

D9650 Rotary Foundation Grant Management Manual

2018-19 (Updated July 2018)



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A Guide to DISTRICT Grants

District Budgets & Schedule

A budget for 2017-18 has been established for grants to clubs under the new District Grants program of the Rotary Foundation:

- **US\$32,654.98** will be available to clubs for projects of this kind
- A maximum of \$4,000 is available per project. If there is money remaining in the DDF District Grant fund, then more than this may be offered.
- It is expected that there will be some additional money contributed to the project by the club and/or an outside partner
- It is also expected that projects would be aligned with one or more of the Foundation Areas of Focus (see Page 5-6 for details)
- Applications must be made by **31 October 2018** to PDG Ken Hall. It can be made online on the form provided on the District website, and submitted by email, to hallkr@bigpond.net.au or completed by hand and posted to PDG Ken Hall, 330 Forrest Rd, Tamworth NSW 2340.
- All forms are available on the District website in the Documents Library section, under District Information.

There are three categories of District Grants for 2018-19:

1. District Grants — Within Australia (DGA)

- Are for smaller local community projects
- Require active Rotarian participation
- Minimum grant of \$1,000
- Reporting will be required on forms provided by the District committee.

2. District Grants — International (DGI)

- Are for international projects that do not qualify for a Global Grant i.e. projects with a budget total of less than \$30,000;
- Require an international partner that can be a Rotary District, a Rotary Club or a third party.
- The Rotary club is accountable for the management of grant funds in accordance with the Memorandum of Understanding;
- Reporting will be required on forms provided by the District committee.

3. District Grants- Scholarships (DGS)

- Are for scholarships to be awarded by clubs to students at any level of education;
- Require club and member participation and cannot be a cheque to a third party;
- Must be a new scholarship and not one previously supported by the club
- An additional application form is required downloadable from the District website.

Club Eligibility for District Grants

Your Rotary Club must:-

- Have signed a Memorandum of Understanding with the District;
- Have at least one representative of the club attend a District Foundation Seminar or District Training Assembly;
- Be current in payment of dues to Rotary District 9650 and Rotary International;
- Be current in meeting the reporting requirements on open Global or District Grants;

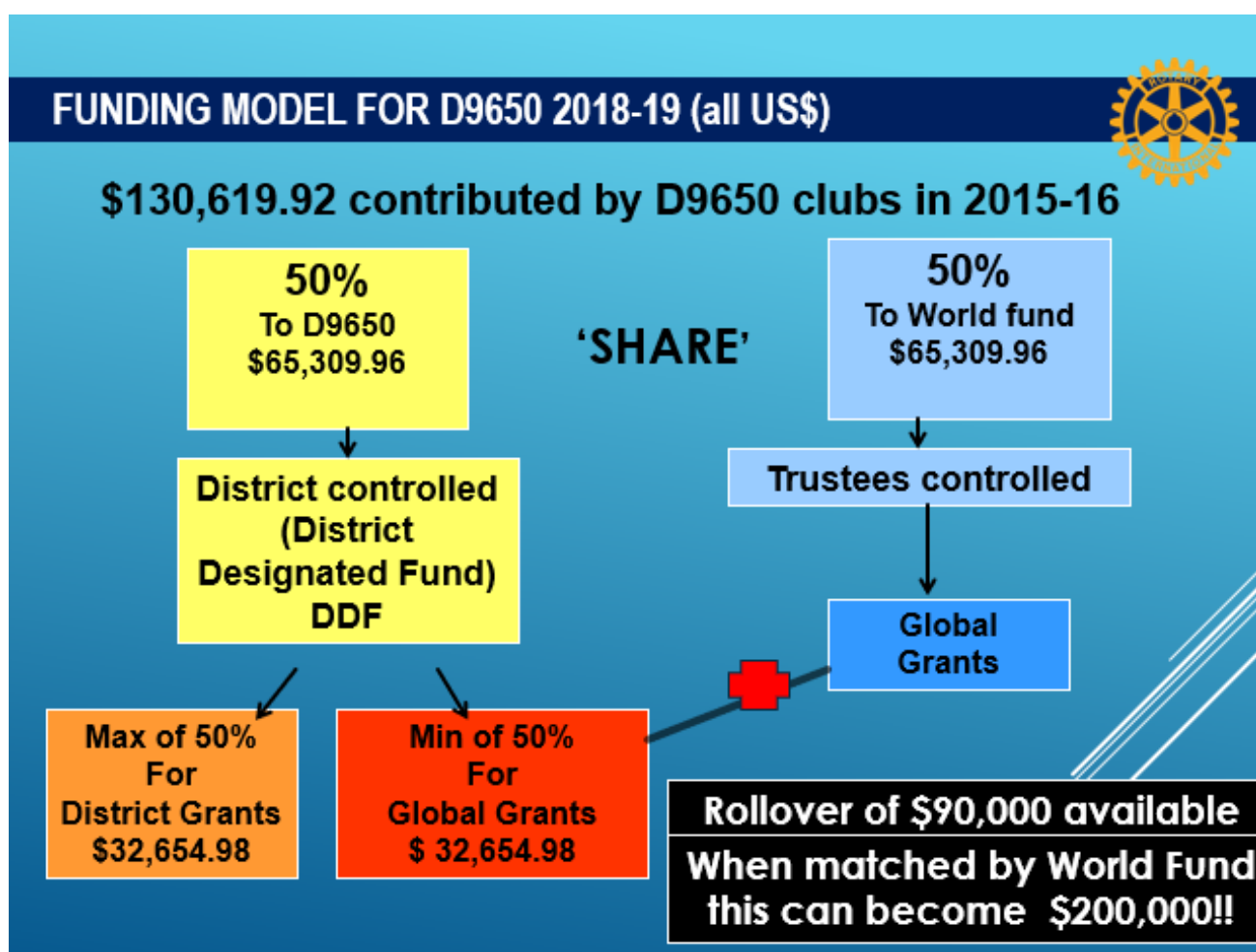
- Have completed their club Foundation Goals on Rotary Club Central for the current year (See **Page 7** for information about doing this. You can also find instructions about how to do this on the District website in the Documents Library.)
- If more than the amount available is applied for, then clubs which received a grant in 2017-18 may be ineligible in 2018-19.

