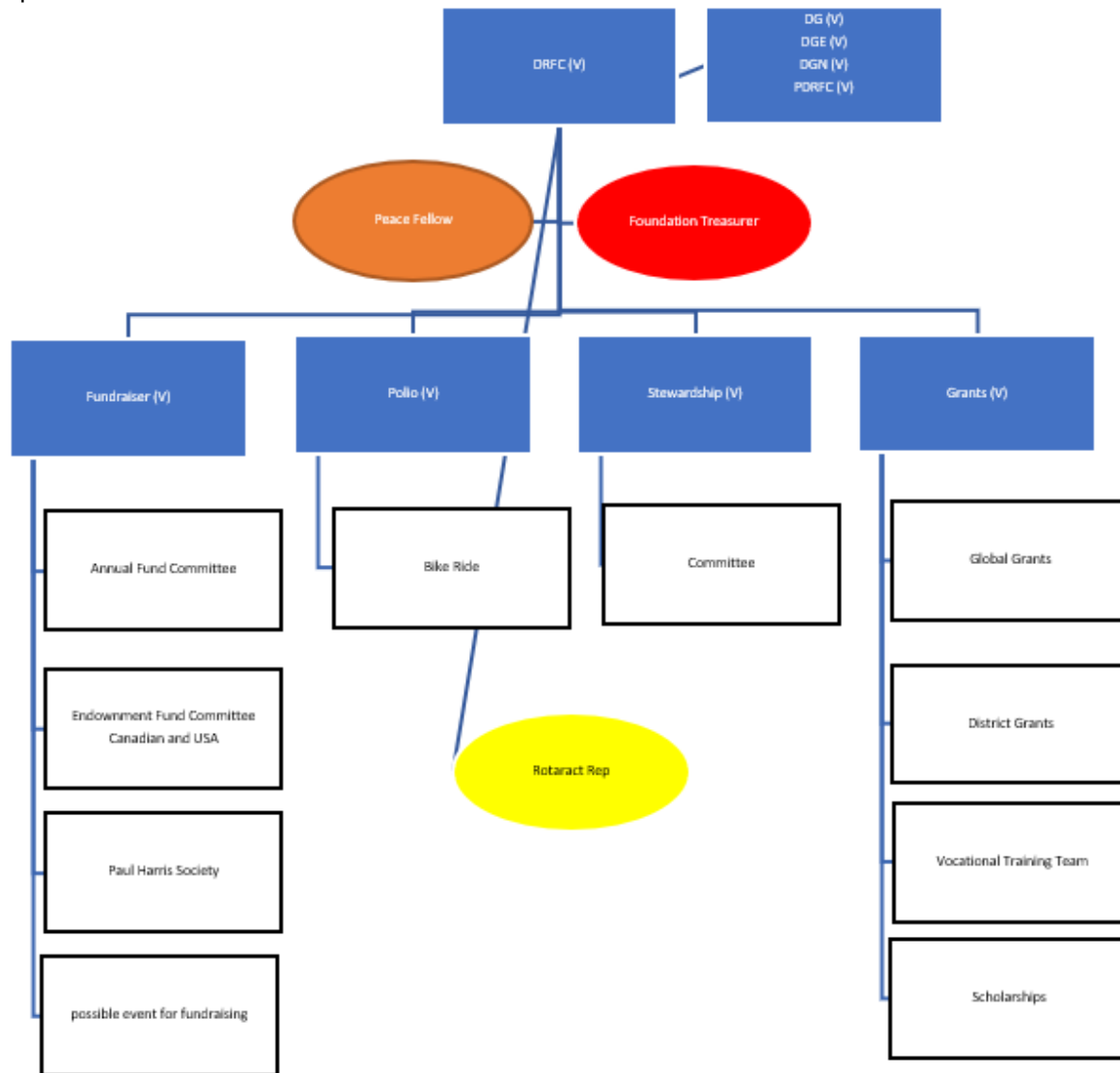


Rotary District 7090 Foundation Financial Management Plan

This document details the district plan for managing 7090 District Rotary Foundation Committee (DRFC) finances and follows the organizational chart as outlined below. The scope of the plan is limited to establishing policies and procedures for managing our stewardship of District Designated Funds (DDF) and any grant monies awarded to the district. It does not pertain to the management of District operational finances.



