



**ROTARY INTERNATIONAL  
DISTRICT 6710**

**Rotary International District 6710**

2601 Top Hill Road  
Louisville, KY 40206  
Tel: (502) 897-2485  
Email: [r.harned@twc.com](mailto:r.harned@twc.com)

**SCAN COVER SHEET:**

**TO: DISTRICT ROTARY FOUNDATION COMMITTEE CHAIR-ELECT  
RICK HARNED  
SCAN AND E-MAIL Email: [r.harned@twc.com](mailto:r.harned@twc.com)**

**FROM:**

**DATE:**

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**PLEASE RETURN THIS PAGE AND THE 4 PAGES OF THE CLUB MEMORANDUM OF UNDERSTANDING and ADDENDUM BY E-MAIL.**

**ALTERNATIVELY, THE SIGNED DOCUMENT MAY BE MAILED TO:**

**Rick Harned  
2601 Top Hill Road  
Louisville, KY 40206**

The Rotary Foundation returns District Designated Funds to District 6710 in the form of District and Global Grants. In order to be eligible to receive applicable portions of these grants, clubs must have at least two members attend an annual Grant Management Seminar and after Board approval, sign the Club Memorandum of Understanding and return the signed document by e-mail or mail to:

**District Rotary Foundation Chair Rick Harned no later than June 30, 2017.**

**As part of the club qualification process for the New Grant Model, the Board of**

**Directors of the Rotary Club of \_\_\_\_\_ has approved the attached "Club Memorandum of Understanding" (MOU) and Addendum.**

The following club members have attended a Grant Management Seminar:

Name: \_\_\_\_\_

Name: \_\_\_\_\_

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**This scan consists of the cover sheet and 4 pages.**

# THE ROTARY FOUNDATION GRANT MODEL

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## CLUB MEMORANDUM OF UNDERSTANDING For DISTRICT 6710 clubs in 2015-2016

This document is the official Memorandum of Understanding (MOU) provided by The Rotary Foundation (TRF). It is an agreement between the club and its district, to implement the financial and stewardship requirements in this MOU and to ensure proper implementation and management of Rotary Foundation Global and Package Grant funds and any District Grant Funds. By executing this document, the club agrees that it will comply with all Foundation and District requirements.

District 6710 has directed that clubs must be “qualified” to receive grant funds from the Rotary Foundation District Block Grant and each “qualified” club will be held responsible for implementing this club MOU. The sections of this MOU are:

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. TRF Terms of Qualification

- A. At least two club members must attend a Grant Management Seminar each year.
- B. Upon successful completion of the qualification requirements, the club will be qualified for one Rotary year.
- C. To maintain qualified status, the club must comply with this MOU, any additional district requirements, and all applicable TRF policies.
- D. The club is responsible for the use of funds for club-sponsored grants, regardless of who controls the funds.
- E. 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.
- F. 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 non-interest-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 record keeping 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.

**6. Method for Reporting and Resolving 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.

**7. 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 6710 of any changes or revisions to club policies and procedures related to these requirements.*

| 2017-18 Club President |  | 2017-18 Club President Elect |  |
|------------------------|--|------------------------------|--|
| <b>Term</b>            |  | <b>Term</b>                  |  |
| <b>Name</b>            |  | <b>Name</b>                  |  |
| <b>Signature</b>       |  | <b>Signature</b>             |  |
| <b>Date</b>            |  | <b>Date</b>                  |  |
| <b>Email</b>           |  | <b>Email</b>                 |  |

## ADDENDUM TO THE CLUB MEMORANDUM OF UNDERSTANDING DISTRICT 6710

**District Requirements:** Clubs submitting applications for District or Global Grants under the New Grants Model must be qualified by the district. District 6710 has established requirements in addition to those established by The Rotary Foundation. To be eligible to receive grant funding for any grant program, Rotary Clubs in District 6710 must:

1. Designate at least two club members to attend a Grant Management Seminar(GMS). Several seminars will be offered during the first quarter of the calendar year prior to the start of the next Rotary year. Qualified Clubs must send at least one member to GMS each year.
2. Execute a Memorandum of Understanding (MOU) and a D6710 Addendum to the MOU between the club and D6710 and submit them to the District Rotary Foundation Chair no later than June 30.
3. Be current on its Rotary International and District 6710 dues, and be in good standing with the District 6710, Rotary International, and The Rotary Foundation.
4. Be current on all tax returns for the Rotary Club and any associated Club Foundation.
5. Have established and reported to Rotary International an annual giving goal for the current year.
6. Be current on all Rotary Grant reporting requirements.

Clubs are encouraged to appoint a Club Rotary Foundation Chair to a three-year term. Qualification will be renewed annually.

**Bank Account Waiver:** District 6710 will waive Rotary International MOU requirement #4, *Bank Account Requirements*, for participation in District Grants. This waiver does not apply to Global Grants.

| 2017-18 Club President |  | 2017-18 Club President Elect |  |
|------------------------|--|------------------------------|--|
| <b>Term</b>            |  | <b>Term</b>                  |  |
| <b>Name</b>            |  | <b>Name</b>                  |  |
| <b>Signature</b>       |  | <b>Signature</b>             |  |
| <b>Date</b>            |  | <b>Date</b>                  |  |