any additional reports such as written assessments of their experiences or academic transcripts, it should collect these as soon after the end of the scholarship term as is reasonable. As scholars approach the end of their studies, it is useful to discuss how the Club plans to continue to involve them as Rotary Alumni.

2021 – 2022 CLUB QUALIFICATION REQUIREMENTS FOR DISTRICT AND GLOBAL GRANTS

ROTARY CLUB OF _____

ITEM	DEADLINE	RESPONSIBILITY	COMPLETED
1. Is in good standing with RI and District including membership reporting and financial obligations. Club is in compliance with State, Federal tax filing and other reporting requirements	December 31, 2020	Club provides proof of electronic tax filing or request for extension	
2a. PE and PEN complete the Learning Center Grants Management Course 2b. PE, PEN <u>and</u> Club TRF Chair complete the Learning Center Rotary Foundation Basics Course	February 28, 2021	Learning Center Report	PE - PEN PE - PEN -TRF
3. PE, PEN and Club TRF Chair complete the District 5150 Grants Management Course	February 28, 2021	Learning Center Report	PE - PEN -TRF
4. TRF MOU signed by PE and PEN	April 1, 2021	Chief/AG confirms MOU signatures	PE - PEN
5. District 5150 MOU signed by PE and PEN	April 1, 2021	Chief/AG confirms MOU signatures	PE - PEN
6. Club is current on RI and District Dues and other District charges	April 1, 2021	DG provides information to Stewardship Chair	
7. Club Annual Fund goals are entered in Rotary Club Central	April 1, 2021	DFRC Chair confirms goals and informs Stewardship Chair	
8a. District Grant reports are submitted on time. 8b. Global Grant reports are submitted by due date as established for each Global Grant.	May 1, 2021	8a. District Grant Coordinator confirms report submission to Stewardship chair 8b. Stewardship chair confirms report submission information on Global Grants	

CERTIFIED ACCURATE AND COMPLETE: Rotary Club of _____

2021-2022 President: Name: _____

2022-2023 President: Name: _____

Signature _____

Signature _____

Requirements as stated in the District 5150 Memorandum of Understanding (excerpted):

1. In order to receive a distribution of District Designated Funds (“DDF”) from The Rotary Foundation for a District or Global Grant, a Club must be qualified. The District will allocate DDF to non-qualified Clubs for them to allocate to other Clubs or Districts, but the Clubs cannot use the DDF for their own project.
2. To obtain club qualification, the Club President-Elect must complete two courses from the RI Learning Center: Grants Management; and, Rotary Foundation Basics. In addition, District 5150 Grants Management course must also be completed. At least one additional Club Officer must attend this training: President Nominee (preferable), International Chair, Community Service Chair or Rotary Foundation Chair.
3. The signatures of the President Elect and President Nominee are required on the TRF MOU and District’s MOU Addendum. In the absence of a President Nominee, then one of the above-mentioned club committee chairs who attended the Grants MOU training may sign the MOU.
4. The Club President Elect, Club President Nominee (or alternate as set forth above) and the Club Rotary Foundation Chair must have completed the Rotary Foundation Basics Course in RI’s Learning Center no later than February 28, 2021.
5. The Club President-Elect must enter goals into Rotary Club Central for The Rotary Foundation’s Annual Fund no later than April 1, 2021.
6. Club certification including all the foregoing and following steps must be completed by April 1, 2020. Required grant reports for the 2020-2021 Rotary Year must be completed no later than May 1, 2020.
7. Clubs must be:
 - Current on Rotary International and District dues;
 - In good standing with RI and the District, including membership reporting and financial obligations; and
 - Compliant with its State and Federal tax and other reporting requirements. Proof of tax filing and other reporting compliance is required before approving the Club as qualified to undertake Grants.

February 28, 2021: Grants Management and MOU (Memoranda of Understanding with The Rotary Foundation and with District 5150) Courses and the, Rotary Foundations Course must be completed online, and the attendees must also participate in any required webinar on the Grants Management and MOU topics to be held on January 24 and February 20, 2021. President Elects and President Nominees (or substitute member) must take this training. If they do not, their Clubs will be ineligible to sponsor District or Global Grants during the 2021-22 Rotary year. Other Club members are also welcome to take the training.