Use of Funds

- Approval must be obtained before the project is started
- The club is responsible for the proper use of these funds, including the prompt repayment to the District of any funds not properly disbursed or accounted for;
- The Rotary Foundation has determined both permitted and prohibited uses of grant funds and applicant clubs should review the complete guidelines (beginning Page 8 in this manual) to ensure that the project is eligible for funding.
- Each project must be a new project for the initiating club and for each of the clubs cooperating on a joint project;
- Each club may apply for only one District Grant between 1st July and 31 October.

Reporting and Payment

It is desirable that all the money awarded in the grant is disbursed to the club at the beginning of the project. However, it is expected that reporting of progress be done on time and will be complete. Final reports must be accompanied by invoices and receipts. These must detail what goods and services were purchased and a bank statement must be provided showing that all of the grant has been used as planned.



4. A Guide to GLOBAL Grants

District Budgets & Schedule

A budget for 2018-19 has been established as follows for DDF contributions to Global Grant projects in District 9650:

Global Grants - Humanitarian Projects & Vocational Training Teams

- International projects meet all the requirements of the Rotary Foundation program
- Project expenditure must be greater than \$30,000
- DDF contribution may be up to \$20,000 per project (or as negotiated with the District committee)
- Minimum contribution from club/clubs/partners of \$4,000

Club Eligibility to receive a Global Grant

Your Rotary club must:

- Have signed a Memorandum of Understanding and have at least one member attend a District Foundation Seminar or District Training Assembly to achieve Grants qualification
- Ensure that the International Host Rotary Club and District are also 'qualified'
- Be current in payment of dues to Rotary District 9650 and Rotary International;
- Be current in meeting the reporting requirements on open Global or District Grants;
- Have completed a Foundation Goals Form for the current year (See Page 8, or the Documents library on the District website) for information about doing this on Rotary Club Central).

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Use of Grants

- Approval must be obtained from District committee before the application online is started
- The club is responsible for the proper use of these funds, including the prompt repayment to the District for any funds not properly disbursed or accounted for;
- The Rotary Foundation has determined both permitted and prohibited uses of grant funds and applicant clubs should review the complete guidelines (see from Page 8 In this manual) to ensure that the project is eligible for funding

Funding

- DDF is matched by the Foundation World Fund 100%; Club and other approved funds are matched 50%
- Funds contributed to the project from the project recipient will not be matched, even if paid through club accounts
- **All DDF contributions must be confirmed by the District before clubs may apply online to the Foundation**
- DDF will be made available on a first come first served basis on the receipt of club proposals in writing
- Each project must have a dedicated bank account.

Getting Started

- A Community Assessment must be undertaken before application can begin and must be submitted to the Foundation for approval.
- Global Grants are applied online by a club or District. Please note that Global Grants are complex, and clubs should not commence an online application without first consulting the District Foundation Committee (eg PDG Ken Hall, PDG Jo Wilkin). A scoping document is available to assist applicants.
- Global Grants must be sustainable and have measureable outcomes
- Projects that receive Global Grant funds should fall under at least one of the **AREAS OF FOCUS** below.

Grants as outlined above have been planned so as to maximize the number of clubs that can be involved with grants in 2017-18, and so as to reap the widest exposure for Rotary good works amongst the community. If there is an exceptional circumstance where a grant application needs to be outside these guidelines, the District Foundation Committee will consider such exceptions where and when these are considered necessary and /or affordable.

Go to <https://www.rotary.org/myrotary/en/document/areas-focus-policy-statements> for RI's Policy Statements on the Areas of Focus.

This is also available on the District website in the Documents Library (under District Information).

