

DISTRICT GRANT CLUB QUALIFICATION MANUAL

OVERVIEW OF THE ROTARY FOUNDATION GRANTS

The Rotary Foundation (TRF) initiated a new grant model in 2013. Under this new grant structure, TRF reduced the number of types of grants offered from twelve to two. The new grant model was established to simplify the grant process, increase efficiency in administering grants, improve transparency in expenditure of funds, and give districts and clubs greater flexibility in how they use grant funds. The two types of grants are global grants and district grants.

GLOBAL GRANTS

Global grants support large international activities with sustainable, measurable outcomes in Rotary's areas of focus. Grant sponsors form international partnerships that respond to real community needs.

What they support

Global grants can fund these activities:

- Humanitarian projects
- Scholarships for graduate-level academic studies
- Vocational training teams, which are groups of professionals who travel abroad either to teach local professionals about a particular field or to learn more about their own

How to use them

A key feature of global grants is partnership, between the district or club where the activity is carried out and a district or club in another country. Both sponsors must be qualified before they can submit an application.

To be successful, your application must:

- Be sustainable and include plans for long-term success after the global grant funds have been spent
- Include measurable goals
- Align with one of Rotary's six areas of focus
- Respond to real community needs
- Actively involve Rotarians and community members
- Meet the eligibility requirements in the grants terms and conditions

Applications are accepted throughout the year and reviewed as they are received. All global grant applications must be coordinated with the district Foundation Chair.

How they're funded

The minimum budget for a global grant activity is \$30,000. The Foundation's World Fund provides a minimum of \$15,000 and maximum of \$200,000. Clubs and districts contribute District Designated Funds (DDF) and/or cash contributions that the World Fund matches. DDF is matched at 100% and cash is matched at 50%.

DISTRICT GRANTS

District grants fund small-scale, short-term activities that address needs in your community or communities abroad. Each district chooses which activities it will fund with these grants. District 6860 requires that the club applying for funds be qualified.

What they support

You can use district grants to fund a variety of district and club projects and activities, including:

- Humanitarian projects, including service travel and disaster recovery efforts
- Scholarships for any level, length of time, location, or area of study
- Vocational training teams, which are groups of professionals who travel abroad either to teach local professionals about a particular field or to learn more about their own

How to use them

You have a lot of freedom to customize your service projects. There aren't many restrictions, as long as your district grant supports the mission of The Rotary Foundation and meet the terms and conditions established by TRF for use of grant funds.* Districts must be qualified before they can administer district grants and in District 6860 clubs must be qualified to administer district grants.

Grant funds must be used as approved and cannot be changed or amended without permission from The Rotary Foundation. Any proposed changes must be submitted in writing to the District Grant Subcommittee Chair.

All district grant funds must be expended in the program year in which they are awarded. Any funds remaining at the end of the program year must be returned to The Rotary Foundation.

The club is fully responsible for grant funds. If funds are lost, stolen, or used fraudulently, the club must reimburse The Rotary Foundation for these funds.

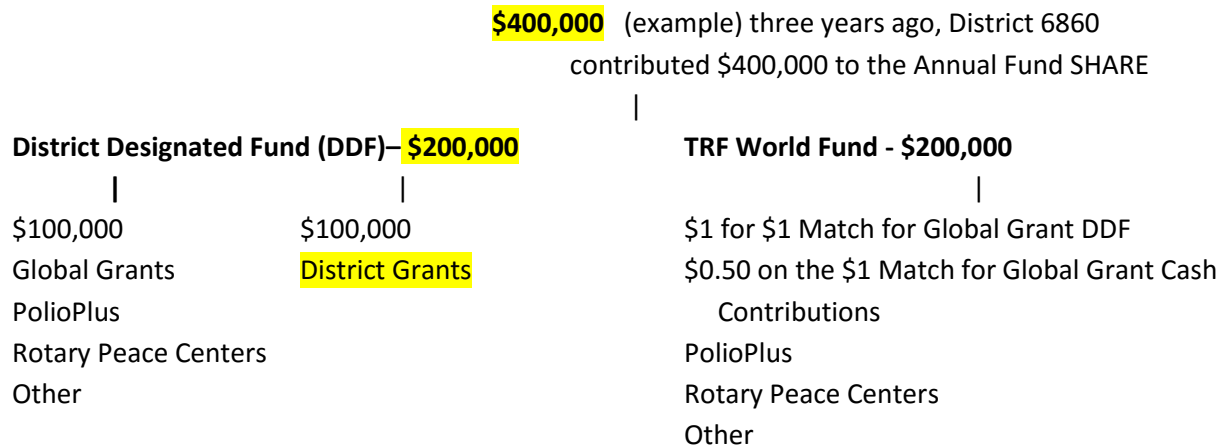
*Terms and Conditions for Rotary Foundation District Grants and Global Grants

