



# TERMS AND CONDITIONS FOR ROTARY FOUNDATION DISTRICT GRANTS AND GLOBAL GRANTS

The Rotary Foundation may modify these terms and conditions at any time to reflect policy changes and to add clarity. Some recent changes include:

- Clarifying that district grants may be used to support Rotary Youth Exchange, RYLA, Rotary Friendship Exchange (with vocational emphasis), Rotaract, Interact, New Generations Service Exchange, costs associated with conducting community assessments, construction, and renovation (see section II)
- Clarifying that Level 1 global grant applications include those requesting up to \$50,000 from the World Fund (see section IV)
- Updating information about the global grant match (see section VI)
- Updating the definition of global grants to have a minimum budget of \$30,000 and a maximum World Fund award of \$400,000 and explaining that grant sponsors have the option of financing global grants without a World Fund match (see section VI)
- Changing the international contribution requirement for global grants that fund humanitarian projects from 30 to 15 percent (see section VI)
- Clarifying work restrictions for project beneficiaries (see section III)

You can find additional updates and resources at [rotary.org/grants](https://rotary.org/grants).

## **I. WHAT WE FUND**

The Rotary Foundation funds district grants and global grants. We distribute district grants as lump sums that pay for scholarships, travel, and projects that all align with our mission. That mission is to help Rotarians contribute to world understanding, goodwill, and peace by improving people's health, supporting education, and alleviating poverty. We fund global grants for international graduate-level scholarships, vocational training teams, and projects that have measurable goals, are sustainable and based on community needs, and are centered on at least one of our six areas of focus.

## **II. ELIGIBILITY GUIDELINES**

All Foundation grant activities need to:

1. Relate to the Foundation's mission

2. Include active participation from Rotarians
3. Exclude The Rotary Foundation or Rotary International from any liability beyond the amount funded by the grant
4. Comply with the laws of both the United States and the area where the grant will be carried out and cause no harm. If you sponsor projects in or plan travel to countries sanctioned by the U.S. Treasury Department's Office of Foreign Assets Control, you may need to supply more information.
5. Be reviewed and approved by the Foundation before being implemented. You can't use grants to reimburse clubs or districts for activities and expenses that are in progress or already completed. We encourage you to plan for activities before a grant is approved, but don't incur any expenses. If you want to alter a project after a grant is approved, the Foundation also needs to approve those changes before they are carried out.
6. Demonstrate sensitivity to the traditions and culture of the area where a project will be carried out
7. Comply with the Conflict of Interest Policy for Program Participants as outlined in section 30.040. of [The Rotary Foundation Code of Policies](#) and in Section XIII below.
8. Comply with Rotary International's policies for the use of the name "Rotary" and other Rotary logos, emblems, and graphics, as outlined in sections 34.040.6. and 34.040.11. of the [Rotary Code of Policies](#).
9. Include [signs](#) on or near projects that identify the role of the grant sponsors and The Rotary Foundation, as outlined in section 40.010.2. of [The Rotary Foundation Code of Policies](#) and in accordance with Rotary's [Voice and Visual Identity Guidelines](#).
10. Follow Rotary's Privacy Statement for Personal Data outlined in section 26.080. of the [Rotary Code of Policies](#). Don't include the personal data (name, age or date of birth, or other identifying information) of grant beneficiaries or images of them in grant applications and reports unless the Foundation requests it and you have the written consent of the beneficiary (or their parent or legal guardian). Inappropriately including that personal data can cause delays in the grant process while we ensure compliance with [Rotary's Privacy Policy](#).

### **District grants**

In addition to the eligibility criteria listed above, district grants:

1. Support local and international projects, scholarships, vocational training teams, and related travel
2. May fund scholar and vocational training team orientation and grant management seminars
3. May pay for travel to and participation in Rotary project fairs to help clubs and districts find partners
4. Fund projects and activities both in countries where Rotary has clubs and in areas where we do not, and in geographic areas where permitted by law and in accordance with Foundation policies.
5. May be used to support [Rotary Youth Exchange](#), [RYLA](#), [Rotary Friendship Exchange \(with vocational emphasis\)](#), [Rotaract](#), [Interact](#), and [New Generations Service Exchange](#) programs
6. May fund the costs associated with conducting community assessments
7. May fund construction and renovation

## Global grants

In addition to the eligibility criteria listed above, global grants:

1. Support activities that align with one or more of Rotary's six [areas of focus](#). These activities include humanitarian projects, international scholarships to fund graduate-level coursework or research for one to four academic years, and/or vocational training teams that address a humanitarian need by providing professional training.
2. Benefit communities in countries and geographical areas where Rotary has clubs
3. Are based on the needs of the community where a project will be carried out. Any club or district that applies for a global grant to support a humanitarian project or a vocational training team needs to conduct a community assessment and design the project with the host community in response to the results. Sponsors must also include the results in the grant application.
4. Are sponsored by at least one Rotary club or district in the country where the grant project will take place (the primary host sponsor) and one or more outside that country (the primary international sponsor). We may make exceptions for projects in countries where Rotary doesn't have clubs but where Rotary International's Board is actively pursuing extension.
5. Are [sustainable](#). Communities where a project is carried out must be able to address their own needs after the Rotary club or district has completed its work.
6. Are measurable. Sponsors select standard measures from the [Global Grant Monitoring and Evaluation Plan Supplement](#), and may add their own measurements.
7. May be used to build infrastructure, such as toilet blocks and sanitation systems; access roads; dams; bridges; storage units; fences and security systems; water or irrigation systems; and greenhouses. If your project will access groundwater, you need to have done a hydrogeological survey. The cost of that can be included in the grant budget.
8. Support international travel for up to two people as part of a humanitarian project. These people provide training or implement the project if the local Rotary club confirms that those skills aren't readily available locally.

## III. RESTRICTIONS

Grants cannot be used to unfairly discriminate against any group, promote a particular political or religious viewpoint, support purely religious functions, support activities that involve abortion or that are undertaken solely for sex determination, fund the purchase of weapons or ammunition, or serve as a new contribution to the Foundation or to another Foundation grant.

Grants also cannot fund:

1. Continuous or excessive support of any one beneficiary, entity, or community
2. The establishment of a foundation, permanent trust, or long-term interest-bearing account. Grant funds can be used to establish a microcredit fund if the sponsors comply with the requirements detailed in section X.
3. The purchase of land or buildings

4. Fundraising activities
5. Expenses related to Rotary events such as district conferences, conventions, institutes, anniversary celebrations, or entertainment activities
6. Public relations initiatives, unless they are essential to carrying out the project
7. Project signs that cost more than \$1,000
8. The operating, administrative, or indirect program expenses of another organization, with the exception of expenses allowed within the project management allocation for global grants
9. Unrestricted cash donations to a beneficiary or cooperating organization
10. Activities for which the cost has already been incurred
11. Transportation of vaccines over national borders without prior approval of appropriate government and regulatory authorities in the originating and recipient countries
12. Travel to National Immunization Days
13. Immunizations that consist solely of the polio vaccine
14. Study at a university that hosts a Rotary Peace Center in the same or similar academic program as Rotary Peace Fellows
15. Projects that require a person to work without pay. Projects should instead strive to reinforce labor rights and fair wage practices. If beneficiaries are required to provide sweat equity their explicit consent is required.
16. Projects that requires work from someone below the country's legal working age, or under age 16 if the law doesn't specify.

### **Global grants**

In addition to the restrictions listed above, global grants cannot fund:

1. [Rotary Youth Exchange](#), [RYLA](#), [Rotary Friendship Exchange](#), [Rotaract](#), [Interact](#), or [New Generations Service Exchange](#) programs
2. International travel for people under age 18, unless they are accompanied by a parent or guardian
3. New construction of any permanent structure in which people live, work, or spend a significant amount of time, such as hospitals or container and mobile homes, or of structures in which people carry out activities such as manufacturing and processing. If the grant depends on the construction of a building, that construction must be paid for with non-grant funds.
4. Renovations to complete buildings that are partially constructed (including those with only the exterior completed) but that have never been occupied or operational
5. Travel for staff of a cooperating organization involved in a humanitarian project
6. Activities primarily carried out by an organization other than Rotary
7. Humanitarian projects that are primarily research-oriented or focused on data collection
8. Humanitarian projects that consist solely of individual travel expenses

9. Undergraduate studies, such as for a bachelor's degree
10. Multiple unrelated projects under one grant

#### **IV. HOW TO APPLY**

Apply for grants online in the [Grant Center](#).

To receive a grant from The Rotary Foundation, all the primary sponsor districts involved need to be [qualified](#) by the Foundation. For global grants, all the primary sponsor clubs involved need to be qualified by their district. Districts, clubs, and all grant committee members also need to be in good standing with Rotary International and The Rotary Foundation, and the name of the project receiving the grant needs to be in compliance with the Rotary International policies for use of the Rotary logos, emblems, and graphics (see section II). People who may not serve on a grant committee include Rotary International fiscal agents, national treasurers, and board members and paid staff of a cooperating or beneficiary organization associated with the grant. As a primary sponsor, each district and each club is limited to 10 open grants at a time.