AREAS OF FOCUS



Peace and conflict prevention/resolution



Disease prevention and treatment



Water and sanitation



Maternal and child health



Basic education and literacy



Economic and community development



Disease Prevention
and Treatment



Economic and
Community
Development



Peace and Conflict
Resolution/Prevention



Rotary's Six Areas of Focus



Basic Education
and Literacy



Maternal and Child Health




Water and
Sanitation

Submitting Membership and Foundation Goals in Rotary Club Central

Club Presidents-elect are asked to set goals for the Annual Fund, PolioPlus Fund, Major gifts and the Permanent Fund to support the Rotary Foundation's grants and activities. Use Rotary Club Central through Member Access to submit goals to your District Governor and the Rotary Foundation.

Enter your goals by 1 May. This information will be used by the Trustees to calculate the Worldwide Annual Fund Goal.

Members & Engagement	Rotary Foundation Giving	Service	Young Leaders	Public Image	Rotary Citation	All
<div>  EDIT </div> <div>The goals you select will appear below. To report progress or add, remove, or edit a goal, select EDIT.</div>						
Annual Fund contributions Show goal details and history		ACHIEVEMENT (USD) 0 <small>As Of 10-Dec-17</small>		OF	GOAL (USD) 1,500	
PolioPlus Fund contributions Show goal details and history		ACHIEVEMENT (USD) 0 <small>As Of 10-Dec-17</small>		OF	GOAL (USD) 500	
Bequest Society members Show goal details and history		ACHIEVEMENT 1 <small>As Of 10-Dec-17</small>		OF	GOAL 4	

TERMS AND CONDITIONS FOR ROTARY FOUNDATION DISTRICT GRANTS AND GLOBAL GRANTS

For grants awarded after 1 July 2013 (Updated June 2018)

The Rotary Foundation (TRF) may modify the terms and conditions of the grant at any time. Updates can be found on www.rotary.org/ grants or requested from Rotary grants staff. Terms and conditions for packaged grants may be found on the website.

I. WHAT WE FUND

The Rotary Foundation funds district grants and global grants. District grants are block grants to districts that fund scholarships, projects, and travel that align with the mission of The Rotary Foundation, which is to enable Rotarians to advance world understanding, goodwill, and peace through the improvement of health, the support of education, and the alleviation of poverty. Global grants fund scholarships, projects, vocational training teams, and some travel within the six areas of focus that are sustainable, measurable, and host community-driven.

II. ELIGIBILITY GUIDELINES

All Foundation grant activities must:

1. Relate to the mission of The Rotary Foundation
2. Include the active participation of Rotarians
3. Exclude any liability to The Rotary Foundation or Rotary International beyond the funding amount of the grant
4. Adhere to the governing laws of the United States and the host area of the grant, and harm no individuals or entities. Sponsors for projects and travel planned for countries sanctioned by the US Department of the Treasury Office of Foreign Assets Control may need to supply additional information.
5. Only fund activities that have been reviewed and approved by TRF before their implementation. Grants may not be used to reimburse clubs or districts for activities and expenses already completed or in progress. Planning for grant activities prior to approval is encouraged, but expenses may not be incurred. After grant approval, any changes to the original project plan must be pre-approved by TRF. TRF considers each semester of a degree program to be a new activity and therefore eligible for funding.
6. Demonstrate sensitivity to the host area's tradition and culture
7. Comply with the Conflict of Interest Policy for Program Participants as outlined in section 10.030 of [The Rotary Foundation Code of Policies](#) and in Section XII below.
8. Comply with the Rotary International policies for use of the name "Rotary" or other Rotary Marks, as outlined in Sections 33.040.6 and 33.040.12 of the [Rotary Code of Policies](#).
9. Include signage on or in conjunction with projects that identifies the role of the grant sponsors and The Rotary Foundation as outlined in Section 1.060.3 of a The Rotary Foundation Code of Policies and in accordance with Rotary's [Voice and Visual Identity Guidelines](#).

District Grants

1. Support local and international projects, scholarships, vocational training teams, and related travel

2. 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
3. May allocate up to 20 percent of the grant for contingencies, but all projects and activities added to the grant post-approval must be pre-approved by TRF
4. May fund projects and activities in Rotary and non-Rotary countries and geographic areas where permitted by applicable governing laws and in accordance with Foundation policies
5. May fund scholar and vocational training team orientation and grant management seminars
6. May fund travel to and participation in Rotary project fairs to help districts identify project partners