Purpose and Overview:

Districts must have a written financial management plan to provide consistent and transparent administration of grant funds.

The financial management plan must include procedures to:

- Maintain a standard set of accounts, which includes a complete record of all receipts and disbursements of grant funds.
- Disburse grant funds in accordance with established process.
- Maintain segregation of duties for handling funds.
- Establish an inventory system for equipment and other assets purchased with grant funds, and maintain records for items that are purchased, produced, or being distributed through grant activities.
- Ensure that all grant activities, including the conversion of funds, comply with local law.

1. District Qualification

Districts have a direct role in managing Rotary Foundation grant funds and must be qualified to participate in district or global grants. To prepare for this responsibility, districts first complete the online qualification process through www.rotary.org and agree to implement the district memorandum of understanding (MOU).

2. District Officer Responsibilities

Although district officers may choose to assign tasks to others within the district, it is the Governor, the Governor-Elect, and District Rotary Foundation Committee Chair (DRFC) collectively who are responsible to meet the requirements outlined in the District MOU with the Rotary Foundation. These responsibilities include:

- a. Establishing policies and procedures for implementing, managing, and maintaining the district and club qualification process.
- b. Ensuring that all TRF grants adhere to stewardship measures and proper grant management practices.
- c. Abiding by, following, enforcing, disseminating, and educating Rotarians on the terms and conditions for district, global and packaged grants, if applicable.
- d. Ensuring that all individuals involved with a grant conduct their activities in a way that avoids any actual or perceived conflict of interest.
- e. Ensure that the Grant Management Seminar(s) is/are conducted in a timely manner to ensure that clubs may be qualified to participate in Foundation Grants.

3. Guiding Principles

The guiding principles behind the district's administration of District and Global Grants are:

- a. All projects funded with District and Global Grant money will comply with The Rotary Foundation (TRF) rules as set out in the "Terms and Conditions for Rotary Foundation District Grants and Global Grants for grants awarded after 1 July 2022" as modified from time to time.
- b. District Grants will be awarded in accordance with the District Grant guidelines aforementioned "Terms and Conditions for Rotary Foundation (TRF) grants awarded after July 2022", most up to date edition.
- c. All projects funded by a District Grant must be proposed, managed, and directed by Rotarians and/or Rotaractors in good standing. Projects are required to list a minimum of three project contacts to ensure continuity and successful completion.
- d. All activities associated with any grant must be verifiable and auditable.
- e. The district's administration of District and Global Grants will in all particulars be in conformance with the requirements and intents of the District MOU with TRF.

The submission, review and funding of all district grant applications, including global grants, (global and club grants) submitted by clubs will be in accordance with the district 7090 District Grant Guidelines, as outlined below.

