

A Guide to Implementing Qualification Requirements

MOU Section	Explanation
<p>Club Qualification</p> <p>To participate in Rotary grants, your 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.</p> <p>A. Upon successful completion of the qualification requirements, the club will be qualified for one Rotary year.</p> <p>B. To maintain qualified status, your club must comply with this MOU, any additional district requirements, and all applicable TRF policies.</p> <p>C. Your club is responsible for the use of funds for club-sponsored grants, regardless of who controls the funds.</p> <p>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.</p> <p>E. Your club must cooperate with any financial, grant, or operational audits.</p>	<p>Qualification is the process that your club establishes to ensure compliance with Foundation policies, avoid misuse and mismanagement of grant funds, and ensure that their members have the appropriate training and resources. These measures establish proper stewardship controls and enable clubs to maintain qualified status. Clubs that fail to comply risk losing the ability to participate in the Foundation grants program.</p> <p>How will your club ensure that it complies with the MOU requirements?</p> <p>How will you communicate the responsibilities for managing global grants to all members of the club?</p> <p>Notes</p>

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<p>Report on Use of Grant Funds Your 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.</p>	<p>Your club must fulfill all Foundation reporting requirements for global grants. Clubs must submit progress reports every 12 months from the time a grant is paid until the final report is accepted and final reports within two months of completing the grant project.</p> <p>In addition, clubs must meet their district's requirements for reporting on district grant funds.</p> <p>Failure to report on grants can result in a club being unable to participate in the Rotary grants.</p> <p>Who will be responsible for reporting grant activity to the full club, the district, and the Foundation?</p> <p>How will this report be incorporated into the treasurer's monthly report to the board?</p> <p>Notes</p>
<p>Document Retention Your club must establish and maintain appropriate recordkeeping systems to preserve important documents related to qualification and Rotary grants. Retaining these documents supports transparency in grant management and assists in the preparation for audits or financial assessments.</p> <p>A. Documents that must be maintained include, but are not limited to:</p> <ol style="list-style-type: none"> 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: 	<p>Your club must establish a document retention system for documents related to qualification and Rotary grants. The system can be a combination of electronic and physical files that best fit the needs of the club. Documents that must be retained include bank statements, receipts, club qualification materials, and procedures relating to the MOU.</p> <p>Maintaining documents helps clubs comply with local laws, ensure transparency, and better prepare for grant reporting, audits, and financial assessments. By maintaining these documents, the club will be able to quickly respond to requests by the Foundation, the district or Rotarians.</p>

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<ul style="list-style-type: none"> 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. 	<p>Where will your club store its documents related to qualification and grant activity?</p> <p>Will you use your club's current archive system or develop a new one?</p> <p>Who will oversee this process?</p> <p>How will you ensure that your club keeps [or <i>makes or maintains</i>, something to that effect] an inventory of grant assets?</p> <p>According to local laws, how long must you retain documents?</p> <p>Notes</p>
<p>Reporting Misuse of Grant Funds</p> <p>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.</p>	<p>Because a great deal of effort, time, and dedication goes into fundraising and contributions, all Rotarians are responsible for ensuring that Foundation funds are used correctly. Immediately reporting problems and irregularities increases the likelihood of a timely resolution (which allows the community to still benefit from the project) and decreases the likelihood of the club being required to return funds. Your club is required report misuse or mismanagement of grant funds to its district.</p> <p>How do you ensure that all our your club members understand their responsibility for reporting suspected misuse or mismanagement of funds?</p>

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	<p>Where has your district designated that reports should go to?</p>
	<p>Notes</p>
Authorization and Agreement	<p>The club MOU is a legal document between the club and the district. By signing this agreement, the club president and president-elect are authorizing it for one Rotary year; the club enters into a legal agreement with The Rotary Foundation to abide by all TRF and RI policies.</p>
	<p>How will you ensure that all of your club members understand their responsibility as outlined in this agreement?</p>
	<p>Notes</p>