



MEMORANDUM OF UNDERSTANDING (MOU) FOR DISTRICT GRANTS

District 7450, 2022-23

To be eligible to receive a District 7450 Grant, both the current club President and the President-Elect must sign and upload to DACdb this Memorandum of Understanding between the club and the District. The MOU outlines the expectations, responsibilities, and requirements for participation in Rotary Foundation District Grants, as specified by The Rotary Foundation and the District 7450 Grants Subcommittee.

TOPICS

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2. Club Officer Responsibilities
3. Bank Account Requirements
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7. Authorization, Agreement, Signatures

1. Club "Qualification" (A Club must be qualified to apply for a District Grant)

To qualify to participate in Rotary Foundation grants, the club must agree to learn about and implement the financial and stewardship requirements of The Rotary Foundation (TRF) and the District. At least two club members, one of whom should be the club's President-Elect, must complete the District's grant training as specified by the District 7450 Foundation Grants Subcommittee on its yearly "Guidelines" document. Each club must upload a copy of this MOU signed by the current President and President-Elect along with the other District Grant application materials.

The district may establish additional requirements for club qualification. By completing these requirements, the club becomes "qualified" and therefore eligible to participate in the TRF grant program.

- a) Upon successful completion of the qualification requirements, the club will be qualified for the remainder of the Rotary year in which training occurs plus the following Rotary Year. (The Rotary Year is a fiscal year ending June 30.) Qualification follows the Rotarians who fulfill grant management training; if a trained Rotarian is no longer active in the club, the club is not qualified until another member receives training.
- 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. The club must co-operate with any financial, grant, or operational audits.
- d) Qualification may be suspended or revoked for misuse or mismanagement of grant funds or other unethical practices 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.

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/District Grants adhere to stewardship measures and proper grant management practices including those presented via grants management training
- 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. Pre-Application Requirements for 2022-2023

Before District 7450 will consider a club's district grant application, the club must have:

- a) Entered all Rotary Foundation goals for 2021-22 and 2022-23 in Rotary Club Central on the Rotary International website
- b) Paid all District and Rotary International dues to date
- c) Determined a club president and posted the name in DACdb for each of the Rotary years that the project will be active and on-going (i.e., have a leadership succession plan)
- d) Submitted via DACdb all required Final Reports, or Interim Reports as approved, on all previous grants

4. Bank Account Requirements for District Grants

District grant funds do not require a separate bank account dedicated solely to grants. However, all funds must be clearly accounted for (including grants and other income received as well as all grant expenses) using a bank account in the name of the Rotary Club or the club foundation. In the interest of responsible stewardship:

- a) The club bank account receiving grant funds must:
 - i. Have a minimum of two Rotarians from the club *authorized as check signers* for disbursements
 - ii. Be a low or non-interest-bearing account
- b) Any interest earned must be documented and used for eligible, approved grant activities, or returned to District 7450. Grant funds may not be deposited in investment accounts including, but not limited to, mutual funds, certificates of deposit, bonds, and stocks.
- c) Bank statements must be available to support receipts and use of all TRF grant funds.
- d) The club must maintain a written plan for transferring custody of the bank accounts in the event of a change in authorized signers

5. Document Retention

The club must establish and maintain appropriate record-keeping systems to preserve important documents related to qualification and grants. Retaining these documents supports transparency in grant management and assists in the preparation for audits or financial assessments. Keeping an original paper file as well as an electronic folder is recommended.

- 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:
 - Club financial management plan
 - Procedure for storing documents and archives
 - Succession plan for bank account authorized signatures 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 Foundation Subcommittee and District Governor.
- c) Documents must be maintained for a minimum of five years after the completion of the grant, or longer if required by local law.
- d) All supporting documents that describe and demonstrate the proper expenditure of the District Grant funds should be scanned into pdf form and uploaded for storage for potential auditing.

6. Reporting Misuse of Grant Funds

The club must report any suspected 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.

7. Final Reports on Use of Grant Funds, Required

Each club must comply with TRF and District reporting requirements. Grant reporting is a key aspect of grant management and stewardship, as it informs the District Foundation Grants Committee of the grant’s progress and how funds are spent. Completion and acceptance of timely filed Final Reports on DACdb is critical to the club’s continued grant eligibility.

Final Reports are required to be submitted via DACdb as soon as possible but no more than two months after a project’s completion.

8) Authorization and Agreement, two signatures required from an applying club

This memorandum of understanding is an agreement between the applying club and the District 7450, which acknowledges that the club will undertake measures to ensure the proper implementation of grant activities and proper management of Rotary Foundation grant funds. By authorizing this document, the club agrees to comply with all conditions and requirements of the MOU.

Names of two club members who have completed the grant management training as described in the “Guidelines for District Grants, 2022-23”:

- 1) _____
- 2) _____

Signatures of current President and President-Elect:

On behalf of the Rotary Club of _____, the undersigned agree to comply with all conditions and requirements of the MOU for the 2022-23 Rotary year and will notify the Chair of the District 7450 Rotary Foundation Committee of any changes or revisions to club policies and procedures related to these requirements.

The signed MOU should be uploaded as a document in the DACdb online application for the grant.

Club President 2021-22		Club President 2022-23	
Name		Name	
Signature		Signature	
Date		Date	

Qualification Granted:

The Rotary Club of _____, having had at least two members complete the 2022-23 grants management training, its presidents having signed the Club MOU document, and having completed all requirements listed above to be eligible to apply for District Grants, is now qualified to apply for Rotary Foundation District Grants for the 2022-23 Rotary year.

Signed: _____ Date: _____

District 7450 2019-20 Rotary Foundation Chair