



**Rotary International District 5020 Inc.  
Rotary Foundation  
District Grants Guidelines**

***The purpose of these guidelines is to encourage Rotary clubs and Rotarians in District 5020 to carry out local and international humanitarian service projects and educational initiatives. These guidelines are to ensure stewardship and accountability of Rotary Foundation funds entrusted to District 5020 Rotarians, to establish financial guidelines and for oversight of Rotary Foundation funds.***

*The Mission of The Rotary Foundation of Rotary International 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.*

*The Mission of Rotary International District 5020 Inc. is:*

- . *To support the clubs in District 5020 in fulfilling the object of Rotary;*
- . *To promote the concept of service as a worthy endeavour;*
- . *To advocate support for the Rotary Foundation;*
- . *To strengthen and expand Rotary to communities in District 5020;*
- . *To facilitate joint club and district projects.*

1. Where there is a conflict between District 5020 Inc. guidelines and the policies, bylaws or rules of The Rotary Foundation (TRF) or of Rotary International (RI) the RI or TRF policy will apply.
2. Each year, no later than March 31<sup>st</sup> in the year prior to the program year, the District Foundation Committee will determine in consultation with the DGE the percentage, up to a maximum of 50%, of District Designated Funds (DDF) that the District will apply for as a District Block Grant.
3. Prior to July 1st in consultation with the DGE, the district foundation committee may allocate funds that are designated for projects that meet priorities established by the DGE, and/or that meet the goals of the RI President Elect or the trustees of TRF.
4. District Block Grant funds may be used for any of the types of projects or programs listed below:
  - a. District Rotary Ambassadorial Scholarships (DRAS)
  - b. Vocation Training Teams (VTT)
  - c. District Simplified Grants (DSG)
    - i. DSGs may be used for local and international projects.
    - ii. DSGs are intended for small projects and do not require an international partner.
    - iii. DSGs will match a club contribution dollar for dollar up to a grant size of US \$2,500.
    - iv. Payment of completed DSGs will be in US\$ using the current currency exchange rate from the RI website for the month in which the check is written.
    - v. DSGs are reimbursable grants.
  - d. District Matching Grants (DMG)
    - i. DMGs are intended for international projects that do not qualify for Global Grants.
    - ii. DMGs are international grants and require an international partner.
    - iii. DMGs will match a club contribution dollar for dollar up to a grant size of US \$10,000.

- iv. DMG will be paid by check to the District 5020 club initiating the grant request. Checks will be written in US\$ using the current currency exchange rate from the RI website for the month in which the check is written.
      - v. District 5020 clubs will be held accountable for management of grant funds under the terms and conditions contained herein and as specified in the Club Memorandum of Understanding (MOU) and are responsible for providing required reports within the timeframes specified.
      - vi. Failure to complete the grant within 12 months from date of receipt of grant funds, to provide final reports or documentation of expenditures, or misuse of grants funds will require the club to repay the full amount of the grant to District 5020.
    - e. A bank account will be maintained exclusively for the receipt and disbursement of District Block Grant funds. The account will be managed by the District Designated Fund Treasurer. All checks written must be signed by two signatories approved by the DG.
    - f. Records will be maintained in US dollars. All monetary amounts expressed in these guidelines are in US funds.
5. Approval for projects must be given before the project is started. District Grants will be paid to clubs or individuals at such time as specified in the grantt.
6. The District Foundation committee will cause adequate and appropriate accounting records to be maintained in accordance with generally accepted accounting practice and in accordance with policies established by TRF.
  - a. The District Foundation Committee will retain official records of Club Qualification.
  - b. The District Foundation committee will retain the complete documentation relating to the receipt and disbursement of grant funds is maintained in electronic or paper format in secure storage for five years or such time as directed by TRF, and readily available for subsequent review.
  - c. Specifically, this will include all documentation relating to individual grant awards, and in particular, the original approved grant application, invoices and bank records, interim project reports, and final project reports.
  - d. The District Foundation Committee will establish protocol for purging and disposing of records.
7. The District Foundation Committee is responsible for informing District 5020 Rotarians concerning the use of district grants funds and encouraging publicity about district grants.
  - (a) The committee will frequently highlight district grant projects on the district website, district newsletter and at district seminars and training events.
  - (b) The committee will maintain a liaison with the district public relations committee to ensure projects are publicized in a variety of media.
8. The District Foundation Grants committee will meet no less frequently than once every three months for the purpose of reviewing open, in process and closed district grants, project interim and final reports, and interim financial reports. The committee may meet via conference call or other electronic means.
9. The District Foundation committee will commission an independent financial review of District Block Grant financial records and grant documentation. The independent review will be concluded within two months after the end of each Rotary year, and will be undertaken by a professional accountant,

Rotarian or non-Rotarian, and who is not directly involved in a project granted funding in the current Rotary year with District Grant funds.