##### **District grants**

Your district needs to establish a grant committee of three Rotarians: the district governor of the implementation year, the district Rotary Foundation committee chair, and the district grants subcommittee chair. These committee members are responsible for authorizing and submitting the district grant application.

Districts may submit one application per Rotary year, and it needs to include a spending plan. Any requests for an increase in the grant amount need to be made before the Foundation has paid any portion of the grant. All district grant applications must be received by 15 May of the Rotary year for which the funds are requested.

In a district grant application:

1. Your district may allocate up to 20 percent of its district grant funds for contingencies that may arise during the year, but all projects and activities you add to the grant after it has been approved need to then be approved by the Foundation before you can spend the money. Note this contingency fund on the spending plan and itemize contingency items when you submit your final report.
2. You may allocate up to 3 percent of the grant award for grant-related administrative expenses, such as bank fees, postage, software, and an independent financial assessment.

##### **Global grants**

Primary host and international sponsors need to each establish a grant committee of three Rotarians for a global grant. Members of this grant committee need to come from the primary sponsor club (if the grant is club-sponsored) or district (if the grant is district-sponsored). For club-sponsored grant applications, district Rotary Foundation committee chairs need to confirm that the primary sponsor clubs are qualified. Applications are accepted on a rolling basis throughout the Rotary year and approved throughout the year, based on the availability

of funds.

In a global grant application:

1. Sponsors may include a budget line item for contingencies representing no more than 10 percent of the total budget, in order to offer protection from price increases or currency fluctuations. Sponsors need to report on the use of these funds or return them to the Foundation if they aren't used.
2. Sponsors may allocate up to 10 percent of the project budget for project management costs, which may include a project manager and project-specific overhead and administrative costs for cooperating organizations.
3. Sponsors may include up to 10 percent of the project budget to cover expenses to measure project outcomes.

Scholars and vocational training team members need to submit individual applications to supplement the overall grant application. Grant sponsors should ensure that scholar and vocational training team applicants understand that the Foundation needs to approve their applications before they incur any expenses or make travel arrangements. Applications involving travel for scholars, vocational training teams and volunteer travelers need to be submitted 90 days before the travel dates.

Note that:

1. If grant applications aren't formally submitted within 12 months of initiation, the application will be canceled.
2. If grant applications aren't completed and approved within six months of submission, the application will be canceled.
3. If payment requirements aren't met within six months of approval, the grant will be canceled.
4. If grants aren't implemented within 12 months of payment, the grant will be canceled, and the sponsors will be required to return the funds.

Additional criteria for scholarships:

1. Applicants need to provide proof of university admission to a graduate-level program or letter of invitation to conduct postgraduate-level research when applying for the grant. Admission that requires a guarantee of financial support is acceptable.
2. Applicants need to study outside their home country.
3. Applications for scholars who will begin studies in August, September, or October need to be submitted by 30 June.
4. The scholar's study period may begin at any semester during the course of their studies, but funding can be for no less than one academic year.

Additional criteria for vocational training teams:

1. Teams need to be composed of at least three members, including a Rotarian team leader and at least two other members. The team members must have at least two years of work experience each in the area of focus. The Rotarian team leader needs to have a general level of Rotary knowledge, international experience, leadership skills, and some expertise within the area of focus. Non-Rotarians may serve as team leaders if the sponsors establish a need for this in the grant application.
2. Rotarians and their family members may participate in a vocational training team as long as the team is providing training, not receiving training.
3. Relatives of a vocational training team member may participate on the same team if they meet eligibility requirements.
4. If more than one team is traveling under a single grant, the teams must share the same two primary sponsors and begin travel within one year of each other.
5. All team members need to be approved by the Foundation before travel. Any changes to the team's composition need to be reported to and approved by the Foundation.

