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## **Part Four**

*The Rotary  
Foundation*



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# 14 Organization and Purpose

The Rotary Foundation of Rotary International was established in 1917 as an endowment fund. It was named The Rotary Foundation by the 1928 convention. In 1931, it was organized as a trust, and in 1983, it was established as a not-for-profit corporation under the laws of the State of Illinois, USA. The Rotary Foundation is operated exclusively for charitable and educational purposes by the Trustees of The Rotary Foundation in accordance with the Foundation's articles of incorporation and bylaws. The Bylaws of The Rotary Foundation and extracts from the articles of incorporation can be found in part eight of this manual.

## **The Mission of the Foundation**

The mission of The Rotary Foundation is to enable Rotarians to advance world understanding, goodwill, and peace through the improvement of health, the support of education, and the alleviation of poverty. (TRFC 1.050.)

Specifically, the RI Board and the Trustees are committed to achieving the goals of eradicating polio through the completion of the PolioPlus program; emphasizing and strengthening educational and cultural programs, which enhance goodwill and understanding; making grants that fulfill humanitarian needs in all areas of the world; and expanding programs intended to strengthen peaceful relations among people. (TRFC 1.040.)

## **Appointment and Organization of Trustees**

Article 22 of the RI Bylaws provides for the appointment of 15 trustees by the president, with the approval of the RI Board. The Trustees determine their committees and the duties of each. (TRFB 6.1.) The chair of the Trustees appoints the members and chairs of all committees and any subcommittees (TRFC 2.020.2.); these are listed in the *Official Directory*.

## **General Secretary of The Rotary Foundation**

The RI general secretary serves as the general secretary of The Rotary Foundation. The general secretary is the chief administrative and financial officer of The Rotary Foundation subject to the direction of the Trustees and the chair and responsible for implementing the Trustees' policies and for general management and administration of the corporation. (TRFB 5.9.) The general secretary may delegate any of these Foundation duties to appropriate staff.

## **District Rotary Foundation Committee**

The RI Board and the Trustees have agreed that each governor shall, well before taking office, appoint all members of a district Rotary Foundation committee. The committee consists of a chair and eight subcommittee chairs. To be effective, the district Rotary Foundation committee must have continuity of leadership; therefore, the chair is a three-year appointment subject to removal for cause. Any removal for cause must have the trustee chair's prior approval. The district governor (if selected) scheduled for each of the years of the three-year term will participate in the selection of the chair. Although not mandatory, it is recommended that the chair be a past governor. The eight subcommittee chairs selected by the governor for the year automatically become members of their respective subcommittees. The district governor is an ex officio member of the

committee. With the direct leadership of the governor, the chair works with the committee to plan, coordinate, and evaluate all district Foundation activities.

The members of each subcommittee should, insofar as possible, have experience in their subcommittee's area of responsibility. Subcommittees shall be appointed to address the following ongoing administrative functions:

- 1) Scholarships
- 2) Group Study Exchange
- 3) Grants
- 4) PolioPlus
- 5) Alumni
- 6) Annual Giving
- 7) Permanent Fund
- 8) Rotary World Peace Fellowships (TRFC 1.070.1.3)

Descriptions of the duties of the district Rotary Foundation chair and each of the subcommittees can be found in the *District Rotary Foundation Committee Manual* (300-EN) and The Rotary Foundation Code of Policies.

### **Regional Rotary Foundation Coordinator (RRFC)**

Each regional Rotary Foundation coordinator (RRFC), assigned to a specific region or regions of the world, serves as a communications link between the Trustees and Rotarians. RRFCs work actively with district leadership to set and achieve the district's Foundation giving and program goals and to provide effective training of district Foundation officers. They also conduct regional Rotary Foundation seminars to help educate Rotarians about the Foundation.

In some regions, an Annual Programs Fund Strategic Advisor and a Major Gifts Advisor may be appointed to assist RRFCs with giving and program goals.

### **Rotary Foundation Alumni Coordinator**

Regions have a Rotary Foundation alumni coordinator assigned to encourage clubs and districts to involve Foundation alumni in Rotary activities, urge clubs to consider alumni as potential members and contributors to the Foundation, and use alumni as effective advocates for Foundation programs.

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# 15 Programs of The Rotary Foundation

The RI Board and The Rotary Foundation Trustees have approved the following programs as tangible and effective means of furthering the objectives of the Foundation:

- Rotary Foundation Ambassadorial Scholarships
- Rotary Grants for University Teachers
- Rotary Centers for International Studies
- Group Study Exchange (GSE)
- District Simplified Grants
- Volunteer Service Grants
- Matching Grants
- Health, Hunger and Humanity (3-H) Grants
- Disaster Recovery
- PolioPlus
- PolioPlus Partners

The application process, eligibility criteria, and relevant deadlines for all Rotary Foundation programs can be found in the *District Rotary Foundation Committee Manual* (300-EN).

## EDUCATIONAL PROGRAMS

### Rotary Foundation Ambassadorial Scholarships

The Rotary Foundation Ambassadorial Scholarships program is the world's largest privately funded international scholarship program for university-level studies. Ambassadorial Scholarships are awarded for study or training in another country where Rotary clubs are located. During the study period, Rotary Scholars serve as ambassadors of goodwill to the people of the host country.

#### *Types of Scholarships*

The following types of Ambassadorial Scholarships are available:

- *Academic-Year Ambassadorial Scholarships*, for one academic year (usually nine months) of study in another country
- *Multi-Year Ambassadorial Scholarships*, flat grants for two years of degree-oriented study in another country
- *Cultural Ambassadorial Scholarships*, for three or six months of intensive language training and cultural immersion in another country

In addition, *Scholarships Fund Pool for Low-Income Countries* is a program that provides increased scholarship opportunities for candidates from low-income countries. All districts are invited to contribute from their District Designated Fund to the pool of funds that supports these scholarships. Every low-income district is invited to submit one candidate application per country annually to compete on a worldwide basis for an academic-year or cultural scholarship.