Global Grants

1. Align with one or more of Rotary's [areas of focus](#)
2. Are [sustainable](#). Host communities must be able to address their own needs after the Rotary club or district has completed its work.
3. Are measurable. Sponsors select standard measures from the [Global Grant Monitoring and Evaluation Plan supplement](#), and may add their own measurements. Expenses to measure project outcomes are capped at 10% of the project budget.
4. Are host community-driven. The host community designs the grant based on local needs that they have identified. Beginning 1 July 2018, any club or district that applies for a global grant to support a humanitarian project or a vocational training team will be required to conduct a community assessment first and include the results in their grant application. Hydrogeological surveys must be completed as part of the community assessment for projects that will access groundwater.
5. May allocate up to 10% of the project budget for project management costs, which may include a project manager and project-specific overhead and administrative costs of cooperating organizations.
6. Support humanitarian and educational projects
7. Provide international scholarships to fund graduate-level coursework or research or its equivalent for a term of one to four academic years
8. Support vocational training teams that address a humanitarian need by providing or receiving professional training
9. Support international travel for up to two individuals as part of a humanitarian project. These individuals provide training or implement the project should the host club confirm that their skills are not readily available locally.
10. Support communities in Rotary countries and geographical areas
11. Are sponsored by at least one Rotary club or district in the country or geographical area where the grant project will take place (primary host sponsor) and one or more outside that country (primary international sponsor). An exception to this policy may be made for projects taking place in non-Rotary countries where the RI Board is actively pursuing extension.
12. May allocate up to 10% of the project budget for contingencies to offer protection from price increases and/or currency fluctuations.
13. May support the construction of low-cost shelters and simple schools, as long as the construction is part of a comprehensive project related to an area of focus.
14. May support the construction of infrastructure, including but not limited to: toilet blocks and san-

itation systems, access roads, dams, bridges, storage units, fences and security systems, water/irrigation systems, and greenhouses.

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 arms or ammunition; or serve as a new contribution to the Foundation or another Rotary Foundation grant.

In addition, **grants cannot fund:**

1. Continuous or excessive support of any one beneficiary, entity, or community
2. 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. 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 project implementation
7. Project signage in excess of \$500
8. 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 expense has already been incurred
11. Transportation of vaccines by hand over national borders
12. Travel to National Immunization Days (NIDs)
13. Immunizations that consist solely of the polio vaccine
14. Study at a Rotary Peace Center partner university in the same or similar academic program as those pursued by Rotary Peace Fellows

Global grants

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

1. Rotary Youth Exchange, RYLA, Rotary Friendship Exchange, Rotaract, or Interact;
2. International travel for youth under the age of 18, unless accompanied by their parents or guardians
3. New construction of or additions to any structure in which individuals live, work, or engage in any gainful activity, such as buildings (hospitals), containers, and mobile homes, or of structures in which individuals carry out any type of activity including manufacturing or processing activities. If the grant depends on the construction of a building, the construction must be funded by additional club/district funds. This restriction does not apply to low cost shelters and simple schools.

4. Renovations to complete buildings that are partially constructed (including buildings with only the exterior completed) but have never been occupied or operational.
5. Travel for staff of a cooperating organization involved in a humanitarian project
6. Activities primarily implemented by an organization other than Rotary
7. Humanitarian projects that consist primarily of research-oriented projects or data collection
8. Humanitarian projects that consist solely of individual travel expenses
9. Undergraduate (Bachelor degree) studies
10. Multiple unrelated projects under one grant.

IV. HOW TO APPLY

Apply for grants online at www.rotary.org/myrotary/grants.

In order to receive a grant from The Rotary Foundation, all primary sponsor districts involved must be qualified by The Rotary Foundation, and for global grants, all primary sponsor clubs involved must be qualified by their district. In addition, districts, clubs, and all grant committee members must be in good standing with Rotary International and The Rotary Foundation and the name of the project receiving the grant must be in compliance with the Rotary International policies for use of the Rotary Marks; see Section II above. Individuals prohibited from serving on a grant committee include RI fiscal agents, national treasurers, and board members and paid staff of a cooperating or beneficiary organization associated with the grant. When acting as a primary sponsor, each district and each club is limited to 10 open grants at a time.

District Grants

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

Districts may submit one application per Rotary year, and this application must include a spending plan. Any requests for an increase in the grant amount must be made before any portion of the grant has been paid by the Foundation. Districts may reserve up to 20% of their district grant funds for contingencies that may arise during the year; note this contingency fund on the spending plan and itemize contingency items when you submit your final report. All district grant applications must be received before 15 May of the Rotary year for which the funds are requested. (For example, applications for 2017-18 district grants must be received by 15 May 2018.)

Global Grants

Primary host and international sponsors must each establish a grant committee of three Rotarians for a global grant. Members of this grant committee must 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 must confirm that the primary sponsor clubs are qualified.

Sponsors may include a budget line item for contingencies representing no more than 10% of the total budget. Sponsors must report on the use of these funds or return them to the Foundation if they are not used.

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

overall grant application. Grant sponsors should ensure that scholar and vocational training team applicants understand that their application must be approved by the Foundation before incurring any expenses or making travel arrangements. Applications are accepted on a rolling basis throughout the Rotary year; however, applications involving travel expenses should be submitted 90 days prior to the travel dates. Applications for scholars who will begin studies in August, September, or October must be submitted by 30 June.

Note that:

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

Additional criteria for scholarship applications:

1. Applicants must 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 must study outside of their home country.

Additional criteria for Vocational training team applications:

1. Teams must be composed of at least three members, including a Rotarian team leader and at least two additional members. The team members must have at least two years of work experience each in the area of focus. The Rotarian team leader must 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 provided the sponsors establish the 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 team member may participate on the same team if they meet eligibility requirements.
4. If more than one team is travelling 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 must be approved by The Rotary Foundation prior to travel. Any alterations to team composition must be reported to, and approved by, The Rotary Foundation.