Global grant applications will have these kinds of assessments:

1. Requests for a World Fund amount up to \$50,000, known as Level 1 applications, will be reviewed by the general secretary and analyzed by an expert in the area of focus if necessary.
2. Requests for a World Fund amount of \$50,001-\$200,000, or total funding of \$100,001-\$400,000 involving directed gifts or endowment earnings, known as Level 2 applications, will be reviewed by the general secretary, analyzed by an expert in the area of focus, and have an interim site visit from The Rotary Foundation Cadre of Technical Advisers.
3. Requests for a World Fund amount of \$200,001-\$400,000, or total funding of \$400,001 or more involving directed gifts or endowment earnings, known as Level 3 applications, will be reviewed by the general secretary, analyzed by an expert in the area of focus, have an advance site visit from the Cadre, and have an audit and/or an interim site visit by the Cadre. These applications are also reviewed by the Trustees. The Trustees will review global grant applications received by:
  - a. 1 June in September/October
  - b. 1 October in January
  - c. 1 December in April
  - d. 1 March in June

An area of focus expert, working with the Cadre chair, may decide that a grant needs a different level of assessment, and can waive or add requirements. Grants that consist exclusively of a vocational training team or scholarship are exempt from Cadre review requirements.

## **V. TRAVEL POLICIES**

Anyone traveling for a grant should make their own [travel arrangements](#). They can work with [Rotary International Travel Service \(RITS\)](#) or organize travel on their own.

Rotary Foundation grants will cover these budgeted expenses related to international travel:

1. Economy-class ticket(s)
2. Transportation to and from airports and local travel related to implementing the grant
3. The cost of inoculations or immunizations, visas, and entry and exit taxes
4. Normal and reasonable luggage charges
5. Travel insurance

Rotary Foundation grants will not cover:

1. Expenses associated with optional stopovers before or after travel that has been approved
2. Penalties resulting from changes in personal travel arrangements, including optional stopovers
3. Charges for excess baggage and shipping

The club or district sponsoring the grant should maintain emergency contact information and travel itineraries for anyone traveling on grant funds. You should share this information with the Foundation when asked to do so.

Grant recipients are responsible for:

1. Making travel arrangements. Failure to arrange travel promptly may increase the cost of it or lead to the grant being canceled.
2. Any expenses that exceed the approved travel budget, unless approved by the Foundation
3. Meeting all medical requirements for international travel
4. Arranging and funding any personal travel, which may take place for up to four weeks at the end of the grant activities. After that, grant recipients are expected to return home.
5. Abiding by Rotary International travel restrictions for a particular country
6. Obtaining travel insurance

Each health care professional who will provide services as part of the grant activities is expected to have at least \$500,000 in professional liability insurance coverage (known as errors and omissions liability). This refers to coverage for legal liability that could arise from that person's professional acts or omissions that cause harm to others. The participant should obtain and pay for this coverage.



Rotary International works with a global security advisory firm to maintain a [travel ban list](#) of extremely dangerous countries. The Foundation does not fund travel to these countries because of safety concerns. If a country is added to the list while funded travelers are in that country, plans will be made for their immediate evacuation. Should the person not defer travel to or evacuate from a country as instructed, the Foundation will cancel the grant and request the return of any funds already issued. The Foundation cannot fund any grant whose success relies on international travel to a country on the list, even if the cost of travel is not part of the project budget.

Non-Rotarians who receive grant funding for scholarships, participation in vocational training teams, or travel to implement a humanitarian project are expected to:

1. Demonstrate knowledge of Rotary
2. Participate in an orientation session before their departure (either [online](#) or in person)
3. Take part in club and district activities as requested by their sponsors, such as speaking at club or district meetings and participating in service projects
4. Be proficient in the language of the host country

## **VI. HOW GRANTS ARE FUNDED**

### **District grants**

District grants are funded by The Rotary Foundation solely with allocations from the District Designated Fund (DDF). A district may apply for a single grant each Rotary year to support one or more projects using up to 50 percent of its [SHARE allocation](#), which represents 50 percent of its annual giving from the previous three years plus any Endowment-SHARE earnings.

### **Global grants**

Global grants have a minimum budget of \$30,000 and a maximum World Fund award of \$400,000. Grant sponsors can use a combination of District Designated Funds (DDF), cash, and/or directed gifts and endowment earnings to fund a global grant. The Foundation will provide a 100 percent World Fund match for all DDF contributions. There is no minimum World Fund match. Sponsors also have the option of financing global grants without a World Fund match using any combination of cash, DDF, and/or directed gifts and endowment earnings to reach a minimum budget of \$30,000.

Grant sponsors may contribute cash toward a global grant, but it will not be matched by the Foundation. Non-Rotarian contributions may also be added to a grant, as long as they don't come from a cooperating organization or someone who benefits from the grant. Non-Rotarian contributions will not be matched by the Foundation. Both Rotarian and non-Rotarian cash contributions must include an additional contribution of 5% to offset processing and administrative expenses. Funds should never be collected from beneficiaries in exchange for receiving the grant. At least 15 percent of contributions to global grants that fund humanitarian projects need to come from outside the project country. Host sponsors for humanitarian projects are encouraged to contribute toward the financing of the grant.