### *Program Objectives*

Ambassadorial Scholarships support the overall mission of The Rotary Foundation — to further international understanding and world peace — through the following program objectives:

- Increasing awareness of and respect for cultural differences by sending ambassadors of goodwill to study in another country
- Instilling in scholars the Rotary ideal of Service Above Self through active participation in Rotary service projects
- Encouraging scholars to dedicate their personal and professional lives to improving the quality of life for the people of their home communities and countries
- Developing leaders who can address the humanitarian needs of the world community
- Affecting all areas of the world through a balanced geographical distribution of scholars
- Encouraging Rotarians worldwide to increase the educational opportunities for scholars from low-income countries
- Fostering a lifelong association between Rotary and its scholars

Rotarians support the Ambassadorial Scholarships program not only by contributing to the Foundation but also by giving their time sponsoring and hosting scholars every year. Through this guidance and leadership provided to scholars, the program produces men and women with the compassion and understanding to provide solutions to human needs.

### *District Eligibility*

Each district determines the number and types of scholarships it will sponsor based on how it chooses to use its DDF account. For each scholarship available through a district during a specific program year, each club may submit one endorsed scholarship candidate's application form.

### *Donated Scholarships*

Districts in high-income countries are encouraged to help support deserving candidates from low-income countries by donating a scholarship to the district of their choice (see the *SHARE* Kit for more information). To further Rotarian involvement and fellowship, a combined selection process is used to choose candidates for donated scholarships.

### *Qualifications*

A candidate for a Rotary Foundation Ambassadorial Scholarship must demonstrate outstanding potential as an ambassador of goodwill, which can be measured through leadership skills, communication skills, and commitment to service. Applicants must have completed at least two years of university or college coursework, or must have a secondary education and have been employed in a recognized profession for at least two years when the scholarship begins. Applicants must be citizens of a Rotary country. Candidates cannot be Rotarians; honorary Rotarians; employees of a club, district, or other Rotary Entity or of Rotary International; or spouses, lineal descendants (child or grandchild by blood, legal adoption, or marriage without adoption), spouses of lineal descendants, or ancestors (parent or grandparent by blood) of persons in the foregoing categories. Initial application must be made through a Rotary club in the applicant's legal or permanent residence or place of full-time study or employment.

### **Selection**

Application deadlines are set by individual clubs, but should be no earlier than March and no later than 15 July preceding the 1 October deadline. All district-endorsed applications must be received by the Foundation no later than 1 October preceding the award year. Applicants approved by the Foundation Trustees will be sent confirmation of their study institution assignments by 15 December.

### **Program Implementation**

The key to the success of the Foundation's Ambassadorial Scholarships program is the role of the Rotarian counselors in the sponsor and host districts in achieving the ambassadorial goals of the scholarship. The district governor appoints a sponsor Rotarian counselor for each outbound scholar sponsored by the district. The governor also appoints a host Rotary club and a host Rotarian counselor within that club for each international scholar assigned to study in the district. Rotarians assuming these appointments are responsible for educating scholars on the ideals and activities of Rotary, integrating the scholars into the community, involving them in Rotary activities, and maintaining ongoing communication with the scholars before, during, and after their study year.

In order to fulfill their ambassadorial responsibilities, scholars must attend an outbound orientation seminar offered by their sponsor districts before departing for the host country. Throughout the scholarship, scholars speak to Rotary clubs, Rotaract clubs, and non-Rotary groups. They also participate in the district conference, Foundation dinners, and the programs and service projects of Rotary and Rotaract clubs during the scholarship period.

Following their return home, scholars participate in programs at club meetings, district conferences, Foundation dinners, and alumni activities; they should also assist with orientation for outgoing and incoming scholars. The sponsor and host counselors are responsible for helping facilitate these speaking engagements and opportunities for scholars to be actively involved in Rotary club and district activities. (TRFC 8.010.8.3.)

Additional program information can be found in the *Ambassadorial Scholarships and Rotary Grants for University Teachers Leaflet (132-EN)*, *Program Guide for Rotarians: Ambassadorial Scholarships and Rotary Grants for University Teachers (012-EN)*, and the *Ambassadorial Scholar Handbook*, and at [www.rotary.org](http://www.rotary.org).

### **Rotary Grants for University Teachers**

The Rotary Grants for University Teachers program blends two of Rotary's most important emphases: education and volunteer service. Its primary purpose is to further international understanding and friendship while strengthening higher education in low-income countries. The grants are awarded to higher education faculty to teach a field of practical use at universities or colleges in low-income countries (other than their own) for 3-5 months or 6-10 months (low-income countries are defined in terms of per capita GNP). These grants are administered by The Rotary Foundation and sponsored by districts that have allocated specific funding within the *SHARE* system. Because university teachers are providing a service, both Rotarians and non-Rotarians are eligible. Applicants must hold (or if retired, must have held) a full-time college- or university-level position for at least three years.

Additional program information can be found in the *Ambassadorial Scholarships and Rotary Grants for University Teachers Leaflet (132-EN)*, *Rotary Grants for University Teachers Application*, and the *Program Guide for Rotarians: Ambassadorial Scholarships and Rotary Grants for University Teachers (012-EN)*, and at [www.rotary.org](http://www.rotary.org).

## **Rotary Centers for International Studies**

The Rotary Centers for International Studies in peace and conflict resolution program is a major educational and peace priority of The Rotary Foundation. The Foundation has established six Rotary Centers for International Studies in partnership with seven distinguished universities around the world. The Foundation sponsors up to 60 Rotary World Peace Fellowships for study in one- to two-year master's-level programs in international studies, peace, and conflict resolution at the six Rotary Centers. (TRFC 8.020.1.)