4. Club and District Sponsored Grant Funds Process:

- a. The Grants Chair (GC) will be responsible for document retention including correspondence, electronic and hard copies of forms as appropriate (MOU, applications, and final reports) as well as the development of forms (i.e., grant applications, final report and check requisition forms, etc.) that arise during the operation of the grants cycle.
- b. Club sponsored grant applications submitted by qualified clubs will be distributed by the Club Grants Chair to a lead reviewer of the club grant review committee to review the application. The lead reviewer will connect with submitting clubs to address any identified concerns. Once in order the lead reviewer will inform the Club Grants Chair who will then assign one other reviewer to review the application. The team of 2 will confer and address any concerns. In the event of a disagreement between the two reviewers, the application will be referred to the CGC for a decision. Upon completion, the application will be directed to the Club Grants Chair for final approval. The Club Grants Chair will then ask the Grants Chair and DRFC to have a final review of the application. Upon a positive review, the Club Grants Chair will inform the club with an explicit caution relative to The Rotary Foundation (TRF) Trustees final approval, and include the application in the District Grant Spending Plan (DGSP). All correspondence with the club should be noted in the activity log in the grants module. The committee is not to exceed 12 members (refer motion comment). N.B. Motion passed at AGM October 12, 2012 (refer Minutes on District website).
- c. The District Rotary Foundation committee decides how to use the DDF in consultation with the clubs in the district. Districts may use up to 50% of their funds (which might also include spendable earnings from gifts to Endowment Fund-SHARE) for a district block grant. District sponsored applications, may include: scholarships, vocational training teams, and other eligible undertakings, subject to fund availability.
- d. Submission of the District Grants Spending Plan, subject to prior approval by the voting Foundation committee members, to The Rotary Foundation, will be in accordance with established requirements.
- e. Upon approval, the Club Grant Chair notifies clubs of TRF decision, and to provide an outline of next steps.
- f. Upon receipt of the club's final report, the Grants Chair reviews the Final Report Form and Cheque Requisition to ensure that it is in order with all supporting documentation and completes the approval with noted address to any currency conversions required. The Grant Chair then forwards a cheque requisition, via email with an approval message to release funds for sign-off approval with subsequent onward transmission to the District Rotary Foundation Committee Chair (DRFC). The District Foundation Treasurer and DRFC, or authorized cheque signer, sign the respective cheque after verification that the requested amount is in accordance with the approved District Grant Spending Plan. Arrangements are made for a presentation of the check, when possible, by a member of the grant subcommittee to express congratulations to the club on the project, as well as to emphasize the continued need to support The Rotary Foundation. The Grants Chair will inform the Stewardship Chair that they may now complete a stewardship review.
- g. In May the Grants Chair will reconcile the DGSP with the Foundation Treasurer in order to ensure that all accounts are in balance prior to submitting the final report to Rotary International.
- h. The District Grant will be closed as soon as possible each year (no later than June 30), thus permitting the account to accept TRF District Designated Funds (DDF) for the subsequent year. An electronic copy of the DGSP final closing report, once accepted by TRF, will be posted on the district 7090 website at the earliest opportunity and included in the Foundation committee report to **next** District Council, (historically in September) to ensure compliance of the required three (3) month of year end reporting requirement.

- i. Storage of all documentation, electronic backup, and hard copies, will be kept in the club runner grants module and google documents, which are available and shared with respective Foundation Committee Chairs. Future storage options considered on an ongoing basis.
- j. All required documentation shall be shared with incoming officers to ensure full access to all files and records to undertake the role to their mutual satisfaction.

5. Global Grant Funds Process:

- a. All D7090 Clubs, Rotarians and Rotaractors requesting matching funds, up to a maximum of \$10,000USD. Funding consideration is a match of D7090 clubs only and based on availability. Only the host and/or international partner must be qualified by the D7090 qualifying process and maintain qualification throughout the lifetime of the global grant. Non-primary funding clubs and/or individual Rotarians and Rotaractors, are eligible to receive matching district designated funds. Rotaractors must adhere to the most current RI Terms and Conditions for global grants, and any D7090 guidelines as determined from time to time.
- b. An additional 50% match is available for global grants taking place in D7090, whereby the “host” and “international partner” are a club in district 7090, to a maximum of \$15,000.
- c. Vocational Training Teams (VTT) applying for a global grant may request up to \$15,000 of DDF provided that all team members are residents of D7090.
- d. Global Grants Chair and Stewardship will review the online application and discuss any items of concern with appropriate club contact and DRFC Chair. A financial review of funding sources may also take place.
- e. Global Grants Chair confirms club MOU documentation for the host and/or international partner.
- f. Global Grant and Stewardship chair provides recommendation for approval via email to DRFC Chair.
- g. Voting for approval of DDF is completed by: DRFC, District Governor and District Governor Elect.
- h. Final decision relayed to committee and club via email and voting noted in the club runner module.
- i. Electronic approvals may be completed for DDF allotment and club qualification status.
- j. Storage of all documentation onsite, electronic backup (club runner module) and hard copies, with DRFC Chair, excepting MOU, which is stored on the club runner grants module.

