

MINUTES

of the

JANUARY 2009 MEETING

Board of Directors of Rotary International

The Board of Directors of Rotary International held its third meeting of the year on 27-30 January 2009 in Evanston, Illinois, USA

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Present were: President Dong Kurn Lee, President-elect John Kenny, Vice-President Monty J. Audenart, Treasurer Bernard L. Rosen, Executive Committee Chair Paul A. Netzel, other directors, Eric E. Lacoste Adamson, Thomas A. Branum, Sr., Michael Colasurdo, Sr., Lars-Olof Fredriksson, Jackson San-Lien Hsieh, Michael J. Johns, John M. Lawrence, Ashok M. Mahajan, R. Gordon R. McNally, Catherine Noyer-Riveau, Kazuhiko Ozawa, Themistocles A.C. Pinho, José Alfredo Sepúlveda, Philip J. Silvers, and General Secretary Edwin H. Futa. Also present was Trustee Ron D. Burton.

Alice Baehler served as secretary of the meeting with the assistance of Jenny Goldstein and Matt Hohmann. Other staff present were Joe Brownlee, Peter DeBerge, Mary Graham, Patricia Groenewold, Jeanette Hamilton, Kathy Kessenich, Laurie Linxweiler, Peter Markos, Andrew McDonald, Robert Mintz, Maureen Ninneman, Theresa Nissen, John Osterlund, Steve Routburg, Renee Poole-Sacco, L.J. Williams, and Geoff Woie. Alain Druout, Luisa Feuerstein, Eiko Terao, and Roberto Torquato served as staff interpreters.

Under the guidance of the president, the general secretary had prepared an advance memorandum for this meeting containing items for consideration with background information and analyses. Those items, along with others initiated during this meeting, constituted the agenda of the meeting as reflected in the remainder of these minutes.

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122. Minutes of the November 2008 Board Meeting

Statement: Printed copies of the November 2008 Board meeting minutes were distributed to each director.

DECISION: The Board approves the minutes of the November 2008 Board meeting as distributed.

123. Ratification of Decisions Made by the President

Statement: As authorized, President Lee made decisions on behalf of the Board since its November 2008 meeting.

DECISION: The Board ratifies the decisions shown in Appendix A made on behalf of the Board by President Lee during the period 11 October through 31 December 2008.

124. Ratification of Decisions Made by the General Secretary

Statement: As authorized, the general secretary reported that he made several decisions on behalf of the Board since its November 2008 meeting.

DECISION: The Board ratifies the decisions shown in Appendix B made by the general secretary on behalf of the Board during the period 11 October through 15 December 2008.

125. Action Report on Board Decisions

Statement: *Rotary Code of Policies* section 28.005. requires the general secretary to provide an action report at each Board meeting on those Board decisions requiring implementation or follow-through.

DECISION: The Board thanks the general secretary for his action report on the implementation of its decisions from the November 2008 meeting, as shown in Appendix C, filed only with the official copy of these minutes.

126. Tentative Future Agenda

Statement: Board procedures require at each meeting the submission of a tentative agenda for the next Board meeting.

DECISION: The Board receives the tentative agenda for its June 2009 meeting.

127. Report of the President

Statement: The president reported on his activities, accomplishments, and concerns since the Board's November 2008 meeting.

DECISION: The Board thanks President Lee for his report.

128. Report of the General Secretary

Statement: The general secretary presented a report on the work at the Secretariat since the Board's November 2008 meeting.

DECISION: The Board thanks the general secretary for his report.

129. Report of the Treasurer

Statement: *Rotary Code of Policies* section 29.040.7. requires the RI treasurer to report on the status of RI finances at each Board meeting.

DECISION: The Board thanks the treasurer for his report.

130. Communications from the Trustees

Statement: At their January 2009 meeting, the Rotary Foundation Trustees took several decisions of interest to the Board.