### ***Program Objectives***

The Rotary Centers for International Studies have been established to

- Advance research, teaching, publication, and knowledge on issues of peace, goodwill, causes of conflict, and world understanding
- Provide advanced educational opportunities for a group of Rotary World Peace Fellows, chosen from various countries and different cultures, in order to advance knowledge and world understanding among potential future leaders of government, business, education, media, and other professions
- Establish a program through which The Rotary Foundation and Rotary clubs may become increasingly effective in promoting greater tolerance and cooperation among peoples, leading to world peace and understanding

Additional program information can be found in the *Rotary Centers for International Studies Program Guide for Rotarians* (085-EN) and the *Rotary Centers for International Studies Brochure* (084-EN), and at [www.rotary.org](http://www.rotary.org).

### ***District Eligibility and Funding***

Rotary World Peace Fellowships are offered on a world-competitive basis. All districts are eligible to submit one candidate application each year. Multicountry districts may submit one application per country. The fellowships are supported globally through a pool of funds contributed by districts from their DDF. All districts are encouraged to contribute some amount of their DDF to support the program.

### ***Qualifications***

Candidates for Rotary World Peace Fellowships must have the training, academic background, and work experience in relevant fields required by the Rotary Centers university partners' master's-level programs. Candidates must demonstrate excellent leadership skills, proficiency in more than one language, and a commitment to peace and international understanding through their personal and community service activities or their academic and professional achievements. All candidates must have at least three years of relevant work experience. Candidates must be committed to completing the program, working in the field of peace and conflict resolution, and maintaining contact with The Rotary Foundation throughout their professional careers.

### ***Application and Selection***

Interested applicants may obtain Rotary World Peace Fellowship applications from a Rotary club or at [www.rotary.org](http://www.rotary.org), but all applications must be submitted to a local Rotary club. Clubs forward the applications of endorsed candidates to their district's selection committee for consideration. Application deadlines are set by individual clubs in accordance with district deadlines. Clubs may endorse as many candidates for consideration by the district committee as they

deem qualified. However, each district may submit only one candidate to the world competition. All district-endorsed applications must be received by the Foundation by 1 July preceding the award year. Each year, an international selection committee appointed by the Foundation Trustees reviews the applications and selects the final Rotary World Peace Fellows. Recipients are notified of their Rotary Center assignments by 1 December.

### ***Program Implementation***

The Rotary Centers program represents Rotary's commitment to peace and international understanding by training the next generation of community and world leaders to mediate, resolve, and prevent conflicts and to address issues that contribute to conflict in the world. The program's success depends on the work of Rotarians to promote the fellowship opportunity and select candidates who embrace the Foundation's mission and are committed to working toward peace and understanding throughout their professional lives.

The role of sponsor and host Rotarian counselors is essential to achieving program goals. Like other Rotary Foundation program participants, Rotary World Peace Fellows also serve as ambassadors of goodwill and are required to participate in club, district, zone, and international Rotary events and advise on Rotary projects as appropriate. The governor appoints a sponsor Rotarian counselor for each outbound candidate selected as a Rotary World Peace Fellow. The Trustees designate a host area, to include neighboring districts, for each Rotary Center in consultation with the specific districts in which the Rotary Centers are located. These host areas share responsibilities and opportunities that accompany hosting the Rotary World Peace Fellows. (TRFC 8.020.10.2.)

### **Group Study Exchange (GSE)**

The Group Study Exchange (GSE) program is a unique cultural and vocational opportunity for business and professional men and women ages 25-40 who are in the early years of their professional lives. GSE provides travel grants for four to six weeks for teams of non-Rotarian professional men and women to exchange visits between paired Rotary districts in different countries. Each team is led by a Rotarian team leader.

### ***Program Objectives***

The program is designed to develop professional and leadership skills to better prepare participants to address the needs of their communities and an increasingly global workplace. It also provides service opportunities to establish humanitarian projects between the hosting and sending countries that address specific needs for health care, education, and other concerns. Team members experience the host country's institutions and ways of life, observe their own vocations as practiced abroad, develop personal and professional relationships, and exchange ideas.

The Group Study Exchange experience involves:

- *Vocational activities* that provide participants with opportunities to observe vocations as practiced in another country and participate in a reciprocal exchange of ideas in their respective fields, which ultimately will benefit all communities involved
- *Cultural experiences* that allow participants to study another country, its people, and its institutions and to promote an appreciation of cultural diversity worldwide
- *Fellowship opportunities* that encourage team members and hosts to meet, communicate, and live with each other in a spirit of fellowship and good-

will, to consider each other's problems, aspirations, and community concerns, and to foster lasting friendships and international understanding

- *Rotarian involvement* in providing young professionals in their formative years an experienced perspective of their vocation in another culture and in participating in the process of sending, receiving, and sharing educational experiences of study teams that will enhance the worldwide mission of Rotary

For each team member, the Foundation provides the most economical roundtrip airfare between the home and host countries. Local Rotarians in the host area provide meals, lodging, and group travel within their district.

### ***District Eligibility***

A completed application citing a clear purpose and goals to be achieved by the exchange must be submitted to the Foundation by 1 October. Each district may express a preference for the district or area with which it wishes to be paired, but the Trustees make final pairing decisions. The Trustees recognize the value of district prearranged pairings (self-pairings) and give favorable consideration to pairings that involve diverse cultures, languages, and regions. (TRFC 8.040.5.2.) GSE teams are funded through the World Fund or DDF. Districts should check their availability for funding before applying to send a GSE team in a given program year. Information about different funding options is available in GSE literature and at [www.rotary.org](http://www.rotary.org).