Grant financing cannot be changed after it is approved. Paul Harris Fellow recognition credit will be given only for sponsor contributions sent to The Rotary Foundation, not for contributions sent directly to the project. Sponsors shouldn't send contributions before a grant is approved. They'll be credited to the grant application, but if the application isn't approved, the contributions will be credited to the Annual Fund and can't be reallocated after that. All global grant contributions are considered irrevocable contributions to The Rotary Foundation and will not be refunded.

Scholars who receive funding from sources other than their Rotary scholarship may use them, but the Foundation will not match other scholarship or personal funds. The Rotary Foundation is required to withhold tax from global grant scholarships awarded for study in the U.S. (except for scholars from Japan, Canada, and Germany, who are funded through associate foundations in those countries) on any expenses beyond tuition, books, necessary equipment, and fees. The amount withheld will be deducted from the scholarship payment.

## **VII. COOPERATING ORGANIZATIONS**

Cooperating organizations are reputable non-Rotary organizations or academic institutions that provide expertise, infrastructure, advocacy, training, education, or other support for the grant. Cooperating organizations need to comply with all reporting and auditing activities required by The Rotary Foundation and provide receipts and proof of purchases as required. Universities hosting scholars are not considered cooperating organizations.

### **District grants**

All funding provided to cooperating organizations needs to be used for specific project expenses. The sponsor district needs to maintain an itemized report of these expenses.

### **Global grants**

With a grant application, sponsors need to provide a [memorandum of understanding \(MOU\)](#) signed by both primary sponsors and the cooperating organization. It should include:

1. Verification from both primary sponsors that the grant is initiated, controlled, and managed by Rotary clubs or districts
2. An endorsement from the primary sponsors affirming that the cooperating organization is reputable, responsible, and acting within all governing laws
3. A grant implementation plan clearly listing the activities of each party
4. An agreement from the cooperating organization to participate in any financial review by the Foundation of activities connected with the grant

## **VIII. PAYMENTS**

### **District grants**

Grant funds will be paid only to the district or district foundation bank account that you listed in your application. District grant funds will not be released until the district grant from the previous Rotary year is closed. District grants are paid out at the Rotary International exchange rate at the time of payment. Funds are not available after the close of the implementation year, meaning that if sponsors don't meet all payment requirements by 31 May of the implementation year, the grant will be canceled.

### **Global grants**

Grant funds won't be released until the grant sponsors have entered their bank account information in the [Grant Center](#), sponsor contributions have been submitted to The Rotary Foundation, and any payment contingencies have been met. Grant funds will be sent to the account listed in the [Grant Center](#). Project funds may not be paid to a vendor, cooperating organization, or beneficiary organization before project expenses have been incurred or services have been delivered. Organizations being reimbursed for project expenses need to give the Rotarian project sponsors copies of the original invoice or receipt before they'll be paid. The people with signing authority on the bank account need to be members of the sponsoring club or district. Grants will be paid out at the Rotary International exchange rate at the time of payment. If a grant project is canceled after the project sponsors receive a payment, all remaining grant funds need to be returned to the Foundation and will be credited to the World Fund.

Grants for which the World Fund award is \$50,001-\$400,000, or total funding is \$100,001 or more involving directed gifts or endowment earnings (Level 2 and 3 applications), will be paid in installments according to a spending plan. Payments after the first installment will be made after the grant sponsors submit a satisfactory progress report and a Cadre representative conducts an interim site visit.

The following points apply to global grants funded with cash contributions:

1. All grant-related transactions will be recorded using the current published monthly Rotary International exchange rate, and all grant-related transactions will be officially communicated in U.S. dollars.
2. For the part of the grant funded by cash contributions, sponsors will be shielded from currency exchange fluctuations of more than 10 percent of the rate at the time it was approved. The Foundation also will not distribute currency gains to project sponsors of more than 10 percent of the rate at the time it was approved.
3. All cash contributions to global grants sent to the Foundation need to include an extra 5 percent to offset processing and administrative costs. Paul Harris Fellow recognition points will be awarded on the full cash contribution, and charitable tax receipts will reflect that amount. The additional 5 percent is not required for contributions sent directly to a project's bank account. Those contributions don't generate Paul Harris Fellow recognition points, however, and the Foundation won't issue tax receipts for them.
4. All cash contributions submitted to the Foundation above the amount pledged to the grant will be transferred to the World Fund.
5. Contributions received for any grants that are canceled will be moved to the World Fund. Donors will

have 90 days to ask the Foundation to transfer the contributions to an approved global grant or any Foundation fund.

