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### **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 the FAC to implement, manage, and maintain club qualification
- B. Ensuring that all TRF grants adhere to stewardship measures and proper grant management practices appointing additional people to the FAC Committee when necessary.
- 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 when the total of funding reaches \$15,000.

- 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. The club must have a transition plan for all FAC activities. Club officers must recognize that the FAC is a knowledge based position which should not change on a yearly basis. The Club President should provide access online for the FAC to have access to club giving and grants activity.

### **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.

# DISTRICT 6600 ADDENDUM TO ROTARY INTERNATIONAL MEMORANDUM OF UNDERSTANDING

## 1. Guidelines for Clubs

- a. Clubs that want to apply for a District and/or Global Grants must become qualified. The Club must file this composite RI MOU and District 6600 Addendum to the RI MOU with the district. This must be submitted to the email address [d6600grants@gmail.com](mailto:d6600grants@gmail.com).
- b. All grants must fall within the Areas of Focus as designated by RI.
- c. Criteria to receive significant consideration in the grant evaluation process includes:
  - i. Hands on activity of members will be a specific item considered during approval of all projects in District 6600.
  - ii. International projects will receive priority for approval over local projects.
  - iii. Club contributions to the Annual Fund

## 2. Club Leadership Responsibilities for Qualification

- a. The Club President for 2016- 2017, the Club Foundation Administrative Coordinator, the Club's Grant Chair or designate must complete a grants management workshop. (i.e. minimum 1 club member must successfully complete the grants management computer training program available in District 6600 Foundation Matters webpage, "<http://RotaryFoundation6600.org>."
- b. The composite Club Qualification RI Memorandum of Understanding (RI MOU) and the District 6600 Addendum to the MOU must be signed by the current Club president and the Club president-elect.

## 3. Terms Conditions, Qualifications, and Reporting on the Use of Funds

- a. Clubs must have a separate bank account to use for and to receive money for Global Grants, and International projects funded with district money above \$15,000.
- b. Clubs must submit reports on the use of District Grant monies every 3 months on previously approved local projects and a final report within 30 days of completion, including all receipts of expenditures. Clubs will be required to

supply a start and finish date which is planned. Local grants should not exceed 120 days.

- c. Clubs will be required to submit photographs of the project's progress and upon completion as a part of the final report.
- d. When a 3rd party is involved with contributions and/or implementation of a project an MOU must be prepared. The MOU will specify that the grant is initiated, controlled and managed by the Rotary Club(s) and/or the district's involved with the project. Other notations may be required per project. Club partnerships will require an MOU.

#### **4. Funding, Submission and Grant Payments to Clubs for local District Grants**

- a. Local grants will be matched .50 to the dollar and International grants dollar for dollar by District 6600. In the event that grant requests exceed the dollar amount available, the District can limit the amount of a local grant to a maximum of \$3,000 and an international grant to a maximum of \$5,000 at the discretion of the Grants Subcommittee. Clubs may also be limited to two district grants per Rotary year if district requests exceed monetary amounts available.
- b. District funds for local grants will be available on approval for 70% of the funding requested, the remainder coming with the approval of the final report, including all receipts and proof of payments, by the District Rotary Foundation Chair. A project application's consideration is contingent on the proper close out of the previous year's grants by the Club.
- c. Club Grant requests for international projects will be handled on an individual basis for funding release. All other guidelines apply.
- d. Grant requests for the Rotary year of 2016-17 will be accepted starting March 1, 2016.
- e. During the Rotary year of 2016-2017 grant requests will be due no later than August 1, 2016 on a first come first consideration basis to be considered in the first round of funding. All grants requests will be considered by the Grant Subcommittee. Should funding requests exceed the DDF available grants will be prioritized by the Grant Subcommittee according to the information submitted on the grant request.
- f. If grant monies are available after the first round of funding, additional grant requests will be considered by the Grant Subcommittee as grant applications are submitted.

#### **5. Unqualified Clubs**

- a. Clubs which are not qualified may participate in the grants process by forming a partnership with another club and or district who is qualified. In this instance a Club must sign an MOU with that Club or District. Clubs will be able to participate financially but will not receive credit i.e. Paul Harris Points for their contributions to the project.

#### **6. District Grant Application Form**

- a. All applications for both local and international projects not falling under the realm of global grants must be submitted via email to [d6600grants@gmail.com](mailto:d6600grants@gmail.com).
- b. Applications are available on the district website [www.rotary6600.org](http://www.rotary6600.org).

Other issues and or items may develop over the course of the Rotary Year and cause changes to this and or other documents. The changes will be sent to the FAC and posted in the Secure Files on the District 6600 Web.

### 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 [Click here to enter text.](#), the undersigned agree to comply with all of the conditions and requirements of the MOU for Rotary year 2015-16 and will notify Rotary International District 6600 of any changes or revisions to club policies and procedures related to these requirements.*

Club President	
Term	
Name	
Signature	
Date	

Club President Elect	
Term	
Name	
Signature	
Date	

Submit both the District 6600 Club Memorandum of Understanding (MOU) and the District Addendum to the Club MOU to:  
[\*\*d6600grants@gmail.com\*\*](mailto:d6600grants@gmail.com)