### ***Qualifications***

Team members must be currently engaged full-time in any recognized business or profession, live or work in the sponsor district, be involved in the initial years of their vocational life, and be 25-40 years old. Candidates also must demonstrate qualities of leadership, flexibility, and tolerance in order to further the program's objective of international understanding. Team members should have reasonable fluency in the language of the host country.

Team leaders must be experienced Rotarians, especially in international service, and well-informed about the host country and Rotary. The leader should demonstrate fluency in the language of the host country. Past governors may serve as team leaders provided that there has been an open selection process offering this leadership opportunity to other Rotarians in the district and where special requirements of the exchange, such as language, vocation, and other needs, result in the past governor being chosen as the best-qualified candidate. (TRFC 8.040.7.4.) Spouses, relatives, or dependents may not accompany the team under any circumstances.

Before recruiting applicants, districts should consult GSE literature or [www.rotary.org](http://www.rotary.org) for specific information about eligibility criteria for GSE team members and team leaders.

### ***Selection***

A district should select a team composed of the most qualified applicants, regardless of gender. The district GSE selection committee selects the team leader and all team members from those candidates interviewed and endorsed by a sponsor club. The governor verifies the eligibility of the selections and endorses the applications.

### ***Program Implementation***

Although a traditional GSE team is composed of individuals from different professions, a number of creative variations are possible. Single-vocation teams with members of similar professions (such as health care, education, or agri-

culture) allow for a more in-depth study of specific vocations as practiced in another country. Cultural teams include artists, musicians, or linguists who share their talents with Rotarians from host districts. Humanitarian teams support the development of projects between the partnered districts by seeking out humanitarian needs in the host district and returning home with one or more Foundation humanitarian grant proposals. It also is possible to organize exchanges with neighboring countries and emerging Rotary countries or, with the trustee chair's approval, a non-Rotary country. (TRFC 8.040.20.8.)

In general, the GSE team is in the care of the host district from the time of arrival to the time of departure. The host district undertakes and is responsible for creating the vocational itinerary, providing local transportation, hosting the team in homestays when possible, and arranging all cultural and Rotary activities during the team's stay. It is important to recognize the potentially exhausting nature of the study tour and to include adequate free time and rest days in the schedule.

More program information can be found in the *Group Study Exchange Brochure* (160-EN), *Group Study Exchange: Program Guide for Rotarians* (165-EN), and the *Group Study Exchange Team Handbook* (164-EN), and at [www.rotary.org](http://www.rotary.org).

## HUMANITARIAN GRANTS PROGRAM

The Humanitarian Grants Program provides a set of tools that Rotary clubs and districts can use to build community projects that help improve the lives of people throughout the world. Projects funded through the Humanitarian Grants Program must

- Involve the active and personal participation of Rotarians
- Assist in the development of strong Rotary networks
- Demonstrate sound financial stewardship
- Address humanitarian needs

Regularly updated information about the Humanitarian Grants Program can be found at [www.rotary.org](http://www.rotary.org).

### District Simplified Grants

District Simplified Grants are designed to support service activities or humanitarian endeavors of districts and their member clubs. A district can request up to 20 percent of its District Designated Fund (DDF) for a grant to support multiple projects locally or internationally. District Rotary Foundation chairs, in cooperation with district governors-elect, request the grant funds. Districts are strongly encouraged to submit their requests from 1 July to 31 March in the Rotary year before the funds become available.

The Foundation awards District Simplified Grants with the understanding that recipient districts acknowledge and agree to respect the wishes of the receiving community and strive to understand and appreciate its traditions and culture. In addition, District Simplified Grants require Rotarians to be directly involved in these ways:

- Assessing community needs and developing a project plan
- Establishing a committee of at least three Rotarians to oversee the expenditure of funds
- Overseeing grant funds
- Adhering to Foundation eligibility guidelines
- Implementing projects
- Providing evidence of community involvement and ownership

- Organizing meetings with local service providers, local officials, and/or recipients
- Promoting projects in the local media
- Submitting required reports to the Foundation

### **Volunteer Service Grants**

Volunteer Service Grants support the international travel of qualified Rotarians and spouses of Rotarians to provide a needed service to a community or to plan the implementation of a needed project in a community. Eligibility for travelers is based on these factors:

- 1) Defined community need
- 2) Need that can be met by the experience and skills of the Rotarians/team
- 3) An understanding that the skills and experience are not available in the community

The award is a flat grant, with US\$3,000 available to an individual or \$6,000 available for a team of up to five members. A single project site may not benefit from more than one grant award at any given time. An individual volunteer may receive no more than two Volunteer Service Grants per Rotary year.

Applicants should be aware that:

- Grant applications should be submitted to the Foundation at least three months before anticipated travel and must be approved at least two months before the anticipated departure date.
- The grant provides for travel expenses, including economy-class airfare arranged or approved by RITS; minimal daily living expenses; and ancillary expenses. Remaining funds may be used for project-related costs.
- The individual(s) traveling on the grant must submit a final report within two months of their return.
- The Rotary club in the area of service must complete a post service evaluation. (TRFC 9.030.)

### **Matching Grants**

The goal of Matching Grants is to help Rotary clubs and districts carry out international humanitarian projects in cooperation with Rotarians in another country. The Rotary Foundation provides a US\$0.50 match for US\$1 cash contributions. Any contributions made from the District Designated Fund (DDF) will be matched by the Foundation at the rate of \$1 to \$1.