How they're funded

Districts may use up to 50 percent of their District Designated Fund to receive one district block grant annually. This percentage is calculated based on the amount of DDF generated from a district's Annual Fund giving three years prior, including Endowment Fund earnings.

A lump sum is disbursed to the district based upon a TRF approved spending plan, and then the district distributes checks to clubs for approved projects.

SHARE SYSTEM – Contributions to the Annual Fund of The Rotary Foundation



How clubs request funds

Clubs work directly with their district to get funding. District 6860 uses a grant application process to award district grants. Clubs must be fully qualified before submitting a district grant application. Deadline dates are established for receipt of grant application and dates will be announced at grant management workshops and posted on the district calendar. Once all applications are received, a committee will review and recommend awards based on the following criteria:

District grants will be awarded based on the following:

- Club has fully met the qualification requirements
- Club has no outstanding reports for district grants in previous years
- Application meets the terms and conditions for use of TRF funding for district grants
- Club per capita giving to the Annual Programs Fund of The Rotary Foundation

The district foundation chair or grants subcommittee chair next electronically submits a spending plan to TRF for approval. Once this is approved and the previous year's district grant has been closed out, funds are electronically transmitted to the district for distribution to clubs.

DISTRICT QUALIFICATION

- District leaders complete qualification process online annually
- Conduct grant management seminars for clubs

Districts must become qualified in order to receive grant funding from The Rotary Foundation. District leaders complete a qualification process online annually, agree to implement a District MOU, and conduct grant management seminars for clubs.

The qualification process helps ensure that your district or club understands your financial responsibilities, including stewardship, and is prepared to take them on. Qualification must be completed each year.

PURPOSE OF TRAINING

- **Understand how to manage a Rotary grant**
- **Learn stewardship expectations**
- **Qualify clubs to receive grant funds**
- **Provide instruction in use of DaCdb District Grant Module**

Why Grant Management?

Ensures that projects

- Have proper financial controls
- Adhere to technical standards
- Meet the needs of beneficiaries
- Fulfill their objectives
- Safeguard funds

DESIGNING A PROJECT

Successful Projects:

- Meet community needs
- Are sustainable – to the extent possible – this is not a requirement for district grants, but is encouraged
- Involve a partner
- Have an implementation plan
- Maintain proper stewardship of funds

Beneficiaries are more likely to support and participate in a project that addresses the needs of a community and has a sustainable outcome – one that will continue after the funds have been spent.

Rotarians are encouraged to partner with the community and organizations with technical expertise; however, projects must be managed by Rotarians. Invite Rotaractors, Interactors, RYLA alumni, family members and potential members to participate in your project.

The implementation plan should include an achievable project timeline and should be shared with partners and beneficiaries.

By establishing a financial management plan before applying for grants, clubs ensure that they will have processes in place to manage funds before any money is received.

Needs Assessment

- Base projects on communities' needs
- Determine what resources your club and potential partners have
- Talk to the community

Asking members of the community what they need and what strengths they bring to the project results in greater support and involvement, which leads to a more sustainable, lasting impact.

Once the needs are identified, your club should consider which can be addressed with the resources, skills, and availability of your club and its potential partners, including other Rotary clubs, districts, The Rotary Foundation, and non-Rotary organizations.

Continue involving the community during the selection of the project and its planning and implementation.

The Rotary publications *Communities in Action* and *Community Assessment Tools* offer information and resources for conducting a community needs assessment.