## **IX. REPORTING REQUIREMENTS AND DOCUMENTATION**

Grant recipients need to report to the Foundation how grant funds are used. Submit progress and final reports in the [Grant Center](#). All forms need to be entirely complete to be accepted. The Foundation won't accept new grant applications if a grant sponsor has an overdue report for any Foundation grant. (\*See exception below.) The Foundation may at any time review grants, conduct an audit, send a monitor, require additional documentation, and suspend any or all payments.

These provisions also apply to grant recipients:

1. Districts need to report the use of grant funds to their member clubs according to the terms of their qualification.
2. Grant sponsors need to keep copies of all receipts and bank statements related to grant-funded spending, according to the terms of their qualification and applicable laws.
3. Grant sponsors who don't adhere to Foundation policies and guidelines in implementing and financing grant projects will need to return all grant funds and may be barred from receiving other grants for up to five years.

### **District grants**

These additional conditions apply to district grants:

1. Final reports that document the disbursement of funds must be submitted to the Foundation within 12 months of when sponsors receive the payment, or within two months of the last grant money being disbursed.
2. All grant projects and activities funded by district grants need to be completed within 24 months of the Foundation or the local district transferring funds to the club or project site.
3. If \$500 or more of grant funds remain after the projects are completed, the Foundation needs to approve their use for additional project-related expenses. You can use remaining grant funds of less than \$500 for activities that meet the district grant eligibility requirements and do not require pre-approval from the Foundation. Remaining grant funds in any amount may not be spent on expenses that are not related to the district grant. If you cannot spend these funds as described, you must return them to The Rotary Foundation, and they will be credited to the district's DDF.

### **Global grants**

These additional conditions apply to global grants:

1. You need to send in a first progress report within 12 months of receiving the first grant payment. After that, progress reports are due within 12 months of the acceptance date of the previous report.
2. Final reports need to be submitted within two months of completing the project.

3. If \$500 or more of grant funds remain after a project is completed, the Foundation needs to approve their use for additional project-related expenses. You can use remaining grant funds of less than \$500 for activities that meet the global grant eligibility requirements and do not require pre-approval from the Foundation. Remaining grant funds in any amount may not be spent on expenses that are not related to the global grant. If you cannot spend these funds as described, you must return them to The Rotary Foundation, and they will be credited to the World Fund.

\*Both host and international sponsors are required to complete, authorize, and submit global grant reports. However, international sponsors of humanitarian global grants won't be restricted from receiving new grants if a report is overdue and the international sponsors did not receive the funds.

Acceptable reports contain detailed accounts of the project's implementation. You should include:

1. A description of how the project has advanced the goals of the selected area(s) of focus
2. An account of how the project achieved the specific objectives outlined in the grant application, including the measures you set and what data you collected
3. An explanation of how the project's results will be sustained over time
4. A description of how the host and international partners, as well as any cooperating organizations associated with the grant, participated in the project
5. A detailed account of project spending and complete project account bank statements. The Foundation may also ask that sponsors submit receipts. Scholars and vocational training teams need to provide receipts to their sponsors for expenses of more than \$75.

The Foundation will close the grant once the project implementation is complete and sponsors have shown that sustainability measures are in place to ensure that local community members will keep the project going.

## **X. MICROCREDIT**

The Rotary Foundation is committed to using microcredit programs to facilitate small, self-help enterprises. Clubs and districts that are applying for global grants need to work with registered microfinance institutions that have been operating for at least three years in order to administer loan programs as a way to carry out sustainable development projects. But microcredit programs funded by the Foundation need to incorporate a component, such as training, that extends beyond the management of loan capital. In addition:

1. Clubs and districts that want to use global grant funds to support a microcredit project need to submit a [Global Grant Application Supplement for Microcredit Projects](#) with their grant applications.
2. Microcredit activities need to be supervised and controlled by the sponsoring club or district.
3. Grant funds need to be tracked separately in the accounting system of the microfinance institution.
4. Interest and fees generated by microcredit fund capital from The Rotary Foundation may be used for administrative expenses that directly support the project.
5. Grant sponsors need to submit a [Global Grant Report Supplement for Microcredit Projects](#) with the final grant report.

6. If a microcredit project ends before meeting our reporting requirements, sponsors need to return grant funds to the Foundation.
7. The Rotary Foundation will not fund loan guaranty systems.