Matching Grant projects must

- Be international in scope (i.e., involve at least two Rotary clubs or districts in at least two countries)
- Adhere to Foundation eligibility guidelines

Matching Grants requirements depend upon the amount requested from The Rotary Foundation. They are categorized as follows:

- Matching Grants (US\$5,000-\$25,000)
- Competitive Matching Grants (US\$25,001-\$150,000)

Applications for Matching Grants can be submitted to the Foundation between 1 July and 31 March. Competitive applications will be considered at the semiannual Trustees meetings; therefore, applications must be received and completed by 1 August for consideration at the October meeting and by 1 January for consideration at the April meeting. (TRFC 9.040.)

### **Health, Hunger and Humanity (3-H) Grants**

The purpose of the Health, Hunger and Humanity (3-H) Grants program is to improve health, alleviate hunger, and enhance human and social development as a means of advancing international understanding, goodwill, and peace. (TRFC 9.050.) Grants are awarded to fund large, international, self-help, grassroots development projects that use a sustainable, integrative approach to humanitarian needs. This approach incorporates multiple program components including a combination of sustainable activities such as training, community participation, Rotary Community Corps, capital assets, and technical expertise from Rotarians and other sources.

These grants provide grant awards of US\$100,000-\$300,000 for projects implemented over two to four years. Grant sponsors must provide a minimum contribution of 10 percent of the total 3-H grant award amount. To be eligible for consideration, the primary host and international sponsor clubs/districts must have successfully worked *together* as primary sponsors of a Matching Grant project within five years of submitting their 3-H application. Projects funded by 3-H grants must

- Benefit the economically disadvantaged in a developing country and provide assistance that is not being met by local or other sources
- Provide significant, long-term self-help benefits to a large number of people
- Involve Rotary clubs and districts in at least two countries with a significant number of Rotarians actively participating in the project
- Involve active participation by the project beneficiaries
- Have visible Rotary identification to make the public aware of Rotary's involvement in the community
- Be self-sustaining after the grant funds are expended (TRFC 9.050.)

### **Disaster Recovery**

The Disaster Recovery program provides Rotarians an opportunity to contribute funds for long-term reconstruction in response to specific disasters.

A master Disaster Recovery account facilitates contributions. After consulting with the RI president and the Foundation trustee chair, the general secretary may open specific accounts for disasters, which will accept contributions for a maximum of six months. Once an account is opened, the trustee chair appoints a committee of Rotary leaders in the affected area(s) to manage the account. (TRFC 9.100.)

### **Foundation Grant Project Auditing and Monitoring**

The governor, district Rotary Foundation committee chair, and district grants subcommittee chair may be asked to help the Foundation monitor grant projects. At the Foundation's request, the governor (or a designee) shall assist in addressing the project and the specific problem. If necessary, this review may include soliciting a response from project sponsors for clarification, reporting information to the Foundation, collecting progress or final grant reports, helping to determine the status of a project, reiterating Foundation guidelines, and handling local disagreements. (TRFC 10.030.)

Governors are encouraged to visit Foundation grant-funded projects and help identify, resolve, or prevent problems from occurring. Governors also are encouraged to make site visits to assess the outcome of past projects. The involvement of district governors in district-sponsored grants and club presidents in club-sponsored grants as ex officio members of project committees assists in reducing the likelihood of irregularities in handling of grant funds.

If a problem cannot be resolved by club, district, or zone leadership, a member of the Humanitarian Grants Cadre of Technical Advisers may be assigned to assist Rotarians developing or implementing the project. Many 3-H and Matching Grants projects are monitored or audited by these Rotarians, who volunteer relevant technical expertise. (TRFC 10.020.)

## **POLIOPLUS**

PolioPlus is a special program of Rotary International and has highest priority over all other programs until the certification of eradication is achieved. (RCP 40.010.)

The goal of PolioPlus is the global certification of the eradication of polio. After several years of involvement with polio-related activities, Rotary began the PolioPlus program in 1985. By 1988, Rotarians raised over US\$240 million and mobilized thousands of volunteers to assist in massive immunization campaigns and polio eradication activities around the world. Rotary was, in large part, the catalyst for the World Health Assembly's adoption of the goal of global polio eradication in 1988. By the time the world is certified polio-free, Rotary's contributions to the global polio eradication effort will have exceeded \$650 million.

The program includes any activity that directly supports the eradication of polio. These include supporting National Immunization Days, tracking the virus through surveillance programs, vaccinating particularly vulnerable children in hard-to-reach places, and informing national governments and other funding sources of the urgency, need, and benefits of investing funds to eradicate polio.

The International PolioPlus Committee (IPPC) coordinates all PolioPlus elements, directs all regional and national PolioPlus committees, and recommends policies and strategies to the Trustees to help achieve polio eradication. Each country or region carrying out polio eradication activities has a PolioPlus committee to oversee these activities; all are listed in the *Official Directory*.

Grant proposals to support polio eradication efforts are developed through formal consultation with the appropriate interagency coordinating committee partners, such as national ministries of health, UNICEF, and the World Health Organization. The IPPC reviews proposals to ensure consistency with PolioPlus policy and funding priorities and makes appropriate recommendations to the Trustees.

In accordance with action taken by the 1995 Council on Legislation and reconfirmed in 2007, the Trustees and RI Board of Directors affirm that global eradication is, and must remain, the premier goal of Rotary International and its Foundation until the day the world is certified as being rid of the poliovirus. (TRFC 11.030.)

More PolioPlus information can be found in the *District Rotary Foundation Committee Manual* (300-EN) and at [www.rotary.org](http://www.rotary.org). For a current fact sheet, contact the Secretariat.

### **PolioPlus Partners**

PolioPlus Partners is a sub-program of PolioPlus that allows all Rotarians to contribute to the goal of polio eradication by donating funds to specific social mobilization and surveillance activities through the PolioPlus Partners Open Projects List (OPL). As such, it also supplements the available funds necessary to complete the eradication of polio. Additional program information, including the OPL, is available from the Secretariat and at [www.rotary.org](http://www.rotary.org).

