

The following are the District Grant Policies that apply for allocation of District Designated Funds (DDF) for District Grants and which must be followed for use of DDF for District Grants.

CLUB QUALIFICATION AND MOU REQUIREMENTS

- Rotary clubs must be qualified by the District Stewardship Committee to participate in District Grant funding. To be qualified, Club officers (see next bullet point) must attend District Grants Management and Memorandum of Understanding (MOU) training and sign The Rotary Foundation’s Club Memorandum of Understanding (TRF MOU) and the District’s MOU Addendum. In addition, the Club must have no past due Rotary International Dues or District 5150 Dues.
- To qualify for club qualification, the Club President-Elect’s attendance is mandatory at one of the Grants Management and MOU training sessions sponsored by the District. Also at least one of the following must attend this training: President Nominee (preferable), International Chair, Community Service Chair or Club Rotary Foundation (TRF) Chair. The signatures of the President Elect and President Nominee are required on the TRF MOU and District’s MOU Addendum. In the absence of a President Nominee, then one of the above-mentioned club committee chairs who attended the Grants MOU training may sign the MOU.

DISTRICT GRANT PROGRAM FUNDING

- Each Rotary Club will receive a “Fair Share” allocation from the District Designated Funds (hereinafter “DDF”) set aside for both District and Global Grants. The Rotary Foundation (hereinafter “TRF”) will match approved Global Grants \$1 for \$1 for DDF allocated to Global Grant projects, but it will not match any DDF funds allocated to District Grants.
- Rotary Clubs will receive notice of their Fair Share allocations in July, 2019. Allocations will be based on each Club’s pro-rata share of the three prior years’ Annual Fund contributions, weighted 33-1/3% for each of the three prior years. District Grant projects may be either local Community Service projects or small International Service projects not tied to a Global Grant and in which our District Club is carrying out the project in the foreign country and maintaining control of all funds for the project.
- Each Club may choose how much of its DDF allocation it wishes to spend on District Grant projects and/or reserve for Global Grant projects. There is no limit of the amount of the Club’s Fair Share that the Club may spend on a District Grant project. However, If the total amount of District Grants requested by all Clubs in the District exceeds 50% of District DDF available for the year (the limit imposed by TRF), then the Grant Allocation Group (defined at the end of these policies) will allocate the available DDF between the Clubs applying for DDF for District Grant projects. A preference will be given in such allocations for projects that are within one or more of the six TRF Areas of Focus. Clubs will be guaranteed at least 50% of the requested DDF allocation if their projects are within the TRF guidelines for District Grants.

DISTRICT GRANT POLICIES – ROTARY YEAR 2019 - 2020

- For the first three years of a new Rotary Club's existence following its charter year, if needed the new Club shall be allocated sufficient DDF so that the Club has \$500 of DDF available for allocation to District and/or Global Grant projects. If the Club's own DDF allocation exceeds \$500, then no DDF shall be allocated to that Club from these funds. These DDF funds shall come from earnings on the TRF Endowed Funds that are credited to District 5150.

REQUIRED TRAINING

- President Elects and the President Nominee (or, if none is elected, the Club's Rotary Foundation (TRF) Chair, International Service Chair or Community Service Chair) will be required to attend the Grants Management and MOU (Memorandum of Understanding with The Rotary Foundation and District 5150) training on January 26, 2019 or on March 30, 2019 to assist them with their decision on how to use the DDF allocated to their Rotary Club.

APPLICATION PROCESS

- Applications for District Grants must be completed on line at the District 5150 website, and are due by **June 1st** preceding the Rotary Year. Only Clubs qualified to administer Rotary Foundation funds (having signed a TRF Club Qualification Memorandum of Understanding and District 5150 Addendum and met all the conditions in these policies) may apply to use their DDF funds for a District Grant. A Club that is not qualified may allocate its Club's DDF Fair Share to another qualified District 5150 Club's District or Global Grant project.
- By April 20th preceding the Rotary Year, the Chair of the District Grants Committee will send the Club President Elects an estimate of their Fair Share for the next Rotary Year based on Annual Fund giving to March 31st of that year. The actual amount of DDF available for the next Rotary Year will not be available until July of the Rotary Year. In the Club's Application for a District Grant, the amount of DDF requested for the District Grant project should be characterized as either "up to \$___ of DDF available" or "___% of DDF available not to exceed \$___". The DDF that the District applies to TRF to use for District Grants will be based upon the total dollar amount requested by the Clubs. Clubs should be prepared to fund any District Grant project DDF shortfall with cash from their own Club budget.

ELIGIBILITY CRITERIA

- Proposed District Grant projects must include the active participation of Rotarians to achieve project objectives. They need to relate to the mission of The Rotary Foundation. District grants can support local and small international humanitarian projects, including service travel and disaster recovery efforts. For example, a District Grant could be used to conduct a Community Needs Assessment for a proposed Global Grant project.
- See the District Grant Scholarship Policy to for specific policies and recommendations. Scholarships for any level, length of time, location, or area of study are eligible for District Grants.

DISTRICT GRANT POLICIES – ROTARY YEAR 2019 - 2020

These Grants can also be used for youth programs including Rotary Youth Exchange, Rotary Youth Leadership Awards (RYLA), Rotaract and Interact. Vocational training teams (VTT) are also eligible.