DECISION: The Board

1. notes the following decisions from the January 2009 Trustees meeting:

63. Communications from the RI Directors
74. 3-H Program Considerations for the RI/USAID Alliance
76. Report of the International PolioPlus Committee: 2008-09 Program Awards Budget

83. Update on the 2009 Rotary World Peace Symposium
84. Status Report on the 2009 and 2010 Rotary Alumni Celebrations
86. Report of RI/TRF Allocations Committee

2. notes that the Trustees considered meal expenses and requested the general secretary to continue monitoring TRF expenses;
3. notes that the Trustees agreed that those districts in which current or past district governors have outstanding financial obligations to RI and/or TRF shall not be selected as pilot districts of the Future Vision Plan;
4. approves an increase in the 2008-09 PolioPlus program awards budget from US\$60,750,000 to US\$88,400,000;
5. approves a US\$25 registration fee for the 2010 Rotary Alumni Celebration in Montreal, Canada, and grants reduced convention registration fees for recent Foundation alumni for the entire pilot period for Rotary Alumni Celebrations, now continuing until the 2013 RI Convention;
6. thanks Trustee Ron Burton for his report to the Board and for his service as trustee liaison.

131. Memorials to the Board

Statement: The Board considered the following memorials:

- From District 1070 (England), requesting the Board to consider modifying *Rotary Code of Policies* section 17.030.2. relating to term limits for the position of assistant governor.
- From District 1930 (Germany), requesting the Board to advocate the alleviation and cessation of human suffering caused by anti-personnel mines.
- From the Rotary clubs of Norwich St. Edmund and Norwich (England), requesting the Board to ensure that all Rotarians are reminded of their obligations and responsibilities with respect to high ethical standards and the rights of children.
- From districts 5220, 6710, 6740, 6760, and 6780 (USA), requesting the Board to consider establishing

a Rotary International sponsored youth program for children ages 11 to 14.

- From the Rotary Club of North Renfrew (Canada), requesting the Board to support and promote the concept of a democratic world government.
- From District 6060 (USA), requesting the Board to consider changing the name of RYLA from “Rotary Youth Leadership Awards” to “Rotary Youth Leadership Academy.”
- From the Rotary clubs of Provins, S.-et-M, and Paris Nord (France), requesting the Board to change the time frame used to calculate membership figures with respect to the Presidential Citation, and also requesting the Board to systematically erase terminated club members from the RI Web site.

DECISION: The Board, the Executive Committee acting on its behalf,

1. requests the general secretary to follow-through on the memorials received at this meeting in accordance with discussion at this meeting;
2. amends *Rotary Code of Policies* section 42.020.3. as follows:

42.020.3. Rights of Children

Following is a statement on RI’s position on the rights of children:

Rotary International, recognizing that:

- 1) children, because of their vulnerability, need special care and protection;
- 2) in all countries of the world there are children who are living in exceptionally difficult conditions;
- 3) all children should be able to grow into adulthood in an environment of peace, dignity, tolerance, freedom and equality;

endorses and supports the rights of all children to food, shelter, health care, education, and freedom from abuse, ~~and violence,~~ and slavery. Rotary clubs around the world are committed to protecting these rights for all children, regardless of race, creed or nationality.

[text omitted]

132. Updates to the *Rotary Code of Policies*

Statement: At the conclusion of each Board meeting, the general secretary reviews the decisions taken by the Board and prepares a report listing those decisions that might be added to the *Rotary Code of Policies*. Accordingly, the general secretary provided suggested amendments to the *Code* based upon decisions taken at the Board’s November 2008 meeting.

DECISION: The Board, to record the decisions that it has taken previously, amends the *Rotary Code of Policies* as found in Appendix D, filed only with the official copy of these minutes.

133. RI Strategic Plan

Statement: Vice-president Audenart and Director Silvers requested the Board to discuss the RI Strategic Plan at this meeting. The Board discussed the plan’s acceptance in the Rotary world; whether the plan is truly strategic and visionary; the most important issues RI faces and how the plan should address those issues; and possible revisions to the plan.

DECISION: The Board

1. emphasizes the importance of its role in establishing, promoting, and monitoring long-term priorities and goals of Rotary International;
2. requests the general secretary to
 - a. allow for adequate time on future Board agendas for discussion on strategic issues, challenges, or opportunities;
 - b. provide semi-annual updates on the most current strategic plan, in coordination with the RI Strategic Planning Committee, at its November and June meetings.

134. Joint Committee Report

Statement: The Joint Committee of Directors and Trustees met on 21 January 2009, in San Diego, California, USA. The committee discussed issues regarding Rotarian Action Groups and other matters affecting both the Board and Trustees.