March 1, 2021: DDF Global Grant Allocation Forms for the 2020-21 Rotary year must be submitted to David Hellman, Grants Committee Chair, at davidhellman@earthlink.net or the District will make the allocation of unallocated DDF to other Global Grant projects/Polio Plus/Peace Fellows. The Rotary Club DDF "FAIR SHARE" TRANSFER or USE FORM is available on the District 5150 Website to make those allocations. This is relevant to the PEs because the Global Grants projects will be happening during their year as Club President, and there are reporting requirements that the Club President is responsible for.

April 1, 2021: 1. The Rotary Foundation "Club Qualification Memorandum of Understanding" and the "District 5150 Addendum" must be signed by the President Elect and President Nominee (or substitute person if none) and sent to the Assistant Governor assigned to the Club or the Club will not be allowed to do its own District or Global Grants during the 2021-22 Rotary year.

2. The Club President Elect must enter goals into Rotary Club Central for The Rotary Foundation's Annual Fund.

April 20, 2021: David Hellman, Grants Committee Chair, will send Clubs an estimate of the DDF that will be available to them during the 2021-22 Rotary year based on the Club's TRF Annual Fund Share contributions through March 31, 2021.

May 1, 2021: Clubs must submit their Final or Interim Report for 2020-21 District Grants to Cyndy Simms, District Grants Coordinator, at districtgrants5150@gmail.com. If they are not submitted timely, the Club will not be allowed to do its own District or Global Grants during the 2021-22 Rotary year.

June 1, 2021: Clubs desiring to do a District Grant project during the 2020-21 Rotary year must submit their District Grant Application to Cyndy Simms, District Grants Coordinator, at districtgrants5150@gmail.com. The Application must be signed by the President Elect and President Nominee. If the Application is not submitted timely, the Club will not be allowed to do its own District Grant during the 2020-21 Rotary year.

June 30, 2021 (or thereabouts): David Hellman, Grants Committee Chair, will submit the District's 2020-21 Rotary year District Grants Report to The Rotary Foundation. Until this report is submitted and approved the District will not be able to receive funding for District Grants for the 2021-22 Rotary year.

July 15, 2021: David Hellman, Grants Committee Chair, will notify the Clubs of the amount of DDF available to the Club for the 2021-22 Rotary year

July 15, 2021: Cyndy Simms, District Grants Coordinator, will notify the Clubs of the amount of District Grants the District has approved (subject to The Rotary Foundation approval) for the 2021-22 Rotary year. When the TRF approval is received, the Clubs will be notified by Cyndy Simms, District Grants Coordinator, of final approval (approximately August 15, 2021).

July 20, 2021: David Hellman, Grants Committee Chair, will submit the District's Application to The Rotary Foundation for District Grants for the 2021-22 Rotary year.

March 1, 2022: DDF "Fair Share" Transfer or Use Forms for the 2021-22 Rotary year must be submitted to David Hellman, Grants Committee Chair, at davidhellman@earthlink.net or the District will make the allocation of unallocated DDF to other Global Grant projects/Polio Plus/Peace Fellows. The Form is available on the District 5150 Website.

May 1, 2022: Clubs must submit their Final or Interim Report for 2021-22 District Grants to Cyndy Simms (District Grants Coordinator) at districtgrants5150@gmail.com. If they are not submitted timely, the Club will not be allowed to do its own District or Global Grants during the 2022-23 Rotary year.

June 1, 2022: Clubs desiring to do a District Grant project during the 2022-23 Rotary year must submit their District Grant Application online to Cyndy Simms, District Grants Coordinator, at districtgrants5150@gmail.com. The Application must be signed by the President Elect and President Nominee. If the Application is not submitted timely, the Club will not be eligible to do one or more District Grants during the 2022-2023 Rotary year.

