

CLUB QUALIFICATION MEMORANDUM OF UNDERSTANDING

THE ROTARY FOUNDATION

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1. Club Qualification

To participate in Rotary Foundation global and packaged grants, the 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.

- A. Upon successful completion of the qualification requirements, the club will be qualified for one 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 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 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
 - 1. Have a minimum of two Rotarian signatories from the club for disbursements
 - 2. 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. 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 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:
 - 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:
 - 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.

**Rotary Foundation Club Memorandum of Understanding
Additional Requirements for Clubs in District 7930**

This document is an Addendum to the Memorandum of Understanding (MOU) provided by The Rotary Foundation (TRF) for clubs in District 7930.

This is an agreement between the club and District 7930 explaining what measures the club will undertake to ensure proper development and implementation of district and global grant activities and management of Rotary Foundation District and Global Grant funds. By authorizing this document, the club agrees that it will comply with all of the requirements of the Rotary Foundation and these additional requirements of District 7930.

1. Terms of Qualification

A. In order to receive any type of grant from D7930, the club must be qualified. This requirement is for District Grants **and** Global Grants.

2. Club Leadership Responsibilities for Qualification

A. In addition to the club president-elect, one additional club member must attend grant management and qualification training arranged by District 7930. The club can determine the role of the second attendee. However, it is strongly recommended that the member be one of the following: the club foundation chair, the club treasurer or a member of the club that intends to apply for either a District Grant or a Global Grant.

3. District Grant Applications

A. All District Grant applications must work toward at least one of the six areas of focus that have been identified by the Rotary Foundation. These are:

- Peace and conflict prevention/resolution
- Disease prevention and treatment
- Water and sanitation
- Maternal and child health
- Basic education and literacy
- Economic and community development

4. Authorization and Agreement

We, being responsible for administering grant activities for the **Rotary Club of _____**, certify that the club adheres to these requirements in addition to those listed in this Memorandum of Understanding and will notify **Rotary International District 7930** of any changes or revisions to club policies and procedures related to these requirements.

Name: _____

- President 2018-2019

Name: _____

President 2019-2020

Signature: _____

Signature: _____

Date: _____

Date: _____