DECISION: The Board

1. thanks the Joint Committee of Directors and Trustees for its report;
2. requests general secretary to prepare a cost estimate for a committee of directors and trustees to meet in 2009-10 to study the relationship between Rotarian Action Groups and RI/TRF, for report to the Board at its June 2009 meeting.

135. Operations Review Committee Report

Statement: The Operations Review Committee met on 5-7 January 2009, in Evanston, Illinois, USA. Chairman Stan Tempelaars presented the committee's report to the Board.

DECISION: The Board thanks the Operations Review Committee for its report.

136. Election Review Committee Report

Statement: Since the Board's November 2008 meeting, the Election Review Committee had received one complaint concerning a district governor election. Upon reviewing the complaint, the chair of the Election Review Committee requested additional statements by the parties and translations of documents. Rather than wait until the Board's June meeting to resolve this issue, the general secretary, in consultation with the vice-president, recommended that the Board authorize the Executive Committee to resolve this complaint on its behalf once all necessary information is gathered and reviewed.

DECISION: The Board

1. notes that the general secretary received one complaint since its November 2008 meeting, concerning the election of the 2010-11 governor of District 3710 (Korea);
2. to expedite the resolution of this complaint, authorizes its Executive Committee to act on its behalf to take any action on this complaint permitted by RI Bylaws section 10.060.3. upon receipt of the report of the RI Election Review Committee.

137. Status of Litigation

Statement: Board agenda procedures require a status report on litigation affecting RI at each Board meeting.

DECISION: The Board thanks the general secretary for his report on litigation.

138. Rotation of Directors from Revised Zone 13

Statement: In decision 231, June 2008, the Board adopted a director nomination schedule for the revised zones structure. Some zones are sectioned, providing for a director to be nominated from a different area in the zone on a rotation schedule. A past RI director raised a concern about the proper rotation of sections within zone 13, and requested the Board to consider amending the schedule.

DECISION: The Board amends the director rotation schedule for revised Zone 13 so that the next director, to be selected in 2009-10 and serving on the RI Board in 2011-13, shall come from section A (The Netherlands), followed in order by sections B, A, C, A, B, A, and C.

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DECISIONS 139 – 145

Board Council on Legislation Advisory Committee

The Board Council on Legislation Advisory Committee met on 18-19 January 2009, in San Diego, California, USA, and made several recommendations to the Board.

139. To Amend the Terms of Reference for the Strategic Planning Committee

Statement: In decision 39, November 2008, the Board agreed to submit to the 2010 Council on Legislation a proposed enactment that would add a seventh member to the Strategic Planning Committee and eliminate its liaison director. The Council on Legislation Advisory Committee agreed that having two directors on the Strategic Planning Committee would provide continuity to the committee and, therefore, recommended that the Board amend its proposed enactment accordingly.

DECISION: The Board amends its proposal "To amend the terms of reference for the Strategic Planning Committee" that it agreed to submit to the 2010 Council on Legislation pursuant to decision 39, November 2008, so that it reads as follows:

PROPOSED ENACTMENT 10-

To amend the terms of reference for the Strategic Planning Committee

Proposed by the Board of Directors of RI

IT IS ENACTED by Rotary International that the BYLAWS OF ROTARY INTERNATIONAL be and hereby are amended as follows (page 238 MOP):

Article 16 Committees

16.100. Strategic Planning Committee.

The board shall appoint a strategic planning committee to be composed of six members, ~~each~~ four of whom shall serve a single term for a six-year period with two members appointed every ~~third~~ other year and two of whom shall be members of the board appointed annually. No member of the committee shall be a past president or current ~~member of the board or trustee of The Rotary Foundation trustees.~~ Membership shall be selected so that qualifications provide a balance in membership with Rotarians experienced in long-term planning, RI programs and activities, and financial management. The committee shall meet once per year at such time and place and upon such notice as may be determined by the president, the board or the chairman of the committee, and if deemed necessary by the president or the board, additional times during the year at such times and places and upon such notice as may be determined by the president or the board. The strategic planning committee shall develop, recommend and update a strategic plan for consideration by the board, survey Rotarians and clubs not less than every three years in discharge of its duties to review and make recommendations to the board pertaining to the strategic plan, review and counsel the president-elect on the program for the upcoming year to determine whether such program is consistent with the strategic plan, and undertake other duties assigned by the board; it shall take into account studies of the change in the number of potential Rotarians on each continent, including in countries that may open soon to expansion, in order to predict the impact of such change on the membership in each zone.