Global grant applications for projects requesting between US\$50,001 and \$100,000 from the World Fund will receive a technical review and interim site visit by The Rotary Foundation Cadre of Technical Advisers. Scholarships and VTTs do not receive these additional reviews.

Global grant applications for projects requesting between \$100,001 and \$200,000 from the World Fund must be approved by the Trustees at one of their meetings. These applications will receive an advance site visit, audit and interim site visit by a member of the cadre. Grants that consist exclusively of a vocational training team or scholarship are exempt from this requirement. Global grant applications received by:

1. 1 June will be reviewed by the Trustees in September/October
2. 1 October will be reviewed in January
3. 1 December will be reviewed in April
4. 1 March will be reviewed in June

V. TRAVEL POLICIES

All travel arrangements are the responsibility of the grant traveller. Effective 1 April 2016, travellers may choose to work with Rotary International Travel Service (RITS) or they may make their own travel arrangements.

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

1. Economy-class ticket(s)
2. Transportation to and from airport and local travel related to grant implementation
3. Cost of inoculations/immunizations, visas, and entry and exit taxes
4. Normal and reasonable luggage charges
5. Travel Insurance

Rotary Foundation grants will not cover the following expenses related to international travel:

1. Expenses associated with optional stopovers before or after preapproved travel
2. Penalties resulting from changes in personal travel arrangements, including optional stopovers
3. Excess baggage charges and shipping charges.

The club or district sponsoring the grant is responsible for maintaining emergency contact information and travel itineraries for all grant recipients travelling on grant funds. This information must be provided to the Foundation upon request.

Grant recipients are responsible for:

1. Making travel arrangements. Failure to arrange travel promptly may increase the cost of travel or result in the cancellation of the grant.
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. Such travel may take place for a maximum of four weeks at the end of the grant activities, after which grant recipients are expected to return home.
5. Abiding by RI country travel restrictions.
6. Obtaining travel insurance

Healthcare professionals who will be providing services as part of the grant activities are expected to have a minimum of US\$500,000 in professional liability insurance coverage (a.k.a. errors and omissions liability). This refers to coverage for that participant's legal liability arising from their professional acts or omissions that cause harm to others. The participant is responsible for obtaining and paying for this coverage.



Rotary International contracts a global security advisory firm to maintain a [travel ban list](#) of extremely dangerous countries. TRF-funded travelers are not permitted to travel to these countries due to safety concerns. If a country is added to the travel ban list while funded travelers are in-country, plans will be made for their immediate evacuation. Should the funded individual not defer travel to or evacuate from a country as instructed, it will result in TRF cancelling the grant and any funds already issued would need to be returned to TRF. TRF cannot fund any grant whose successful implementation relies on international travel to a country on the travel ban list even if the cost of travel is not included in the project budget.

Non-Rotarians receiving 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 departure (either [online](#) or in person)
3. Participate in club and district activities as requested by their sponsors such as speaking and presenting at a 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% of the district's [SHARE allocation](#), which represents 50% of its annual giving from three years' prior plus any Permanent Fund-SHARE earnings.

Global Grants

Global grants are funded by The Rotary Foundation from the World Fund, and awards range from US\$15,000 to \$200,000. The Foundation matches cash at 50% and DDF contributions at 100%. All global grants have a minimum budget of US\$30,000.

The Foundation will match non-Rotarian contributions toward a grant at 50%, provided they do not come from a cooperating organization or a beneficiary of the project. Funds should never be collected from beneficiaries in exchange for receiving the grant or as cash contribution for match.

At least 30 percent of contributions (including all cash and DDF contributions to be matched by the Foundation) to global grants funding humanitarian projects must come from outside of the project country. Host sponsors for humanitarian projects are encouraged to contribute toward the financing of the grant.

Grant financing cannot be changed after approval. Paul Harris Fellow recognition credit will only be given for sponsor contributions sent to The Rotary Foundation and will not be granted for contributions sent directly to the project. Sponsors are advised not to send contributions prior to grant approval. Contributions sent prior to grant approval will be credited to the grant application. But if the application is not approved the contributions will be credited to the Annual Programs Fund. Contributions cannot be reallocated after they are credited to the Annual Programs Fund. All global grant contributions are considered irrevocable contributions to The Rotary Foundation Terms and Conditions for Rotary Foundation District Grants and Global Grants (updated June 2018) 9 and will not be refunded. Scholars who receive scholarships from other sources in addition to their Rotary scholarship may use them, but the Foundation will not match other

scholarship funds. Effective 1 January 2017, The Rotary Foundation must 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 withholdings amount 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 must agree to comply with all reporting and auditing activities required by The Rotary Foundation and provide receipts and proof of purchase as required. Universities hosting scholars are not considered a cooperating organization.