6. Financial Management:

- a. The district will establish a separate bank account for each grant received and said accounts will be low or noninterest-bearing accounts.
- b. The bank account will have three signatories: the DRFC Chair, a bi-national counterpart, and the DRFC Financial Officer/Treasurer. Each disbursement will be signed by the DRFC Financial Officer/Treasurer and either the DRFC or their bi-national signatory counterpart. The bank statements of all grant fund accounts shall be mailed in accordance with the bank of record policies to the district 7090 treasurer for filing of district financial statements in accordance with district 7090 requirements.
- c. In the event any of the signatories are incapacitated their replacement shall be named at the unanimous call of the district responsibly officers, unless that officer is the one incapacitated, then the decision will rest with the governor and the governor-elect, subject to their unanimous call.

- d. Bank statements will be available to support all receipts and disbursements of the use of TRF grant funds.
- e. Separate ledgers will be kept for each account using generally accepted accounting practice.
- f. A financial assessment of financial controls and compliance will be conducted annually.
- g. A detailed report of the District Designated Fund will be provided to all clubs within three (3) months of the year's end and will also be presented at the annual meeting of the district for approval. All documentation will be received, maintained to allow ready access to all Rotarians in the district for a minimum of five (5) years or longer if required and retained in accordance with the current requirements of The Rotary Foundation.

7. Reporting Requirements:

- a. It is the responsibility of the club project committee and club president, to file all reports in accordance within the timelines and signed MOU, as published in the district 7090 District Grant guidelines and District 7090 Global grant guidelines, subject to all TRF reporting requirements that may occur during the relative Rotary year.
- b. Clubs will submit reports for club grant funds to the Grants Chair and reports for global grants to TRF online as per compliance guidelines. Failure to submit final reports by the deadline dates could disqualify a club from receiving matching funds (DDF).

8. Report of any Misuse of funds

- a. Districts must create a system to facilitate and track reports of misuse and/or mismanagement of grant funds.
- b. Districts must promptly investigate reports of misuse or mismanagement of grant funds.
- c. Districts must report any potential or substantiated misuse or mismanagement of grant funds to TRF.

The Stewardship Committee is district stewardship and oversight capacity to promote compliance with Rotary Foundation grants requirements and to ensure that any concerns are immediately reported to The Rotary Foundation.

- a. In the event an individual believes there is any inappropriate use of TRF funds they shall notify the chair of the stewardship committee.
- b. The stewardship committee shall investigate the complaint taking extreme care to maintain confidentiality in the matter and notify TRF of the complaint and the steps that will be taken.
- c. Substantiation of reports to be undertaken via a tribunal of Senior Leaders. comprised of 3 Past District Governors, and current District Governor team (DG, DGE and DGN), and DRFC.
- d. Upon completion of the investigation the District Governor will report the findings to TRF.

9. Annual District Financial Assessment

The financial management plan and its implementation shall be assessed annually. A financial assessment is an evaluation of financial controls and compliance. The district shall choose either an independent firm or the district Rotary Foundation stewardship committee to conduct the annual financial assessment.

A financial assessment is substantially smaller in scope than an audit or review, and includes:

- a. Confirmation that the district adhered to its financial management plan.

- b. An examination of expenditures for district grants, district-sponsored global grants, and district sponsored packaged grants that include:
 - a. Reconciling a selection of disbursements against their supporting documentation.
 - b. Reviewing the full listing of expenditures to ensure that funds were expended in a manner consistent with the terms and conditions of the grant award
- c. Confirming that a competitive bidding process was conducted for all significant expenditures.
- d. Reviewing the process to disburse funds to ensure that proper controls have been maintained.
- e. A determination that all financial transactions and project activities related to the grant were conducted at least at the level of standard business practices:
 - Confirmation of adherence to TRF document retention requirements.
 - Other procedures that the district Rotary Foundation stewardship committee or an independent firm deems necessary.
 - A report of the findings from the annual financial assessment, which must be given to clubs in the district within three months of the end of each Rotary year.

B. If the district has the district Rotary Foundation stewardship committee conduct the assessment or audit, the committee may not include individuals directly involved with TRF grants and must meet the requirements found in the RI Bylaws, including:

- a. Have at least three members
- b. Have at least one member who is a past governor or a person with audit experience
- c. Have members from both countries

10. Voting may be done by email.