



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 the Rotary Foundation Global Grant Funds and District Grant Funds. By executing this document, the club agrees that it will comply with all Foundation and District requirements.

RI District 6200 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. Club Qualifications**

To participate in Rotary Foundation Global and Package Grants, the club must agree to implement the financial and stewardship requirements in this memorandum of understanding (MOU) provided by The Rotary Foundation and to send at least one club member to the district 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 (1) 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 at least one club member to implement, manage, and maintain club qualifications.
- 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
  - i. Have a minimum of two (2) Rotarian signatories from the club for disbursements.
  - ii. Be a low- or non-interest-bearing account.
- b. An 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 of 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:
  - i. Bank information, including copies of past statements.
  - ii. Club qualification documents including a copy of the signed club MOU.
  - iii. Documented plans and procedures, including:
    1. Financial management plan;
    2. Procedure for storing documents and archives; and
    3. Succession plan for bank account signatories and retention of information and documentation.
  - iv. 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 (5) years, or longer if required by local law.

### **7. 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.

**Authorization and Agreement**

*This Memorandum of Understanding (MOU) is an agreement between the club and the district and acknowledges that the club will undertake measures to ensure that 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.*

*The undersigned agree to comply with all conditions and requirements of the MOU for Rotary year 2020-2021 and will notify Rotary District 6200 of any changes or revisions to club policies and procedures related to these requirements.*

*The typing of names in the signature blocks are intended to be electronic signatures.*

**Club President 2019-2020**

Rotary Club of \_\_\_\_\_

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

Date: \_\_\_\_\_

**Club President-Elect 2019-2020**

Rotary Club of \_\_\_\_\_

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

Date: \_\_\_\_\_



**ROTARY DISTRICT 6200  
2020-21 GRANT CYCLE  
CLUB MEMORANDUM OF UNDERSTANDING ~ ADDENDUM**

**1. District Requirements**

Clubs submitting applications for Rotary District Grants must be qualified by RI District 6200. The District has established requirements in addition to those established by The Rotary Foundation. To be eligible to receive grant funding Rotary District Grants, clubs in District 6200 must also:

- a. Appoint a Club Rotary Foundation Committee Chair and advise RI and District 6200 of the appointment and furnish contact information for the individual.
- b. Have at least two (2) members of the club participate in a Grant Management Seminar for this granting cycle. It is recommended that one of the members participating in the training be the Club’s President-Elect (incoming Club President).
- c. Be current on its Rotary International and District 6200 dues, and be in good standing with District 6200, Rotary International, and The Rotary Foundation.
- d. Have established and reported an Annual Fund giving goal to the District Rotary Foundation Committee Chair for the 2020-2021 Rotary year. This must be accomplished by using Rotary Club Central.
- e. The club agrees to publicize any District Grant Project it undertakes.
- f. Be current on all Rotary District Grant reporting requirements.
- g. Have the Rotary Club’s President (2019-20) and President-Elect (2019-20) sign the Club MOU and this Addendum.

**2. Bank Account Waiver**

The District will waive The Rotary Foundation MOU requirement to create and maintain a separate bank account for participation in a District Grant. This waiver does not apply to Rotary Global Grants. Compliance with the club’s financial plan is required as per The Rotary Foundation’s terms and conditions.

- a. Appointing at least one club member to implement, manage, and maintain club qualifications.
- 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.

**Addendum to MOU Agreement**

*The undersigned agree to the RI District 6200 Addendum to the Club Memorandum of Understanding for Rotary year 2020-2021.*

*The typing of names in the signature blocks is intended to be electronic signatures.*

**Club President 2019-2020**

**Club President-Elect 2019-2020**

Rotary Club of \_\_\_\_\_

Rotary Club of \_\_\_\_\_

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

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_