District Grants

All funding provided to cooperating organizations must be used for specific project expenses. The sponsoring district must maintain an itemized report of such expenses.

Global Grants

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

1. Verification from both primary sponsors that the grant is initiated, controlled, and managed by Rotary clubs or districts
2. Endorsement from the primary sponsors affirming that the cooperating organization is reputable, responsible, and acting within all governing laws
3. Grant implementation plan clearly delineating the activities of each party
4. 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 identified by the district at the time of application. District grant funds will not be released until the previous Rotary year's district grant is closed. District grants are paid out at the current RI exchange rate at the time of payment. Funds are not available after the close of the implementation year; if sponsors do not meet all payment requirements by 31 May of the implementation year, the grant will be canceled.

Global Grants

Grant funds will not be released until sponsor contributions have been submitted to The Rotary Foundation, any payment contingencies have been met and the legal agreement has been authorized. Grant funds will be paid to the account provided in the application and must remain in that account until used for the direct payment of project expenses. Direct payment is defined as a payment made directly to a project vendor or reimbursement to a cooperating or beneficiary organization. Project funds may not be provided to a vendor, cooperating or beneficiary organization in advance of project expenses or services. Organizations being reimbursed for the purchase of project expenses must provide Rotarian sponsors with copies of the original invoice or receipt prior to payment. Account signatories must be members of the sponsoring club or district. Grants will be paid out at the current RI exchange rate at the time of payment. If a grant project is

canceled after the project sponsors receive payment, all remaining grant funds must be returned to the Foundation, where they will be credited to the World Fund.

Grants for which the World Fund award is between \$50,001 and \$200,000 will be paid in instalments according to a spending plan. Subsequent payments will be made after the grant sponsors submit an accepted progress report and an interim site visit has been conducted by the cadre of technical advisors.

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

1. All grant-related transactions will be recorded using the current published monthly RI exchange rate, and all grant-related transactions will be officially communicated in US dollars.
2. For the portion of the grant funded by cash contributions, sponsors will be shielded from currency exchange fluctuations in excess of 10% of the rate at time of approval. Conversely, TRF will not distribute currency gains to project sponsors in excess of 10% of the rate at time of approval.
3. Project sponsors must contribute an additional 5% for cash contributions made to the Rotary Foundation for global grant applications submitted on or after 1 July 2015 to offset processing and administrative costs. Paul Harris Fellow recognition points will be awarded on the full cost contribution, and charitable tax receipts also will reflect that amount. The additional 5% is not matched by the Foundation. It also isn't required for contributions sent directly to a project's bank account; however, such contributions don't generate Paul Harris Fellow recognition points, nor will the Foundation issue receipts for them.
4. All cash contributions submitted to TRF in excess of the amount pledged to the grant will be transferred to the World Fund.
5. Contributions received for any grants that are cancelled will be moved to the World Fund. Donors will have 90 days to notify TRF to transfer the contributions to an approved global grant or any TRF fund.

IX. REPORTING REQUIREMENTS AND DOCUMENTATION

Grant recipients are responsible for reporting on the use of grant funds to The Rotary Foundation. Progress and final reports must be submitted online and all forms must be completed in their entirety for the report to be accepted. New grant applications will not be accepted by the Foundation if a grant sponsor has an overdue report for any Foundation grant. The Foundation reserves the right to review grants at any time, conduct an audit, send a monitor, require additional documentation, and suspend any or all payments.

The following reporting criteria also apply to grant recipients:

1. Districts must report the use of grant funds to their member clubs in accordance with the terms of qualification.
2. Grant sponsors must maintain copies of all receipts and bank statements related to grant-funded expenditures in accordance with the terms of qualification and any applicable local and international laws.
3. Grant sponsors who fail to adhere to Foundation policies and guidelines in implementing and financing grant projects must return grant funds in their entirety and may be barred from receiving future grants for a period of up to five years.

District Grants

These additional criteria apply to district grants:

1. Final reports documenting the disbursement of funds must be submitted to the Foundation within 12 months of receiving the payment, or within two months of the grant's total disbursement.
2. All grant projects and activities funded by district grants must be completed within 24 months of disbursement by the Foundation or the local district to the club or project site.
3. If unused grant funds exceed US\$500, all remaining funds must be returned promptly to The Rotary Foundation and will be credited to the district's DDF. Unused grant funds US\$500 and below must be used for activities that meet the district grant eligibility requirements.

Global Grants

These additional criteria apply to global grants:

1. A first progress report must be submitted within 12 months of receiving the first grant payment, Subsequent progress reports are due within 12 months from the acceptance date of the previous report.
2. Final reports must be submitted within two months of completing the project.
3. If more than \$500 of grant funds remains after a project's completion, the Foundation must approve their use for project-related expenses. Unused grant funds \$500 and below may be used for activities that meet the global grant eligibility requirements and do not require pre-approval from TRF. Any remaining unused grant funds should be returned to The Rotary Foundation and will be credited to the World Fund.