10. All unused District Grant funds on June 30th each year will be returned to TRF no later than July 31<sup>st</sup> of that year.
11. Projects funded with district funds may be awarded to District sponsored projects and to projects sponsored by one or more clubs in District 5020 Inc. including local projects, scholarships, travel grants, vocational teams, humanitarian grants, disaster relief and other projects that meet the goals of TRF and are approved by the District Foundation Committee.
12. To be eligible to receive a grant, the sponsoring club(s) must meet the eligibility requirements:
  - a) Is certified in accordance with the requirements laid down by the District and TRF. Certification includes signing a MOU (Memorandum of Understanding) with District 5020 (Attachment F) and having representatives attend for a full day one of the district Grant Management and Stewardship portion of the annual Rotary Foundation seminars
  - b) is not delinquent in meeting the reporting requirements established from time to time by the District Foundation committee
  - c) Is not delinquent in payment of dues or other debts for more than 90 days to District 5020 Inc., RI or TRF.
13. District grants may be used for approved local or international service projects. The District Foundation committee will not apply specific percentage allocations of funds to either local or international service projects, grants will be awarded on a first in/first out basis until funds are fully committed.

**A) Use of Grant Funds**

- 1) The Club acknowledges that it is responsible for the proper disbursement of Grant funds as specified in the District 5020 Grant Guidelines. Transferring District 5020 Grant funds to another Rotary Club or cooperating organization does not relieve The Club of this responsibility.
- 2) The Club acknowledges that it is responsible for promptly repaying to District 5020 or The Rotary Foundation any Grant funds not properly disbursed or accounted for.
- 3) Grant funds can not be used for any project undertaken prior to the approval of the Grant or for any purpose not permitted under The Rotary Foundation Code of Policies.
- 4) Permitted uses
  - a) Construction of infrastructure limited to:
    - i. toilet blocks and sanitation systems
    - ii. access roads
    - iii. dams
    - iv. bridges
    - v. storage units
    - vi. fences and security systems
    - vii. water/irrigation systems
    - viii. greenhouses
  - b) renovation, repair, and refurbishment of structures that are currently occupied or operational in which individuals live, work, or spend a significant amount of time. This may include the provision of new services or upgrade of utilities (i.e., electrical, plumbing, and heating), repair of roofs, additions to existing schools or hospitals, elevators, renovation of bathrooms, etc.
  - c) international travel only to support the travel of beneficiaries from one

country to another.

d) domestic travel for beneficiaries and both Rotarian and non-Rotarian professionals needed to provide direct project implementation.

e) direct program costs, salaries, stipends, or honorariums directly related to project implementation, and must be fully documented.

5) Prohibited uses:

a) continuous or excessive support of any one beneficiary, entity, or community. the establishment of a trust, a permanent foundation, or permanent interest-bearing account.

b) Grant funds can be used to establish a revolving loan fund if

the sponsors comply with all Rotary Foundation revolving loan requirements.

c) activities that consist primarily of research-oriented projects or data collection.

d) the purchase of land or buildings.

e) new construction (without a strategic partner) of any permanent structure in which individuals live, work, or spend a significant amount of time, such as buildings (e.g., schools, homes/low cost shelters, and hospitals), containers, and mobile homes or structures in which individuals carry out any type of activity including manufacturing and processing. If the grant depends on the construction of a building, the construction must be funded by additional club/district funds (nonmatched cash contributions not processed by The Rotary Foundation) or funded by another entity.

f) renovations to complete buildings that are partially constructed (including buildings with only the exterior completed) but have never been occupied or operational.

g) cash donations or stipends to beneficiaries outside of a revolving loan fund. The Rotary Foundation will support beneficiaries through the use of goods, education, services, and care.

h) operating, administrative, or indirect program expenses of another organization.

14. Sponsors of district grant projects may partner with non-Rotarian organizations, either local or international, provided there is active Rotarian involvement in the design and implementation of the project.
15. Proposals for grants will be accepted by the Grants Sub-committee commencing on April 1<sup>st</sup> of the year prior to the program year, and shall be submitted in the prescribed form established from time to time by the District Foundation committee. Applications for grants may be submitted prior to 1 July but must contain the signatures of the current President and President-elect.
16. Grant applications which are not funded due to a lack of available funds in any one year will not be carried forward from one Rotary year to the next.
17. Project sponsor clubs are encouraged to partner with other District 5020 clubs, particularly with those clubs which are either too small or which have no prior experience of projects funded with TRF grants.
18. The District Foundation Committee may request updates on grant projects in the form of an interim report. The committee is responsible to ensure clubs submit all reports on or before the dates required.

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19. Clubs will include a plan in the grant application for public awareness and media relations regarding the project.
20. The club will state in writing any real, potential or perceived conflict of interest involved in the project. The conflict of interest policy as set out in TRF Code of Policy 7.030. *“Conflict of Interest Policy for Program Participants”* will apply in District 5020 Inc.
21. The clubs will accept responsibility for complying with the terms and conditions of this document and the Club Memorandum of Understanding for the life of any grant funded project or activity.
22. The District Foundation Committee will follow the guidelines as outlined in the TRF code of policy regarding what types of projects or payments are not permitted for funding. It is the responsibility of clubs to establish that their project qualifies for funding before submitting an application. Clubs are encouraged to contact the District Grants Chair for advice before submitting an application or proposal.
23. All unused grant funds are to be returned to the District Foundation committee within 60 days of the completion of any grant funded project, and may not be carried forward or applied to future projects by the sponsor club(s).
24. Appeals of the decisions of the District Grants Review Committee or District Foundation Committee or committee members may be made to the District Governor. The DG may review the decision personally or may direct mediation or arbitration as considered appropriate. The decision of the DG shall be final.