~~16.100.1. Liaison to Committee.~~

~~The president shall consider appointing a liaison from the board to such committee who shall serve for two years.~~

16.100.1 Interim Provision Relating to Section 16.100. Amendments to section 16.100. adopted at the 2010 Council on Legislation pursuant to council enactment 10- shall be first applicable to the Strategic Planning Committee that serves in the 2011-12 Rotary year.

(End of Text)

(subsequent subsections will be renumbered as appropriate)

Note: Material to be deleted is lined through and will not appear in the revised text. New material is underlined.

140. To Amend the Terms of Reference for the Audit Committee

Statement: In decision 117, November 2008, the Board agreed to submit a proposed enactment to the 2010 Council on Legislation that would amend the terms of reference for the RI Audit Committee to include two members from the Rotary Foundation Trustees and thus serve as the Audit Committee for both bodies. The Council on Legislation Advisory Committee agreed that an interim provision was necessary, stipulating that such amendments to the terms of reference be first applicable in 2011-12.

DECISION: The Board amends its proposal “To amend the terms of reference for the Audit Committee” that it agreed to submit to the 2010 Council on Legislation pursuant to decision 117, November 2008, so that it reads as follows:

PROPOSED ENACTMENT 10-

To amend the terms of reference for the Audit Committee

Proposed by the Board of Directors of RI

IT IS ENACTED by Rotary International that the BYLAWS OF ROTARY INTERNATIONAL be and hereby are amended as follows (page 239 MOP):

Article 16 Committees

16.110. Audit Committee.

The board shall appoint an audit committee to be composed of ~~six~~ seven members, each of whom shall be independent and financially literate. The members of the committee shall include three current members of

the board appointed annually by the board and two current trustees of The Rotary Foundation appointed annually by the trustees. In addition, the committee shall include two members appointed by the board who shall be neither members of the board nor trustees of The Rotary Foundation, and who shall serve single terms of six years with staggered terms. ~~The three non-director members shall serve a single term of six years with one member appointed every other year to maintain a committee of six members.~~ The audit committee shall review and report to the board as appropriate on RI and Rotary Foundation financial reports, the external audit, the system of internal control, internal audit, and other matters connected therewith. The committee shall meet up to three times per year at such times and places and upon such notice as may be determined by the president, the board, or the chairman of the committee, and, if deemed necessary by the president or the chairman of the committee, additional times during the year at such times and places and upon such notice as may be determined by the president or the chairman of the committee. The chairman of the operations review committee or the chairman's designee shall serve as a liaison to the committee. The committee, which shall act only in an advisory capacity to the board and trustees, shall function under such terms of reference not in conflict with the provisions of this section, as may be prescribed by the board and trustees.

Interim Provision Relating to Section 16.110.
Amendments to section 16.110. adopted at the 2010 Council on Legislation pursuant to council enactment 10- shall be first applicable to the Audit Committee that serves in the 2011-12 Rotary year.

(End of Text)

Note: Material to be deleted is lined through and will not appear in the revised text. New material is underlined.

141. To Authorize the RI Board to Suspend or Terminate a Club that Fails to Comply with Stewardship Policies of The Rotary Foundation

Statement: In decision 29, point 11, November 2008, the Board agreed to submit a proposed enactment to the 2010 Council on Legislation that would authorize the Board to terminate a Rotary club that violates the stewardship policies of The Rotary Foundation. The Council on Legislation Advisory Committee recom-

mended that the Board amend its proposed enactment to delete reference to "mismanaged" funds that could be interpreted too broadly and result in unnecessary club terminations.

DECISION: The Board amends its proposal "To authorize the RI Board to suspend or terminate a club that fails to comply with stewardship policies of The Rotary Foundation" that it agreed to submit to the 2010 Council on Legislation pursuant to decision 29, point 11, November 2008, so that it reads as follows:

PROPOSED ENACTMENT 10-

To authorize the RI Board to suspend or terminate a club that fails to comply with stewardship policies of The Rotary Foundation

Proposed by the Board of Directors of RI

IT IS ENACTED by Rotary International that the BYLAWS OF ROTARY INTERNATIONAL be and hereby are amended as follows (page 187 MOP):

Article 3 Resignation, Suspension or Termination of Membership in RI

3.030. Board Authority to Discipline, Suspend, or Terminate a Club.

3.030.3. Suspension or Termination for Failure to Comply with Foundation Stewardship Policies.

The board may suspend or terminate the membership of any club that retains in its membership any person who has misused funds from The Rotary Foundation or who otherwise has breached the stewardship policies of The Rotary Foundation.