Planning a Project

- Form a three-person grant committee
- Assign roles
- Make an implementation plan
- Establish a budget
- Have a contingency plan
- Have a document retention plan

Rotarians must manage all projects that receive funding from The Rotary Foundation.

The club should establish a committee of three Rotarians to manage the project. This is necessary so that there are multiple people who are familiar with the project and can complete and report on the project in the absence of one or more members of the committee.

Roles and responsibilities should be assigned to everyone on the committees.

Create a plan for managing funds and implementing the project.

Develop a budget that includes details and a timeline for the purchase and distribution of goods, training, and any other activities.

Consider your liability for the project, ensure that your club is protected, and have a contingency plan in case something goes wrong.

Documents relating to the grant including application, report, financial statements, receipts, photographs, etc., must be maintained for a minimum of five years. The DaCdb database will preserve the documents for the required period of time, but clubs are advised to maintain a hard file that can be publicly viewed by members.

Discussion questions:

- Who would you include on the three-person project committee?
- What systems do you use to store grant records?
- Does everyone on the committee have access to the records?

Creating a Budget

- Realistic
- Competitive bidding
- Reasonable prices
- Disclose conflicts of interest

A budget should be realistic and comprehensive to ensure adequate funding.

When choosing a supplier, Rotarians may want to consider a competitive bidding process to ensure that they get the highest quality goods at the best prices.

Clubs should keep records of any submitted bids.

Clubs must disclose any potential or real conflicts of interest related to the budget.

Goal Setting

- Measurable
- Qualitative
- Quantitative
- Gather baseline data
- Determine method of measurement

Every project should have established goals and/or outcomes. Sustainable goals are required for global grant projects and highly recommended for district grant projects.

Ensure that all project components directly support those goals.

Project goals should be measurable so you can quantify the impact of the project. Document your outcomes. For example, the Rotary Club of Xanadu provided vision screening to an underserved rural population in Alabama. One hundred children were screened over a period of four weekends. Fifty of the children screened were fitted with eye glasses to correct identified vision problems.

OVERSIGHT AND REPORTING

Stewardship

Stewardship is the responsible management and oversight of grant funds, including:

- Reporting any irregularities
- Rotarian supervision
- Financial records review
- Oversight of funds
- Timely submission of reports

Clubs must follow standard business practices for managing these funds. It's important to review financial records to confirm proper use of funds. Good stewardship is achieved by putting systems in place that create club-wide awareness of the use of funds. Widespread knowledge helps prevent mismanagement.

Any irregularities or misuse of grant funds should be reported immediately.

Submit timely, complete, and accurate reports to demonstrate good stewardship of funds to Rotary and all grant partners.

A club's level of oversight, transparency, and accountability in managing Rotary grant funds affects donors' confidence in giving to The Rotary Foundation and working with that club on future projects.

Financial Management Plan

- Bank account for funds
- Distributing funds
- Use checks or bank cards to track funds
- Detailed ledger
- Conform with local laws

Your club should have a club-controlled bank account used only for grant funds (required for global grants; recommended for district grants). For district grants, grant funds should not be intermingled with club funds. Accounting or bookkeeping software such as Quicken or QuickBooks can identify income and expenditures related to your district grant.

Once your club receives grant funds, it is important to have a plan for distributing and tracking funds. For example, if you are sponsoring a scholar, the plan should specify when and how your club will distribute the funds to the scholar.

Expenditures should be made using a traceable method such as a check or a bank card.

Keep track of transaction details.

Laws in some countries and regions may be more stringent than Rotary requirements. Know your local laws and follow them. When local laws are less stringent than Rotary requirements, be sure to adhere to Rotary requirements.

Be advised that your club is fully responsible for funds disbursed for district grants.

Document Retention

- Provide access to documents for transparency
- Retain for a minimum of five years
- Make copies

All documents should be accessible to everyone in the club. For example:

Keep documents in a binder or a file system, or scan documents and save them electronically to a shared network. The DaCdb grant module meets document retention requirement, however, clubs are encouraged to maintain copies of documents as well.

Documents must be retained for a minimum of five years -- or longer if local law requires it.

