

**CLUB QUALIFICATION MEMORANDUM
OF UNDERSTANDING 2021-2022**

THE ROTARY FOUNDATION

- | | | |
|------------------------------|------------------------------------|---------------------------|
| 1. Club Qualification | 1. Club Qualification | |
| | 2. Club Officer Responsibilities | 3. Financial |
| | Management Plan 4. | Bank Account Requirements |
| | 5. Report on Use of Grant Funds | 6. Document Retention |
| | 7. Reporting Misuse of Grant Funds | |

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.

2. Club Officer Responsibilities

- 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;

3. Financial Management

- E. The club must cooperate with any financial, grant, or operational audits.

The club officers hold primary responsibility for club qualification and the proper implementation of TRF grants.

4. **Bank Account Requirements** 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

5. **Report on Use of Grant Funds**

6. **Document Retention** Club Memorandum of Understanding (3/15/21)

The club must have a written financial management plan to provide consistent administration of grant funds.

- a. 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

In order to receive global 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.

Term	C. 2021-2022	Term	club club sponsored
Name	grant, and the name of the account	Name	should clearly identify its use
Signature	for grant funds.	Signature	
	D. Grant funds may not be		deposited in investment accounts

	including, but not limited to, mutual funds, certificates of deposit,	
Date	bonds, and stocks.	Date

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.

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.

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

3

2. Club qualification documents including a copy of the signed club MOU
3. Documented plans and procedures, including:

Financial management plan

- b. Procedure for storing documents and archives

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.

Club Memorandum of Understanding (3/15/21)

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

This memorandum of understanding 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 2021-2022 and will notify Rotary International District 5960 of any changes or revisions to club policies and procedures related to these requirements.

Signature Page
President Elect
2021-2022

James Redfield
(James Redfield)
March 28, 2021

SUSAN YOUNG
for [Signature]
4/7/2021