Acceptable reports contain detailed accounts of the project's implementation, including:

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 application, including the relevant measures and data collected
3. An explanation of how the project's outcomes will be sustained over time
4. A description of the participation of both host and international partners, as well as any cooperating organizations associated with the grant
5. The report should also include a detailed account of spending for the project and project account bank statements. Additionally, the Foundation may request that sponsors submit receipts in support of the report. Scholars and Vocational Training teams must provide receipts to their sponsors for expenses of US\$75 and up.

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

X. MICROCREDIT

The Rotary Foundation is committed to using microcredit programs to facilitate small, self-help enterprises. Clubs and districts applying for global grants are encouraged to partner with reputable and established co-operating organizations/microfinance institutions to administer loan programs as a way of undertaking sustainable development projects. However, microcredit programs funded by the Foundation must incorporate a component, such as training, that extends beyond the management of loan capital. In addition:

1. Clubs and districts that wish to use global grant funds to support a microcredit project must submit the [microcredit supplement form](#) with the grant application.
2. Microcredit activities must be supervised and controlled by the sponsoring club or district.
3. Interest and fees generated by microcredit fund capital from The Rotary Foundation may be used for administrative expenses that directly support the project.
4. Grant sponsors must submit a microcredit supplement form with the final grant report.
5. If a microcredit project is terminated before the Foundation's reporting requirements are met, grant funds must be returned to The Rotary Foundation.
6. The Rotary Foundation will not fund loan guaranty systems.

XI. SPECIAL CONSIDERATIONS FOR ROTARY FOUNDATION (INDIA)

For general information about the Foreign Contribution Regulation Act (FCRA), go to <https://feraonline.nic.in/home/index.aspx>. In addition to all other terms and conditions, grants with full or partial payment to a Rotary club or district in India should follow these payment and reporting procedures to comply with GOI laws and the FCRA:

1. Grant funds will not be released to a bank account in India unless all general payment conditions listed below have been met. Either the sponsors provide documentation showing that the bank account is registered under the FCRA or staff must determine that sufficient funds are available from contributions made within India. Otherwise, the payment will be placed in a queue and paid on a first-come, first-served basis only when additional contributions are made and sufficient funds are available. The sponsors of grants must ensure funds are not co-mingled.
 - a. 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. The name of the district bank account must be easily identifiable with both the district and the project. (A proper naming example is 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 do not meet all payment requirements by 31 May of the implementation year, the grant will be canceled.
 - b. Global Grants - Grant funds will not 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.
2. Progress reports on grant funds released to India through 31 March are due by 31 May of that same year. Final reports are due two months after the grant's completion. Grant sponsors must ensure that funds received in a FCRA-registered bank account are not co-mingled with local funds.
3. All progress reports must:
 - a. Meet all general reporting requirements as listed in section IX.

- b. Show that a copy of the progress report filed electronically at www.rotary.org/grants has been submitted to the South Asia Office.
- c. Include a utilization certificate if a portion of the grant amount has been used, along with statement of receipt and payment for the grant amount, certified by an independent chartered accountant (indicating membership number of the CA)
- d. If the grant funds were not used for any reason, include an original bank statement or bank pass-book (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

4. All final reports must:

- a. Meet all general reporting requirements as listed in section IX.
- b. Show that a hard copy of the final report filed electronically at www.rotary.org/grants has been submitted to the South Asia Office.
- c. Include the following:
 - i. A utilization certificate along with statement of receipt and payment for grant amount, certified by an independent chartered accountant (indicating membership number of the CA)
 - ii. An original bank statement or bank passbook (or a photocopy certified as true copy by the bank manager or a chartered accountant)
 - iii. A bank reconciliation statement, if multiple grants were paid to a single FCRA account
 - iv. Originals or photocopies of bills of payment/expenses vouchers and, if only photocopies are provided, a written undertaking that “all originals will be kept for a period of eight years and will be produced as and when required by Rotary Foundation (India)”
 - v. Beneficiary information (for example, photographs, newspaper clippings, appreciation letter from beneficiary)
- d. Return of any remaining funds of any amount to the Rotary Foundation (India)

5. 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.

XII. CONFLICT OF INTEREST POLICY FOR PROGRAM PARTICIPANTS

All individuals involved in a program grant and/or award shall conduct their activities in a way that avoids any actual or perceived conflict of interest. A conflict of interest is a relationship among individuals through which an individual involved in a program grant or award causes benefit, or could be perceived to cause benefit, for such individual or such individual's family, personal acquaintances, business colleagues, business interests, or an organization in which such individual is a trustee, director, or officer. This conflict of interest policy shall be applied in the following circumstances as specifically set forth below. The application of this conflict of interest policy shall not be limited to these circumstances.

1. Award Recipient Eligibility

Pursuant to section 9.3 of the TRF bylaws, those individuals defined below shall not be candidates or final award recipients or beneficiaries of any TRF program. Such individuals shall include current Rotarians; employees of clubs, districts, and other Rotary Entities (as defined in the Rotary Code of Policies) or of Ro-



tary 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 foregoing categories; and employees of agencies, organizations, or institutions partnering with TRF or RI.