(Subsequent subsections will be renumbered as appropriate)

(End of Text)

Note: New material is underlined.

142. To Increase the Minimum Number of Rotarians Per District from 1,000 to 1,200

Statement: In decision 106, November 2008, the Board agreed to submit a proposed enactment to the 2010 Council on Legislation that would raise the required minimum number of Rotarians per district from 1,000 to 1,200. The Council on Legislation Advisory Committee

agreed that, for consistency, the minimum number of clubs should also be raised correspondingly.

DECISION: The Board amends its proposal “To increase the minimum number of Rotarians per district from 1,000 to 1,200” that it agreed to submit to the 2010 Council on Legislation pursuant to decision 106, November 2008, so that it reads as follows:

PROPOSED ENACTMENT 10-

To revise the Board’s authority to change district boundaries

Proposed by the Board of Directors of RI

IT IS ENACTED by Rotary International that the BYLAWS OF ROTARY INTERNATIONAL be and hereby are amended as follows (page 230 MOP):

Article 15 Districts

15.010. How Established.

The board is authorized to group the clubs into districts. The president shall promulgate a list of such districts and their boundaries. Such action shall be at the direction of the board. The board may eliminate or change the boundaries of any district with fewer than ~~30~~ 33 clubs or fewer than ~~1,000~~ 1,200 Rotarians. No change shall be made to the boundaries of any district with ~~30~~ 33 or more clubs and ~~1,000~~ 1,200 or more Rotarians over the objection of a majority of the total number of clubs in the district. The board may eliminate or change the boundaries of a district only after consulting with and providing reasonable opportunity for the governors and clubs of the districts involved to provide a recommendation on the pro-posed change. The board shall take into account geographical boundaries, potential for district growth, and cultural, economic, language, and other relevant factors.

(End of Text)

Note: Material to be deleted is lined through and will not appear in the revised text. New material is underlined.

143. Withdrawal of Proposed Legislation to the 2010 Council on Legislation

Statement: In decision 44, November 2008, the Board agreed to submit a proposed enactment to the 2010 Council on Legislation that would clarify that RI

Bylaws section 13.040.2. (regarding safeguarding the secrecy of ballots) and 13.040.4. (the right of a club to inspect ballots) do not conflict. The Council on Legislation Advisory Committee reviewed the proposed enactment and agreed that the legislation did not provide adequate clarification on these issues and, therefore, recommended that the Board withdraw it.

DECISION: The Board rescinds its decision 44 November 2008, thereby withdrawing its proposed legislation “To clarify the ballot-by-mail specifications for governor.”

144. Length of the 2010 Council on Legislation

Statement: The Council on Legislation Advisory Committee noted that the Constitution and Bylaws Committee would meet in February 2009 to review all duly submitted legislation for the 2010 Council, and to begin assessing how much time will be needed for the Council to effectively review and debate all legislation. The committee noted that RI’s contract with the hotel allows for the Council dates to be adjusted through April 2009. Since the Board will not convene again until after this April deadline, the committee recommended that the Board authorize the general secretary to adjust the Council dates if necessary.

DECISION: The Board

1. notes that the 2010 Council on Legislation is tentatively scheduled for 25–30 April 2010;
2. recognizes that there may be reasons for adjusting the length of the 2010 Council, such as the number of items of legislation that will be transmitted to the Council;
3. authorizes the general secretary, with the concurrence of the president, president-elect, and the chair of the Council on Legislation Advisory Committee of the Board, to act on the Board’s behalf until the June 2009 meeting with respect to adjusting the dates of the Council, if necessary, and to adjust any related contracts as appropriate.

145. Authority of the President to Act on Behalf of the Board in Legislative Matters

Statement: The Council on Legislation Advisory Committee noted that important Council matters requiring Board action may occur before the Board’s June 2009 meeting and, therefore, recommended that

the Board authorize the president, in consultation with the chair of the Council on Legislation Advisory Committee, to act on the Board's behalf on matters related to the 2010 Council.

