



ROTARY DISTRICT 5360 CLUB MEMORANDUM OF UNDERSTANDING FOR ROTARY YEAR 2018-19

Important notice to incoming club presidents for the 2018-19 and 2019-20 Rotary years: please read this entire document carefully.

After reading the document, download a copy of **PAGE 4** to your computer, and complete the shaded text fields on the page. Once all required fields are filled in, please print the page and have your president-elect and president-nominee affix their signatures at bottom of the page. When both have signed the MOU, upload your completed **PAGE 4** to: http://www.rotary5360.org/fv/fv_MOU_print.php.

Ensure that you identify your executed MOU as being for Rotary year "2018".

The Rotary Foundation returns District Designated Funds (DDF) to District 5360 in the form of district and global grants. Your club's eligibility to receive portions of these funds requires that at least one club member attend the District 5360 Grants Management and Qualification Seminar.

Additionally, **PAGE 4** of this MOU document must be signed by the persons who will be serving as club presidents in **2018-19** and **2019-20**. A scanned image of your club's completed and signed **PAGE 4** must be uploaded to the District 5360 Grants Subcommittee website **no later than May 1, 2018.**

There is a further requirement that your club must have contributed a minimum of \$US50 per capita to the Annual Fund of The Rotary Foundation by May 1, 2018 to receive DDF in the 2018-19 Rotary year.

**DISTRICT 5360 CLUB QUALIFICATION MEMORANDUM OF UNDERSTANDING
FOR ROTARY YEAR 2018-19**

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2. Club Officer Responsibilities
3. Financial Management Plan
4. Bank Account Requirements
5. Report on Use of Grant Funds
6. Document Retention
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**1. Club Qualification**

To participate in Rotary Foundation district and global grants, the club must agree to implement the financial and stewardship requirements set out in this memorandum of understanding (MOU) provided by The Rotary Foundation (TRF), and to have at least one club member participate in the district's grant management seminar each year. By completing these requirements, the club becomes "qualified" and eligible to participate in the TRF district and global grant programs.

Furthermore, clubs applying to the District for grants must have contributed a minimum of \$US50.00 per capita to the Annual Fund of The Rotary Foundation by May 1, 2018 during Rotary year 2017-18.

- A. Upon successful completion of the qualification requirements, the club will be qualified for Rotary year 2018-19.
- 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 TRF grant 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 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 for expenditures 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 - Global Grants**

In order to receive global grant funds, the club must have a dedicated bank account that is used solely for receiving and disbursing these funds or ensure one is set up by the host club in the District the project is being done.

- A. The club bank account must
  - i. Have a minimum of two Rotarian signatories from the club for disbursements
  - ii. Be a low- or noninterest-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 for global grants and District 5360 reporting requirements for district grants. Grant reporting is a key aspect of grant management and stewardship, as it informs TRF and the district of the grant's progress and how funds are spent.

Reports must be submitted for all projects and activities funded by 2018-19 District grants on the earlier of 60 days following completion or July 15, 2020.

## **6. Document Retention**

The club must establish and maintain appropriate recordkeeping 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:
  - (a) Bank information, including copies of past statements
  - (b) Club qualification documents including a copy of the signed club MOU
  - (c) Documented plans and procedures, including:
    - (i) Financial management plan
    - (ii) Procedure for storing documents and archives
    - (iii) Succession plan for bank account signatories and retention of information and documentation
  - (d) 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.

## **7. Reporting 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 pertaining to the District 5360 Rotary Club Memorandum of Understanding 2018-2019, (hereinafter referred to as “MOU”):**

*We, the undersigned, hereby certify that we have read and understand the provisions of the MOU identified above and which is posted on the District 5360 Grants Website, [www.rotary5360.org](http://www.rotary5360.org)*

*The MOU 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 2018-19 and will notify Rotary International District 5360 of any changes or revisions to club policies and procedures related to these requirements.*

*Rotarian \_\_\_\_\_ attended the district’s grant management seminar on October 28, 2017 in person,*

*or*

*Rotarian \_\_\_\_\_ participated in the district’s grant management seminar on October 28, 2017 via webinar.*

The mailing address of the Rotary Club of \_\_\_\_\_ is as follows:

Street/Box no: \_\_\_\_\_

City/Prov \_\_\_\_\_

Postal Code \_\_\_\_\_

| Club President 2018-19 |       | Club President 2019-20 |       |
|------------------------|-------|------------------------|-------|
| <b>Name</b>            | _____ | <b>Name</b>            | _____ |
| <b>Signature</b>       |       | <b>Signature</b>       |       |
| <b>Date</b>            | _____ | <b>Date</b>            | _____ |

**Note: This page must be signed, dated and uploaded to the following link no later than May 1, 2018:**

[http://www.rotary5360.org/fv/fv\\_MOU\\_print.php](http://www.rotary5360.org/fv/fv_MOU_print.php)

**Note that you must log in to this site before you will be permitted to upload this page. Be sure to type “2018” into the Rotary Year window and press “Enter” on your keyboard after the upload page opens.**