2021 – 2022 CLUB QUALIFICATION REQUIREMENTS FOR DISTRICT AND GLOBAL GRANTS

ASSISTANT GOVERNOR RESPONSIBILITIES AND PROCESS

District Governor Elect - Danielle Lallement
► Assists Clubs' understanding of District and Global Grants; promotes Clubs to utilize DDF by applying for District and/or Global Grants; encourages Clubs to increase donations to The Rotary Foundation, especially the Annual Fund; requires Clubs to enter Annual Fund goal in Rotary Club Central. Assists AGs and Chief in providing assistance to Clubs.
District Rotary Foundation Chair - Jayne Hulbert
► Oversees administration of District and Global Grants in District 5150 including Club Qualification; distribution of DDF; Stewardship and reporting. Other responsibilities include oversight of Peace Center Fellowship and Global Scholar programs; Polio Plus; fundraising, etc.
District 5150 Grants Committee
► Sets Grants policies for District 5150; ensures compliance with TRF requirements; determines Club Qualification eligibility status
Grants Committee Sub-Committee Chair - David Hellman
► Administers the District 5150 District and Global Grants program including determination of DDF allocation to Clubs; determines Club Qualification; provides District Grants policies and procedures.
District Grant Coordinator - Cyndy Simms
► Assists Club with the preparation of District Grant Applications; determines eligibility of proposed District Grant Applications; reviews and approves required District Grant Reports.
Stewardship Chair - Bill Gilmore
► Assists Clubs to ensure that required reports on Global Grants are submitted to the TRF Grants Center in a timely manner; reports potential late reports to Grants Sub-Committee Chair and DFRC; seeks to resolve late reports with Clubs.
► Maintains Club Qualification Report.
► Reviews documents from Clubs for acceptability.
► Works with PE and Assistant Governor to resolve discrepancies.
► Raises issues that need to be resolved to the DFRC and Grants Sub-Committee Chair.
► Distributes Club Qualification Report routinely to DGE, Chief of Staff, DFRC, Grants Sub-Committee Chair, District Grants Coordinator, Global Grants Coordinator, AGs.

**2021 – 2022 CLUB QUALIFICATION REQUIREMENTS
FOR DISTRICT AND GLOBAL GRANTS**

ASSISTANT GOVERNOR RESPONSIBILITIES AND PROCESS

Assistant Governor and Chief of Staff
▶ Understands the Club Qualification requirements sufficiently to explain to Clubs.
▶ Coordinates with assigned Clubs; is main point of communication regarding the Club Qualification requirements.
▶ Identifies names of PE, PEN, TRF Chair or other chair involved. Utilizes Club Runner/RI website.
▶ Ensures PE, PEN, TRF Chair or other chair has a My Rotary Account. DGE/Chief can provide report.
▶ Rotarians must log into My Rotary Account to utilize the Learning Center.
▶ Provides technical assistance to Clubs on satisfying each of the Club Qualification requirements.
▶ Ensures that each requirement is properly addressed prior to the deadline.
▶ Chief and Assistant Governors will complete all required courses (3) in the Learning Center.
▶ Provides assistance to Clubs on the use of Rotary Club Central and how to enter the Annual Fund goal. Provide RCC instructions.
▶ Club completes Club Qualification Requirements and signs certification; provides to Assistant Governor.
▶ Compiles package addressing each requirement and transmits to Stewardship Chair Gilmore prior to deadline.
▶ Works with PE and Stewardship Chair to resolve any deficiencies.
▶ Distributes Club Qualification Report to PEs.

DISTRICT 5150 ROTARY CLUB
DDF "FAIR SHARE" TRANSFER or USE FORM

The Rotary Club of _____ approves the use of our Club's DDF Fair Share as follows:

TRANSFER \$_____ DDF to be used for the following Global Grant.

- Global Grant Number: _____
- Name of Project: _____ Location (country) _____
- On behalf of the Rotary Club of _____ (name of sponsoring Club which may be your Club) or District _____
- If your Club is a sponsoring Club, does your Club need additional funding from other Clubs for this project?
Yes No
- If your Club is a sponsoring Club, please provide information to go onto the District Website describing your project (description/pictures/budget).

This transfer represents the entire amount of our remaining Fair Share DDF, or

This represents a portion of our DDF Fair Share and is within our DDF Fair Share amount.

TRANSFER \$_____ DDF to the following Funds of The Rotary Foundation:

- **PolioPlus:** Amount of our DDF Fair Share to be allocated \$_____
- **Disaster Response Fund:** Amount of our DDF Fair Share to be allocated \$_____
- **Rotary Peace Centers:** Amount of our DDF Fair Share to be allocated \$_____
- **Rotary Endowment Fund:** Amount of our DDF Fair Share to be allocated \$_____

This transfer represents the entire amount of our remaining Fair Share DDF, or

This represents a portion of our DDF Fair Share and is within our DDF Fair Share amount.

We understand that the amount transferred by this action will not be available for the future use of our Rotary Club on a different project.

We understand that our Club must have signed a Memorandum of Understanding with the District, have the necessary training, and not be delinquent on any reports due The Rotary Foundation in order to use the DDF for a project sponsored by our Club.

We understand that our Club has the responsibility to send a copy of this form to the District Grants Sub-Committee Chair (David Hellman) by March 1st, and if we do not do that this allocation of DDF will not be effective.

Rotary Club President Signature

Date

International/World Community Service Chair Signature

Date