DECISION: The Board authorizes the 2008-09 president and president-elect, with the consent of the chair of the Council on Legislation Advisory Committee, to act on its behalf until the June 2009 meeting with respect to all matters relating to the 2010 Council, including amending Board-proposed legislation.

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**146. Constitution and Bylaws Committee Report:
To Allow Clubs to Hold Additional Weekly Meetings**

Statement: In decision 92, November 2008, the Board requested the Constitution and Bylaws Committee to draft legislation for the 2010 Council on Legislation that would permit clubs to meet multiple times per week. This proposal originated with the Membership Development and Retention Committee, which believed that new members might be attracted to Rotary if some flexibility was permitted in the club meeting schedule.

DECISION: The Board agrees not to submit legislation to the 2010 Council on Legislation that would allow clubs to hold additional meetings, and rescinds accordingly its decision 92, November 2008.

147. 1923 Statement on Community Service

Statement: In decision 156, January 2008, the Board requested the general secretary to include the 1923 Statement on Community Service in future editions of the *Manual of Procedure* as an historic document. A director requested the Board to consider amending this decision to specify where in the *Manual* the statement appears, and that it be printed in its entirety.

DECISION: The Board amends its decision 156, January 2008, concerning Rotary's 1923 Statement on Community Service as follows:

DECISION: The Board requests the general secretary to

1. include the 1923 Statement on Community Service in its entirety in the white pages of future

editions of the *Manual of Procedure* as an historic document;

2. include a reference to the 1923 statement in the *Rotary Code of Policies* stating that it is in the *Manual of Procedure* because of its historical value.

148. Report of the Committee to Study Survey Results on Current Peace Projects and Future Plans in the Balkans and Middle East

Statement: In decision 161, January 2008, the Board requested the general secretary to conduct a survey of the districts in the Balkans and Middle East to determine what peace efforts are currently in process or planned for the future. The results of this survey were presented to the Board at its November 2008 meeting, and in its decision 65, November 2008, the Board authorized the appointment of a committee to study these survey results for report to the Board at this meeting. The committee met on 26 January 2009, in Evanston, Illinois, USA and made several recommendations to the Board.

DECISION: The Board

1. thanks the Committee to Study Survey Results on Current Peace Projects and Future Plans in the Balkans and Middle East for its report;
2. does not authorize a second in-person meeting of the committee, but encourages the committee to meet by correspondence;
3. recommends that the 2009-10 president appoint a 2009-10 "Reach Out for Peace" Committee of the Board, with the trustee liaison to the Board assigned as a liaison to the committee, such committee to meet in conjunction with other previously scheduled meetings at no cost to RI;
4. agrees that the new "Reach Out for Peace" Committee, if appointed, will review the initiatives recommended by the "Committee to Study Survey Results" and produce as a legacy a model that could be used wherever conflicts arise.

149. Microcredit Advisory Committee Report

Statement: The Microcredit Advisory Committee met via conference call and correspondence in November and December 2008 and made several recommen-

datations to the Board. The committee discussed its role in connection with the Rotarian Action Group for Microcredit, the importance of successful micro-credit initiatives in today's economic climate, and club and district involvement in microcredit projects, among other topics.

DECISION: The Board

1. thanks the committee and notes that the proposers of the following resolutions: "To request the RI Board to consider providing additional support to Rotarian Action Groups" and "To request the Trustees to consider providing the same method for funding World Community Service for Rotarian Action Groups as it does for Matching Grants projects" have been encouraged to submit each as a memorial to the Board;
2. refers the suggestions to investigate "website-based online learning systems" (including Power Point as appropriate) for use by all Rotarians and to publish a microcredit e-learning module to the Leadership Education and Training Committee for its consideration and recommendations;
3. encourages RI leadership to coordinate and promote high profile Rotarian microcredit events.

150. Rotaract Committee Report

Statement: The Rotaract Committee met on 10-11 November 2008, in Evanston Illinois, USA, and made several recommendations to the Board. The committee established sub-groups to address key Rotaract concerns; discussed Rotaract communication, outreach, and promotional activities; Rotaract constitutional documents; issues concerning the triennial Rotaract conference (INTEROTA); planning for the 2009 Rotaract pre-convention meeting; Rotaract's role in Rotary's US\$200 Million Challenge and in RI's membership development initiatives; RI recognition of outstanding Rotaract projects; and Rotaract publications, among other topics.