- District Grant funds CANNOT be used for: Unrestricted cash donations to a beneficiary or cooperating organization, or for operating, administrative or indirect program expenses of another organization. They may not be used as matching funds for any other project; or as reimbursement for previously completed projects.
- District grant funds also may not be used to purchase land or buildings, or for construction or rehabilitation of buildings except for water and sanitation projects. Such projects would need to have adequate insurance as approved by the District.
- Fundraising activities and expenses related to Rotary events such as conferences, institutes, anniversary celebrations or entertainment activities are also prohibited.
- Up to 3% of grant funds may be allocated to administrative costs, and not more than 10% of the grant budget may be used for contingencies.

NOTE:

ADDITIONAL RESTRICTIONS APPLY. See TRF publication: "Terms and Conditions for Rotary Foundation District Grant and Global Grant Projects"

ACTIVE PARTICIPATION BY ROTARIANS: District Grants require the direct involvement of Rotarians to:

- assess community needs;
- develop a project plan;
- establish a committee of at least two Rotarians to oversee the expenditure of funds and implementation of the project;
- promote the project in local media; and
- submit the required reports timely.

PROJECT IMPLEMENTATION AND STEWARDSHIP

- The District recommends that each Club maintain a separate bank account for its District Grant Project. However, for projects that use less than \$2,000 of DDF, District Grant DDF funds may be kept in a Rotary Club's bank account. For each District Grant Project using \$2,000 or more of DDF, a separate bank account must be used.
- For smaller projects where a Club does not set up a separate bank account, a separate ledger of expenses and income must be maintained for funds in that multi-use account. Bank statements,

cancelled checks, bills/invoices/statements for materials used and other evidence of project cost also must be retained with the Project records for a period of five years after the year in which the project is completed. The Club must provide a copy of all these documents to the Grants Committee to forward as a permanent record to the District Stewardship Committee.

DICTIONARY PROJECTS

- The following shall apply to Clubs that allocate DDF for dictionary projects that utilize dictionaries purchased by the District, where the Clubs reimburses the District for the cost of the books. When the District Treasurer is distributing DDF to the Clubs pursuant to their approved District Grant applications, the Treasurer shall retain the amount of DDF that each Club has approved for Dictionary costs from that District Grant and credit the DDF against the Club's obligation to the District for the books. The Club shall remain responsible for paying to the District any costs for the books that is greater than the amount of DDF reserved by the District for the books.
- In determining whether the Club needs to establish a separate bank account for its District Grant project, the amount of DDF retained by the District shall not count as part of the cash for the project. When the Club accounts for the District Grant dictionary project in its Final Report, it shall include in its accounting the amount of DDF allocated for dictionaries that was retained by the District and applied to the purchase cost of the books.

MULTI-CLUB PROJECTS

- For projects that are sponsored by more than one Club in our District, the following shall apply.
 - A. Each Club participating in the project shall submit a separate District Grant Application for use of DDF for the project. The Application must be submitted to the District Grants Coordinator within the time requirements for all Grants. A Master Application may be created that has blanks for the Clubs to complete the items with numbers:
 1. Club Name
 5. Club Rotarian participation
 10. Project Contacts (for Club)
 11. Budget including DDF, amount of Club Match (if any), and Total contributions to the project by the Club
 12. Funding (Club portion of the total project)
 13. Authorization (Club signatures)
 - B. Each Club shall submit separate required Reports for the project. The Report(s) must be submitted to the District Grants Coordinator within the time requirements for all Reports. A Master Report form may be created that has blanks for the Clubs to complete the items with numbers (if applicable):
 - Rotary Club name
 2. If the master form does not show the number of participants by Club, then add a line



DISTRICT GRANT POLICIES – ROTARY YEAR 2019 - 2020

- indicating how many of the reporting Club’s members participated
8. Income Amount complete for the Club—DDF used, Club Funding provided, other funding arranged by the Club, and total
 9. The Club’s percentage of the expenditures listed based on total project funding
 - 11 Date/Signature/Club Name

DISTRICT GRANT REPORTING REQUIREMENTS

- District Grant projects must be completed on line at the District 5150 website in no more than 22 months from the beginning of the Rotary Year. A final report for a completed project or an interim report for an uncompleted project must be made by the Club to the District by **May 1st of the Rotary Year**, and if the project is longer than a one-year project, a final report is due **May 1st of the next Rotary Year**.
- Projects must be pre-approved by the District Grants Coordinator to assure compliance with TRF Grant guidelines and District Policy. The project may be the same as a project previously completed by the Club with a District Grant. Clubs that fail to timely submit their reports will not be qualified for a Memorandum of Understanding for District and/or Global Grants for the next Rotary year. These Clubs will also be excluded from participating in the next Rotary Year’s District and Global Grants.

PROJECTS NOT COMPLETED

- DDF allocated but not used by a Club for an approved District Grant project may be re-allocated for another District Grant project for that Club. Reuse of funds must be in the same Rotary year and must be approved by the District and TRF. All funds allocated to the Club that are not used must be returned to the District for it to return to TRF. In that case, the DDF returned to TRF will be credited to the Club for it to use or allocate to others for Global Grants, or to be reallocated by the District under the terms of the District’s Global Grants policy.

The “Grant Allocation Group” mentioned above is composed of the District Governor for the Rotary Year that this policy applies, District Rotary Foundation Chair for the Rotary Year that this policy applies, and the Grants Committee. That group shall be chaired by the District Grants Subcommittee Chair for the Rotary Year that this policy applies. If a member of this Committee is also a member of a Club that is applying for a District Grant, that member must abstain from participation in the vote on any project for the member’s Club being considered by the Committee.