## MISCELLANEOUS

### Ineligibility for Foundation Program Awards

No award under programs supported by The Rotary Foundation will be made to a Rotarian, with the specific exemption of all volunteer services as identified by the Trustees; an employee of a club, district, or other Rotary Entity, or of RI; a spouse, a lineal descendant (child or grandchild by blood and any legally adopted child), a spouse of a lineal descendant; or an ancestor (parent or grandparent by blood) of any person in the above two categories. (TRFB 9.3.) Persons ineligible under this policy remain ineligible for 36 months after a Rotarian resigns his or her club membership.

The ideal of service is best exemplified by a policy that provides, in effect, that those who contribute to the Foundation should not also benefit from the Foundation programs, either directly or indirectly. The Rotary motto Service Above Self is best exemplified through charitable and educational programs based on unselfish service to deserving persons who are not Rotarians or their relatives.

### Foundation Alumni

All former Rotary Scholars and Rotary World Peace Fellows; Group Study Exchange participants; recipients of University Teachers Grants, Rotary Volunteer Grants, Individual Grants, and Volunteer Service Grants; and individuals who have traveled as part of a Discovery or New Opportunities grant are considered alumni of The Rotary Foundation. The Foundation's alumni relations efforts are undertaken to help program alumni develop a continuing affiliation with Rotarians and other Foundation alumni from around the world. As former program participants, alumni have developed a commitment to the world community and continue to share Rotary's vision of furthering understanding and peaceful relations among all people.

Sponsoring districts are encouraged to consider the following actions to enhance relationships with Foundation alumni in their districts and to help achieve the intended objectives of the programs in which they participated:

- 1) Formally greet all scholars on their return home.
- 2) Ensure that returned scholars complete required presentations primarily in the sponsoring district, namely:
  - a) At least five talks at Rotary functions during the first year
  - b) At least three talks to non-Rotary audiences
- 3) Arrange for articles on alumni activities in university and other appropriate publications.
- 4) Invite alumni to the district conference.
- 5) Invite alumni to annual Foundation dinners or other functions.
- 6) Organize regular reunions of district alumni.
- 7) Keep district alumni records current.
- 8) Consider alumni as potential Rotary members.
- 9) Invite alumni to contribute to the Foundation as appropriate.
- 10) Ask alumni to participate in orientation and selection programs for out-bound program participants in the district.
- 11) Encourage invitations to alumni to attend or participate as speakers at special district and club functions. (TRFC 13.020.)

Additionally, it is the district's responsibility to update and maintain a current list of all district alumni, advise The Rotary Foundation of any changes

of postal or e-mail addresses or phone/fax numbers for district alumni, and ensure that the person responsible for this district list passes it on to his or her successor.

### *Alumni Associations*

All Rotary districts are encouraged to establish alumni associations of former Foundation program participants in their area. Alumni associations can serve as sources of

- 1) Rotary club membership
- 2) Support for Rotary programs, such as future participant selection and orientation processes and service projects
- 3) Support for RI and Foundation public relations efforts
- 4) Financial support for the Foundation
- 5) Pride in identifying with an outstanding group of men and women

### *Global Alumni Service to Humanity Award*

The annual Global Alumni Service to Humanity Award is given to a prominent former Foundation program participant who, through volunteer or professional efforts, has demonstrated a personal commitment to the pursuit of greater understanding and peace through service to humanity. These alumni must also have achieved a high degree of distinction in contributing their time, leadership abilities, and expertise to the enrichment of their profession or vocation. All Foundation alumni who completed their service terms more than 10 years previous are eligible to be considered for the award. Each Rotary zone may nominate one candidate every other year. (TRFC 13.030.1.)

## **Rotary Foundation Service Awards**

### *The Rotary Foundation District Service Award*

The Rotary Foundation assists governors in recognizing Rotarians in their districts whose service to the Foundation deserves special attention. These awards do not require Trustee approval and are given at the discretion of the governor. Rotary Foundation District Service certificates are available through RI's Publications Order Services Section or RI international offices. The award may be given before nominating a Rotarian for The Rotary Foundation Citation for Meritorious Service but this is not a prerequisite.

### *The Rotary Foundation Citation for Meritorious Service*

One Rotarian from each district may be recognized by the Trustees during the year for outstanding service to the Foundation extending beyond one year. Nominations are solicited from governors and RI directors. Because the Trustees consider these nominations throughout the year, there is no single deadline; however, nominations should be submitted at least eight weeks ahead of the planned presentation date and no later than 15 May. A certificate on a walnut plaque is sent for presentation to the award recipient.

### *The Rotary Foundation Distinguished Service Award*

Four full years after receiving the Citation for Meritorious Service, a Rotarian becomes eligible for the Distinguished Service Award, the Foundation's highest service recognition. The exemplary service to the Foundation must extend beyond the district level and over an extended period. Any Rotarian may nominate eligible Rotarians for this award. An endorsement from another Rotarian is also required. Either the nominator or the endorser must be from outside the

nominee's district. Trustees may neither nominate nor endorse candidates for these awards. The deadline for nominations is 15 November. Up to 50 recipients are approved by the Trustees each year. A cast-bronze plaque mounted on a walnut base is awarded to each honoree.

**Rotary Foundation Month**

The RI Board and the Trustees have agreed to observe Rotary Foundation Month each November. During this month, clubs are urged to devote at least one club program to the Foundation. (RCP 8.020)



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# 16 Fiscal Matters, Foundation Support, and Donor Recognition

## Purposes of Foundation Funds

The 1983 articles of incorporation for The Rotary Foundation of RI give specific information on the purposes of Rotary's Foundation and the dedication of income and assets (see part eight of this manual). The RI Bylaws provide the Trustees with the authority to make expenditures from the property of the Foundation, including those that do not require approval of the RI Board. (RIB 22.050.)