Reporting Requirements

Reporting:

- Verifies grants were managed properly
- Provides valuable data for your club, partners, and Rotary

Reporting is a requirement, and it is a key component of proper stewardship and grant management.

If a club has already completed an evaluation of the project and maintained records in accordance with the club memorandum of understanding, completing Rotary's reporting requirements is simple.

Reporting verifies that grants were managed properly and implemented in accordance with Rotary grant policies.

It also provides an opportunity for communication between partners, building the trust necessary to continue the partnership in support of future projects.

Reporting allows project partners and the Foundation to celebrate successes and learn from challenges.

It encourages future giving, because donors are confident that their funds have been used as intended.

It provides valuable evaluation data that the Foundation uses to improve its grant making.

It allows Rotary to demonstrate to current and future donors its effectiveness and the impact of its grants.

It allows project outcomes in each area of focus to be aggregated and marketed to Rotary's audiences.

District Grant Reporting Requirements

All projects must be completed and reported on by June 15 in the Rotary year awarded. Funds cannot be carried forward to the next year and must be used as approved by the district grant subcommittee. Any funds not expended in the year they were awarded must be returned to the District and subsequently to TRF.

Final reports and all supporting documentation must be submitted through the DaCdb grant module. Hard copies, faxes or email transmittals will not be accepted. Supporting documentation includes a listing of expenditures including vendors and amounts expended, copies of receipts/paid invoices and checks written. Photos are also encouraged and can be uploaded with reports.

CLUB QUALIFICATION

A Club cannot participate in District Grants or Global Grants unless it is qualified. Qualification is required annually due to the changeover of club leadership. The District Club Qualification Chair will maintain a list of qualified clubs. For District 6860 there are two levels of club qualification: (1) qualification for district grants only; and (2) qualification for global grants and district grants.

If your club is applying for District Grants only:

- (1) Attend a District Grant Club Qualification Seminar or Grant Management Seminar
- (2) Be current on all Rotary International and District dues
- (3) Be current on all Grant reporting requirements
- (4) Club members must contribute to the Annual Fund of The Rotary Foundation

If your club is applying for a Global Grant and/or District Grant

- (1) Attend a Grant Management Seminar
- (2) Be current on all Rotary International and District dues
- (3) Be current on all Grant reporting requirements
- (4) Club members must contribute to the Annual Fund of The Rotary Foundation
- (5) Submit signed Club MOU (required for clubs having an active global grant or applying for a new global grant)

Who should attend one of the training sessions?

The primary audience for the training is the club president-elect, club Foundation chair, and club members who will be responsible for coordinating the project. Club training will include hands-on training for use of the grant module through DaCdb. Seminar attendees should have a basic knowledge of DaCdb prior to the seminar and should bring their laptops with them to the training seminar.

Terms of Qualification for District Grants

- Valid for one year
- Club responsible for grant funds
- Disclose conflicts of interest
- Cooperate with all audits
- Use grant funds properly

Once a club successfully completes the qualification requirements, the club will receive qualified status for one Rotary year.

All club members understand that the club as an entity is responsible for the use of grant funds.

The club must disclose any conflicts of interest in compliance with the Conflict of Interest Policy as outlined in The Rotary Foundation Code of Policies.

The club must cooperate with any site visits, reviews, and audits.

Misuse of grant funds could result in suspension of the club's qualification status.

Failure to comply with terms and conditions for use of district grant funds could result in a loss of qualified status.

Maintaining Qualification for District Grants

- Comply with grant terms and conditions, RI and TRF Code of Policies and District 6860 Policies and Procedures
- Appoint a club member or committee to manage club qualification
- Fully implement stewardship practices to prevent misuse of funds

In order to maintain qualified status for one year, clubs must:

Abide by the Terms and Conditions for Use of Rotary Foundation District Grants and Global Grants, R.I. and Rotary Foundation Codes of Policies, and District 6860 Policies and Procedures.

Appoint one or more club members to manage club qualification. A committee with staggered terms is recommended for increased transparency, oversight, and continuity.

Ensure that stewardship measures and proper grant management practices are implemented for all Rotary Foundation grants, to prevent the misuse of funds