## **XI. SPECIAL CONSIDERATIONS FOR ROTARY FOUNDATION (INDIA)**

In addition to all other terms and conditions, grants with full or partial payment to a Rotary club or district in India need to follow the payment and reporting procedures below to comply with Government of India laws and the Foreign Contribution Regulation Act (FCRA). For general information about the FCRA, go to <https://fcraonline.nic.in/home/index.aspx>. A FCRA-registered club or district is responsible for furnishing FC-4 return along with the financial statements to the Ministry of Home Affairs, New Delhi, in a timely manner.

### **Grant payments**

All grant payments will be remitted to bank accounts especially opened to receive INR funds or to a club-controlled FCRA account. Grant funds will not be released to a bank account in India unless all general payment conditions listed below have been met. Either the staff need to determine that enough funds are available from contributions made within India or the sponsors need to provide documentation showing that the bank account is registered under the FCRA. Otherwise, the payment will be placed in a queue and paid on a first-come, first-served basis only when more contributions (within India) are made and enough funds are available. Grant sponsors need to ensure that funds received in a FCRA-registered bank account are not commingled with local funds.

### **District grants**

Payment is contingent upon the approval of a detailed spending plan that includes an itemized budget for each listed project or activity. Grant funds will be paid only to the district bank account, which needs a name that identifies both the district and the project (for example, Rotary District 0000 District Grant 12345). District grant funds will not be released until the previous Rotary year's district grant is closed. Funds are not available after the close of the implementation year. If sponsors don't meet all payment requirements by 31 May of the implementation year, the grant will be canceled.

### **Global grants**

Funds won't be released until all sponsor contributions have been submitted to The Rotary Foundation and any payment contingencies have been met. Grant funds will be paid to the account provided by the grant sponsors.

### **Grant reporting**

Progress reports on grant funds paid out from Rotary Foundation (India) through 31 March are due by 31 May of that same year. Final reports are due two months after the grant's completion. All progress reports need to meet all general reporting requirements as listed in section IX. In addition, the grant sponsors need to:

1. Submit a progress report electronically in the [Grant Center](#)

2. Inform the South Asia office that the progress report has been filed electronically in the [Grant Center](#)
3. Submit an original hard copy of the utilization certificate if grant funds have been used, along with a statement of receipt and payment for the grant amount, certified by an independent chartered accountant (including that person's membership number)
4. Submit an original bank statement or pass book (or a photocopy certified by the bank manager or a chartered accountant)
5. Upload all the bills, invoices, and receipts in the [Grant Center](#)

If the grant funds were not used for any reason, include an original bank statement or bank passbook (or a photocopy certified by the bank manager or a chartered accountant) indicating the date on which the grant amount was credited and a statement explaining why the grant amount has not yet been used, even if the grant amount was received before March.

All final reports need to meet all general reporting requirements as listed in section IX. In addition, the grant sponsors need to:

1. Submit a final report electronically in the [Grant Center](#)
2. Inform the South Asia office that the final report has been filed electronically in the [Grant Center](#)
3. Submit an original hard copy of the utilization certificate if grant funds have been used, along with a statement of receipt and payment for the grant amount, certified by an independent chartered accountant (including that person's membership number)
4. Submit an original bank statement or bank passbook (or a photocopy certified by the bank manager or a chartered accountant)
5. Submit a bank reconciliation statement, if multiple grants were paid to a single INR or FCRA account
6. Upload all the bills, invoices, and receipts in the [Grant Center](#)
7. Upload the undertaking in the [Grant Center](#) that "all originals will be kept for a period of eight years and will be produced as and when required by Rotary Foundation (India)"
8. Return any remaining funds of any amount to the Rotary Foundation (India)
9. Retain beneficiary information, including photographs, newspaper clippings, or letters or appreciation from the beneficiaries or beneficiary organization, since it may be requested by Rotary Foundation (India)

## **XII. SPECIAL CONSIDERATIONS FOR THE PHILIPPINES**

In addition to all the other terms and conditions, grants paid to a Rotary district in the Philippines require more documentation to comply with Philippine law. The Securities and Exchange Commission of the Philippines requires foundations to include supporting documents for all projects for which they have provided funding when they file financial statements. More information can be found in Securities Regulation Code 68, as amended. So that the Foundation can comply, grant sponsors need to get certification from any of these people or organizations in the area where they have jurisdiction:

1. Office of the Mayor, stamped with an office seal
2. Head of the Department of Social Welfare and Development, stamped with an office seal
3. Head of the Department of Health, stamped with an office seal
4. Office of the Barangay Chairman, stamped with an office seal
5. Head or an officer of private institution or actual beneficiaries, notarized

Please send five original certificates on each project to:

Phil. Consulting Center, Inc.

c/o Erika Mae Bautista

2D Penthouse, Salamin Bldg.