## Stewardship of Foundation Funds

The Trustees recognize that the funds received from Rotarians and other supporters around the world are voluntary contributions reflecting their hard work and dedicated support. These donors have entrusted The Rotary Foundation with the faith and understanding that their contributions will be used effectively and for the purposes for which they were given.

Therefore, the Trustees, acting in their capacity as stewards of these funds, stress the importance of proper fiscal management in any activities associated with the programs of The Rotary Foundation. The Trustees highly rely on the integrity of the clubs and the Rotarians engaged in project implementation to ensure that funds are used effectively for the purposes for which they were given. The Trustees will promptly investigate any irregularities coming to their attention and take whatever action may be appropriate.

The recipient of a grant, the grant's sponsors, and all others associated with the project are expected to

- 1) Treat Rotary Foundation funds as a sacred trust to be constantly safeguarded from loss, misuse, or diversion and to be used only for the stated purpose, which shall be strictly interpreted
- 2) Exercise the highest attention to preventing even the appearance that Rotary Foundation funds are being used improperly, whether such appearance may be in the eyes of Rotarians or the general public. Such attention is expected to go beyond that afforded to the use of private or corporate funds.
- 3) Ensure competent and thorough oversight of the project with clear delineation of responsibility
- 4) Conduct all financial transactions and project activity relating to the grant at least at the level of standard business practice and always in harmony with the Declaration of Rotarians in Businesses and Professions and in the full spirit of The Four-Way Test
- 5) Report immediately any irregularity in grant-related activity to The Rotary Foundation
- 6) Implement projects as approved by the Trustees in their grant award. Any deviation from the agreed terms or changes in the implementation of the project must receive prior written authorization from The Rotary Foundation.
- 7) Arrange for independent financial and performance reviews or audits in accordance with current Trustee policy and guidelines
- 8) Make timely and detailed reports on both program and financial activities

- 9) Be held accountable for appropriately addressing all concerns regarding project implementation for which notification has been sent (TRFC 7.020.)

### **Annual Independent Financial Reviews for Humanitarian Grants**

All recipients of humanitarian grants from The Rotary Foundation are encouraged to have an annual independent financial review. Such a review is required for grants of US\$25,001 or more.

### **Tax Advantages and Contributions**

In some countries, contributions to The Rotary Foundation or related entities may be deducted in connection with the filing of income tax returns, or may receive other tax considerations. Clubs and individuals should ascertain from local authorities whether Foundation contributions receive tax advantages in their respective countries.

In the United States, The Rotary Foundation has been recognized as a tax-exempt, charitable entity under section 501(c)(3) of the Internal Revenue Code. Further, the U.S. Internal Revenue Service has classified the Foundation as “one that is not a private foundation as defined in section 509(a) of the Code.” Some tax deductibility or benefit is currently available for some contributions in Australia, Brazil, Canada, Germany, India, Japan, Korea, and the United Kingdom.

### **Associate Foundations**

A limited number of associate foundations exist in countries where Rotarians can receive a tax benefit through the associate foundation. The Trustees have established a set of criteria and guidelines that must be met before an associate foundation may be formed. Associate foundations must be approved by and have reporting requirements to the Trustees.

### **Raising Funds for the Foundation**

As an officer of RI, the governor has direct responsibility for promoting The Rotary Foundation within the district, to the end that the aims and purposes of the Foundation in furthering world understanding and peace may become better known and supported. All gifts are to be considered for acceptance in accordance with the Foundation’s Gift Acceptance Policy. This policy is available at [www.rotary.org](http://www.rotary.org).

### **SHARE System**

Participation in Foundation programs is an important part of the Foundation’s success. To allow districts a voice in how contributions are spent and the fullest possible participation, the Trustees developed the *SHARE* system for the allocation of funds. Through the system:

- 1) Rotarians *SHARE* their resources with their fellow Rotarians around the world.
- 2) The Trustees *SHARE* some of their decision-making responsibility with the districts.
- 3) Rotarians *SHARE* Rotary with the world through their Foundation.

All district Annual Programs Fund *SHARE* contributions are divided into two categories: District Designated Fund (DDF) and World Fund. The distribution between these two funds is 50 percent to DDF and 50 percent to the World Fund. Contributions made in a given year will be eligible to be spent three years later. The district may use its District Designated Fund for Ambassadorial Scholarships, a District Simplified Grant, the district’s portion of Matching

Grants, and other Foundation programs in which the district chooses to participate. The World Fund pays for other Foundation programs such as Rotary Centers for International Studies, Group Study Exchange, 3-H Grants, the Foundation match of Matching Grants, Volunteer Service Grants, and any new pilot programs. (TRFC 17)

Additional *SHARE* system information can be found in the *District Rotary Foundation Committee Manual* (300-EN) and *The Rotary Foundation Quick Reference Guide* (219-EN), as well as in The Rotary Foundation Code of Policies.

### **Contributions to the Foundation**

Contributions to The Rotary Foundation are voluntary. Therefore, reference to contributions to the Foundation as a condition of club membership shall not appear on the membership application card. Rotary club bylaws may not provide, as a condition of membership, the making of contributions to The Rotary Foundation, and any such reference on the Rotary membership identification card is not authorized. (RCP 5.050.7)

It is suggested to governors that they stress through regular channels — the district Rotary Foundation committee, the district assembly, district and club Foundation seminars, and club visits — the importance of Rotary clubs and Rotarians making annual contributions to The Rotary Foundation. Every Rotarian should be encouraged to contribute US\$100 or more to the Annual Programs Fund of The Rotary Foundation every year to support the continued growth of Foundation programs. Rotarians are also encouraged to consider making a gift provision in their wills or other estate plans to the Permanent Fund.

