



## MEMORANDUM OF UNDERSTANDING (MOU) FOR DISTRICT GRANTS District 7450, 2023-24

### **SUMMARY**

To be eligible to receive a District Grant, qualified applicants must:

1. Fully complete and sign a District Grant application in the DACdb Grants module, designating two or more club contacts
2. Upload to DACdb this Memorandum of Understanding (MOU), signed by both the current club President and the President-Elect

The MOU constitutes a contract between the club and the District and outlines the expectations, responsibilities, and requirements for participation in Rotary Foundation District Grants, as specified by The Rotary Foundation and the District 7450 Rotary Foundation Committee.

### **TOPICS**

1. Club Qualification
2. Club Officer Responsibilities
3. Bank Account Requirements
4. Document Retention
5. Reporting Misuse of Grant Funds
6. Reports on Use of Grant Funds
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 one club member, preferably two or more, must complete D7450’s District Grant management training. It is highly recommended that a club’s President-Elect attend, as the project will be implemented during that person’s Rotary year.

Each club must also upload onto DACdb a copy of this MOU document signed by the current President and the President-Elect in combination 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- a) Qualification follows the Rotarians who fulfill grant management training; if a trained Rotarian is no longer active in the club, the club is not qualified until another member receives training.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; and complete any required interim or final report.
- 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:

- a) One or more club members must be qualified to implement, manage, and maintain the grant.
- b) Two or more club members must be named as contacts in the DACdb Grants module.
- c) The club's officers must ensure that all TRF/District Grants adhere to stewardship measures and proper grant management practices.
- d) The club's officers must ensure 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 2023-2024

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

- a) Enter all Rotary Foundation goals for 2022-23 and 2023-24 in Rotary Club Central on the Rotary International website
- b) Pay all District and Rotary International dues to date
- c) Name a club president and president-elect, and enter their names 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) Submit via DACdb all required Final Reports, or Interim Reports as approved, on all previous District grants

## 4. Bank Account Requirements for District Grants

All grant funds, regardless of the source, and all expenses must be clearly accounted for 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 low or non-interest-bearing
- 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) District grant funds do not require a separate bank account dedicated solely to grants.

## 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 Committee 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 to DACdb 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 and all supporting documentation must 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)**

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.

Name(s) of club members who have completed D7450’s District Grant management training.  
One name is **required**. Additional names should be listed.

1: \_\_\_\_\_

Additional: \_\_\_\_\_

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 2023-24 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 2022-23	
Name	
Signature	
Date	

Club President-elect 2022-23 / Club President 2023-24	
Name	
Signature	
Date	

District Grants	URL
Terms and Conditions for Rotary Foundation District Grants	<a href="https://my-cms.rotary.org/en/document/terms-and-conditions-rotary-foundation-district-grants">https://my-cms.rotary.org/en/document/terms-and-conditions-rotary-foundation-district-grants</a>