197 Salcedo St., Legaspi Village

Makati City 1229

Philippines

You can get sample templates of the certification from the Rotary International South Pacific and Philippines office. Certifications of projects that were paid for from July to May should be received by 30 June of the same fiscal year, while those paid in June should be received by 31 July.

### **XIII. CONFLICT OF INTEREST POLICY FOR PROGRAM PARTICIPANTS**

Ensuring integrity in The Rotary Foundation grants program requires that all people involved in a program grant or award conduct themselves in a way that avoids any conflicts of interest. A conflict of interest occurs when someone is in a position to make or influence a decision about a grant or award that could benefit them, an immediate family member, a business partner, or an entity in which they, an immediate family member, or a business partner has a significant financial interest or in which any of them is a trustee, director, or officer.

All actual or potential conflicts of interest need to be disclosed to the general secretary. If you're not sure if there's a potential conflict, you should disclose it. No Rotarians can serve on a grant committee for any global grant for which they have a conflict of interest. Global grants may not be financed with contributions (directed gifts, Corporate Social Responsibility funds, etc.) from donors who have conflicts of interest regarding the grant.

The general secretary will advise grant applicants on how to interpret and implement this policy. The general secretary and/or the Trustees will determine whether a conflict of interest exists in a particular case. If they conclude that there is or has been a conflict of interest in a grant or award, the general secretary will recommend to the Trustees an appropriate remedy to protect the integrity of the grant process. That remedy may be canceling current funding or suspending future funding involving a particular Rotarian, club, or district.



### **Award recipient eligibility**

Some people are not eligible to be candidates or final award recipients or beneficiaries of any Foundation program. As listed in section 9.3 of the Foundation bylaws, they include:

1. Current Rotarians
2. Employees of clubs, districts, other Rotary entities (as defined in section 1.040. of the Rotary [Code of Policies](#)) and of Rotary International
3. The spouses; children or grandchildren by blood, legal adoption, or marriage without adoption; the spouses of those children or grandchildren, or parents or grandparents by blood of people listed above; and employees of agencies, organizations, or institutions that work with Rotary International or the Foundation

Former Rotarians will be ineligible for three years after the end of their membership. People who were ineligible based on their family relationship with a former Rotarian will also be ineligible for three years after the end of their relative's membership. These people will be eligible, however, to participate in vocational training teams and in individual travel for humanitarian projects (if they are determined to be qualified to do so) funded by district grants and global grants as long as they provide a benefit to others.

### **Impartiality of selection committees**

Rotarians who serve on a club- or district-level selection committee for a Foundation program need to be completely transparent about their personal, family, or business relationship with an applicant and must, before a selection process, notify the committee chair of any actual or perceived conflict of interest (for example, working at the same business or organization, being members of the same Rotary club or a member of the club sponsoring an application, or having a family relationship with a candidate).

The selection committee chair will decide if and how that committee member should participate in the selection process. If the selection committee chair has an actual or perceived conflict of interest, the club board or the district Rotary Foundation chair will decide if and how that person should participate in the selection process.

### **Business transactions with vendors**

Before the Foundation, a Rotary district, a Rotary club, or a Rotarian conducts business related to a Foundation program award that involves a vendor being paid by a Rotary entity, a fair, open, and thorough request for proposals or bidding process must be conducted to ensure that the best services are secured at a reasonable cost. Possible conflicts of interest may arise when a Rotary entity is considering business in which funds will be paid to a Rotarian, a provider of goods or services owned or managed by a Rotarian, honorary Rotarian, and the people listed above who are ineligible for Foundation awards.

Business relationships that may need further review to confirm that there's no conflict of interest include transactions with a partner nongovernmental organization, provider of goods or services, insurance company, travel agency, shipping agency, study institution, or a language skills testing firm. These kinds of business transactions can be completed with the general secretary's approval if they provide the best product or service at

fair market cost, as evidenced by a sales quote or offer obtained through a fair, open, and thorough process.

The general secretary will provide advice on how to interpret and implement this policy. Any Rotarian or Rotary entity with an unresolved conflict of interest involving a program grant or award must report it to the general secretary at least 30 days before the selection process or proposed transaction. The general secretary will decide if a conflict of interest might exist in a particular case. If the general secretary then decides there is or has been a conflict of interest in a grant or award, he or she will determine an appropriate remedy that may include canceling current funding or suspending future funding that involves a particular Rotarian, club, or district.