Former Rotarians shall continue to be ineligible for a period of 36 months after termination of their membership. Persons who were ineligible based on their familial relationship to a former Rotarian shall continue to be ineligible for a period of 36 months after termination of their family member's membership. Notwithstanding the foregoing, such individuals shall be eligible to participate on vocational training teams and in individual travel for humanitarian projects (when such individuals are determined to be qualified) funded by district grants, global grants, and packaged grants.

2. Impartiality of Selection Committees

Rotarians who serve on a club or district-level selection committee for a TRF program are expected to exercise complete transparency in their familiar, personal, or business relationship with an applicant and must notify the committee chair in advance of the selection process of any actual or perceived conflict of interest due to the committee member's association with a TRF program award candidate, e.g. employees of the same firm or organization, members of the same Rotary club or member of the same club sponsoring an application, familial relationship, etc.

The selection committee chair will decide how and if that committee member should participate in the selection process for that one or all candidates with whom there is an actual or perceived conflict of interest. If the selection committee chair is the individual with an actual or perceived conflict of interest, the club board or the DRFC chair, as appropriate, will decide how and if such chair should participate in the selection process for that one or all candidates with whom there is an actual or perceived conflict of interest.

3. Business Transactions with Vendors

Before TRF, a Rotary district, a Rotary club, or a Rotarian conducts business transactions related to a TRF program award in which the vendor receives payment from 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, despite any connection between a vendor and a Rotary Entity. Possible conflicts of interest may arise when a Rotary Entity is considering business in which funds will be paid to a Rotarian; a goods and/or services provider owned or managed by a Rotarian, Honorary Rotarian, employee of a club, district, or other Rotary Entity or of Rotary International, Rotarian's spouse, lineal descendants (child or grandchild by blood, legal adoption, or marriage without adoption), spouses of lineal descendants, and ancestors (parent or grandparent by blood), or employees of agencies, organizations, or institutions partnering with TRF.

Examples of business relationships that may require further review to confirm that a Rotarian conflict of interest does not exist include business transactions with a partner nongovernmental organization, goods or services provider, insurance company, travel agency, shipping agency, study institution, language skills testing firm, etc.

Business transactions with individuals or entities with whom there is an actual or perceived conflict of interest can be completed upon approval of the general secretary if such transaction provides the best product or service at fair market value, as evidenced by a sales quote or offer obtained through a fair, open and thorough request for proposals or bidding process.

The general secretary shall provide advise on how to interpret and implement this conflict of interest policy. Any unresolved conflict of interest involving a program grant or award must be reported by a Rotarian or Rotary entity involved to the general secretary at least 30 days in advance of the selection process or proposed business transaction. The general secretary will decide if a conflict of interest may exist for a particular case. If, upon review of the situation, the general secretary concludes that there is or has been a conflict of interest in the execution of a TRF program grant or award, the general secretary shall fashion an appropriate remedy. Such remedy may include the cancellation of current or suspension of future TRF program grants or awards involving a particular Rotary, Rotary club or Rotary district.

The general secretary shall provide advise on how to interpret and implement this conflict of interest policy. Any unresolved conflict of interest involving a program grant or award must be reported by a Rotarian or Rotary entity involved to the general secretary at least 30 days in advance of the selection process or proposed business transaction. The general secretary will decide if a conflict of interest may exist for a particular case. If, upon review of the situation, the general secretary concludes that there is or has been a conflict of interest in the execution of a TRF program grant or award, the general secretary shall fashion an appropriate remedy. Such remedy may include the cancellation of current or suspension of future TRF program grants or awards involving a particular Rotary, Rotary club or Rotary district.

CLUB QUALIFICATION MEMORANDUM OF UNDERSTANDING

THE ROTARY FOUNDATION - D9650

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 _____ and will notify Rotary International District 9650 of any changes or revisions to club policies and procedures related to these requirements.

Club President 2018-19	
Name	
Signature	
Date	

Club President 2019-20	
Name	
Signature	
Date	

This checklist can be downloaded from the District website and completed as a form

Club Qualification for Rotary Foundation Grants

District 9650

2018-19

Rotary Club of	Choose an item.
Club member who attended Foundation Training at PETS, District Training Day or Foundation seminar 2018	
Memorandum of Understanding read and understood	
Financial Plan completed with the following:	
<i>Foundation Grant designated bank account opened</i>	
<i>Two Rotarian signatories</i>	1. 2.
<i>Records will be stored at</i>	
<i>Bank statements will be kept</i>	
<i>All receipts and invoices will be kept & submitted with final report</i>	
<i>Reports will be submitted on time</i>	
<i>Foundation Goals for 2018-19 have been entered in Rotary Club Central</i>	
<i>Memorandum of Understanding signed by:</i>	President 2018-19: President 2019-20:
<i>Memorandum of Understanding completed & copy kept</i>	
<i>Memorandum of Understanding sent to District Foundation Grants Chair (K Hall)</i>	
Date:	Click here to enter a date.