Contributions of any size may be made to three funds:

- 1) *Annual Programs Fund*, the primary source of funding for the programs of the Foundation. Contributions are used approximately three years after they are contributed.
- 2) *Permanent Fund*, an endowment fund from which available earnings are spent in support of Foundation programs. The objective of the Permanent Fund is to ensure maintenance of a minimum level of program activity and facilitate new or expanded programs in the future. RI encourages Rotarians to consider providing special support to the Permanent Fund as a demonstration of commitment to Rotary as a movement for the centuries and a world leader in international service.
- 3) *PolioPlus Fund*, which pays all grants made in support of the PolioPlus program and its goal of the worldwide eradication of poliomyelitis

### **Individual Contribution Recognition Opportunities**

Donors contribute to The Rotary Foundation to support its programs. To acknowledge Foundation donors, the Trustees provide various types of donor recognition. All contributions are credited to a Rotary club designated by the donor.

#### ***Rotary Foundation Sustaining Member***

A Rotary Foundation Sustaining Member is a person who contributes US\$100 or more per year to the Annual Programs Fund.

#### ***Paul Harris Fellow***

A Paul Harris Fellow is someone who contributes US\$1,000 or has that amount contributed in his or her name. The most common types of contributions eligible for Paul Harris Fellow Recognition are Annual Programs Fund contribu-

tions. However, the following restricted contributions also are eligible: World Fund, PolioPlus, PolioPlus Partners, and the sponsor portions of approved humanitarian grants. A new Paul Harris Fellow will receive, upon request, a personalized certificate with presentation folder, a lapel pin, and a medallion.

### ***Multiple Paul Harris Fellow***

A Multiple Paul Harris Fellow is a Paul Harris Fellow who has contributed, or in whose name is contributed, additional US\$1,000 gifts to the Foundation. A Multiple Paul Harris Fellow will receive, upon request, a lapel pin with sapphire or ruby stones based on his or her Multiple Paul Harris Fellow level.

### ***Paul Harris Society***

The Paul Harris Society is a district-administered recognition for those who elect to personally contribute US\$1,000 or more each year to the Annual Programs Fund, PolioPlus, PolioPlus Partners, or the Humanitarian Grants Program. Individual districts handle all associated recognition for this program, and inquiries should be directed accordingly. Paul Harris Society contributions are eligible toward Rotary Foundation Sustaining Member (Annual Programs Fund Contributions only), Paul Harris Fellow, Multiple Paul Harris Fellow, and Major Donor Recognition.

### ***Benefactor and Bequest Society***

Anyone who notifies the Trustees in writing that he or she has made provisions in his or her will or other estate plan naming The Rotary Foundation as a beneficiary, or who makes an outright gift of US\$1,000 or more to the Permanent Fund, is recognized by the Trustees as a Benefactor. Benefactors receive a letter of appreciation, a commemorative certificate, and an insignia that may be attached to a Rotary or Paul Harris Fellow pin.

Individuals or couples who have placed the Foundation in their estate plans for a minimum of US\$10,000 are also eligible for membership in the Bequest Society. Members may elect to receive an engraved crystal and a Bequest Society pin reflecting the level of their bequest commitment.

Unless otherwise specified by the donor, realized bequest gifts are placed in the Permanent Fund with the annual spending portion directed to the World Fund.

### ***Major Donor***

Individuals or couples whose combined cumulative giving reaches US\$10,000 are recognized as Major Donors. All contributions to The Rotary Foundation are included in this total, regardless of the gift designation. Major Donors are recognized at six gift levels and may elect to receive an engraved crystal and a Major Donor pin reflecting their giving level.

### ***Arch C. Klumph Society***

Individuals or couples whose combined cumulative giving reaches US\$250,000 or more are recognized as members of the Arch C. Klumph Society, named for the founder of The Rotary Foundation. Society members may elect to receive a personalized certificate, participate in a special induction ceremony, and have their portraits displayed in the Arch C. Klumph Gallery at RI World Headquarters.

### ***Named Gift Opportunities***

A named endowed fund can be established through a gift to the Permanent Fund. The principal of an endowed gift is never spent, while a portion of the

income is made available each year for specific Rotary programs or projects as determined by the donor.

Donors can also make outright major gifts to fund a one-time Ambassadorial Scholarship, Rotary World Peace Fellowship, or Group Study Exchange.

Details on all named gift opportunities are available from RI international offices and at [www.rotary.org](http://www.rotary.org). Designation options depend on the size of the gift.

### **Rotary Club Banner Recognition Opportunities**

#### ***Top Three Per Capita in Annual Programs Fund Giving***

This recognition is awarded to the top three per capita giving clubs in each district (minimum US\$50 per capita) at the end of the Rotary year.

#### ***Every Rotarian, Every Year Club***

This recognition is given to clubs that achieve a minimum US\$100 per capita and 100 percent participation with every active member contributing some amount to the Annual Programs Fund during the Rotary year. It is based on active membership as of 30 June and awarded at the end of the Rotary year.

#### ***100% Rotary Foundation Sustaining Member Club***

This recognition is given to clubs that achieve a minimum US\$100 per capita and 100 percent participation with every active member contributing \$100 or more to the Annual Programs Fund during the Rotary year. It is based on active membership as of 30 June and awarded at the end of the Rotary year.

#### ***100% Paul Harris Fellow Club***

This one-time recognition is awarded throughout the Rotary year to clubs once every active club member is a Paul Harris Fellow. The club is also recognized with an engraved plaque bearing its name that is permanently displayed at RI World Headquarters.

