

SUGGESTED FORMAT FOR A MEMORANDUM OF UNDERSTANDING

Date _____

(Modify as necessary to suit your needs)

I. Participants:

- A. Rotary Club of _____ (normally the international sponsor, but may be the host.)
- B. Other Organization or Rotary Club of _____ (normally in the host country.)

II. Project:

Short description, perhaps referencing more complex documents if needed.

III. Purpose and Responsibilities:

A. Purpose: The above participants enter into this Memorandum of Understanding (MOU) for the common goal of improving the health, sanitation, and living conditions of xxxxxxxx located at yyyyyyyyyyyyyyyy. This MOU specifies the responsibilities in the joint effort between participants accomplish the above listed project.

B. Responsibilities:

1. Party A or B (or shared) will provide a good faith cost estimate, budget, and timetable to accomplish this project. Drawings, plans, and material list, and labor costs, including labor rates will also be incorporated. For any item that costs over \$1000, either singly or collectively, an invoice will be provided.

2. Based on the cost estimate, Party A will provide \$_____ seed money toward this project. Matching funds will be sought from District MMMM and from The Rotary Foundation. This funding cannot be guaranteed at this time. Should the matching funds not be approved the maximum financial commitment from this club will be \$\$\$\$.

3. Based on the cost estimate Party B will provide \$_____ seed money toward this project and request matching funds from District NNNN(or other sources).

4. The principal/primary contacts for this project are:

- | | |
|------------------------------------|-----------------------------------|
| Mr. J. Smith, Party A (primary) | Mr. T. Rowe, Party B(primary) |
| Mr. F. Johnson, Party A(alternate) | Ms. A. Forest, Party B(alternate) |

All matters concerning this project will be resolved through these people.

IV. Project work

A. Materials and workmanship:

Materials used will be of good quality so as to last at least 5 years without replacement due to deterioration. Workmanship should be equal to or better than the standard of workmanship in the community. The work will be inspected periodically and upon completion by competent authority to insure quality of workmanship and materials. If applicable the project/system will be operationally tested before being accepted as complete.

B. Project Management:

Party A and Party B agree that the following cognizance/supervision/oversight will take place over the life of the project.

Party A _____ (list any agreed upon rules here)

Party B _____ (list any agreed upon rules here) _____

C. Funds management:

Monies for the project will be held in a special account dedicated for this project with two signatures required for withdrawals. Withdrawals will be documented by invoice or memorandum that states clearly the end use of the funds. If a contract with a commercial company is involved, a payment schedule will be specified (e.g., 50% up front, 40% upon installation completion, 10% after operational testing and acceptance, etc.) Receipts for disbursement of funds will be maintained for any item over \$25US. Both Party A and Party B agree to complete a financial review periodically during the project and make a joint final report to The Rotary Foundation upon completion of the project if Rotary Foundation money is involved.

D. Inventory of equipment:

If applicable, project equipment will be safeguarded and inventoried, upon receipt and periodically to ensure against thievery. Project equipment lost by theft cannot be replaced with Rotary money.

E. Continuing Liability:

When the project is complete and the final payment is made the Rotary Clubs involved and Rotary International will have no continuing liability for continued maintenance or repair of the system/project in the event of subsequent damage or replacement due to poor initial workmanship or materials.

F. Cost overruns:

It is understood that whatever funds are finally approved through private donations and the grant process are the final amount for this project. Additional Rotary funds cannot be granted if cost overruns occur. Any costs in excess of the initial approved amount must be paid for by some other organization.

G. Terms and Conditions:

If Rotary Foundation money is involved in the project, both parties agree to abide by the terms and conditions set forth by The Rotary Foundation in the "Terms and Conditions" document provided with the approval letter for the grant.

V. Recognition:

When the project is complete and operational, and is certified/accepted by the appropriate authority, Party A/Party B will be allowed to place a small Rotary logo and sign at the project site to indicate Rotary involvement and the joint effort with _____ organization.

Concurrence:

Mr. _____
for Party A

Mr. _____
for Party B

Date signed

Date signed