DECISION: The Board

1. amends the *Standard Rotaract Club Constitution*, as shown in Appendix E, filed only with the official copy of these minutes, to reflect gender-neutral language throughout the document;
2. requests the general secretary to

- a. collect information on Rotaract clubs interested in forming twin club relationships, similar to the information already collected for Rotaract clubs interested in home hosting, and to include this information in the *Worldwide Rotaract Directory*;
 - b. examine clubs started by former Rotaractors to identify best practices and trends;
 - c. develop a CD containing the main Rotaract publications for distribution to Rotaract clubs;
 - d. create a Rotaract district best practices document based on input from District 4830 and other districts with strong Rotaract programs;
3. requests the president to consider sending a letter to district governors encouraging them to help fund district Rotaract representatives-elect (as outlined in *Rotary Code of Policies* section 41.020.7.) and other Rotaractors to attend the 2009 Rotaract Pre-convention Meeting in Birmingham, England;
 4. extends its congratulations to the dedicated Rotaractors and Rotarians in Korea for their support of the INTEROTA meeting in Seoul, Korea, and offers its appreciation for their successful efforts;
 5. does not agree to change the name of the Rotaract Pre-convention Meeting to the Rotaract Convention;
 6. does not agree to produce the *Guide for District Rotaract Representatives* as a print publication;
 7. encourages governors-elect to consider including information on New Generations programs (Rotaract, Interact, RYLA, and Youth Exchange) in their PETS programs.

151. RYLA Committee Report

Statement: The RYLA Committee met on 10-11 November 2008, in Evanston, Illinois, USA and made two recommendations to the Board. The committee discussed its overall goals and responsibilities for the 2009 International RYLA, long-term goals for the program, promotion strategies at the Birmingham convention, RYLA's connection to vocational service, and worldwide RYLA status and trends, among other topics.

DECISION: The Board

1. requests the general secretary to investigate developing a district profile of youth service activities to be distributed to district governors, for report to the Board at its June 2009 meeting;
2. encourages district RYLA committee chairs to invite governors and governors-elect to RYLA events.

152. Youth Exchange Committee Report

Statement: The Youth Exchange Committee met on 13-14 November 2008, in Evanston Illinois, USA, and made several recommendations to the Board. The committee discussed its long-term plan for Youth Exchange, a quality assurance initiative for the program, insurance and certification issues, Youth Exchange student tours; the preconvention meeting and Youth Exchange events at the Birmingham convention, and Youth Exchange's role in Rotary's US\$200 Million Challenge, among other topics. The committee also recommended that the Board amend the *Rotary Code of Policies* section on Youth Exchange to simplify the presentation of RI policies on the program.

DECISION: The Board

1. thanks the president for appointing the Youth Services Resource Group and for calling concurrent meetings of the Interact, Rotaract, RYLA, and Youth Exchange committees;
2. agrees to replace *Rotary Code of Policies* section 41.080. with the revised text as shown in Appendix F, noting that the revisions do not substantively change existing policy on Youth Exchange;
3. agrees that host districts should determine the insurance provider and coverage amounts for Youth Exchange students and revises the *Rotary Code of Policies* accordingly as shown in new *Code* section 41.080.10. paragraph 3 of Appendix F;
4. amends the *Rotary Code of Policies* to clarify the early-return process for Youth Exchange students as shown in new *Code* section 41.080.18. of Appendix F;
5. agrees that Youth Exchange shall be represented by three program types: Long-Term Exchange, Short-Term Exchange, and New Generations Exchange;

6. requests the general secretary to develop a New Generations Exchange promotional brochure in 2009-10, and approves a 2009-10 budget allocation of US\$1,100 for this purpose;
7. does not agree to remove the district-specific notes from the Youth Exchange directory;
8. notes that *Rotary Code of Policies* section 21.040.2. is duplicated under the revised *Code* section 41.080. and, therefore, agrees to delete section 21.040.2.

153. Interact Committee Report

Statement: The Interact Committee met on 13-14 November 2008, in Evanston Illinois, USA, and made several recommendations to the Board. The committee discussed Interact policies, program statistics and long-term goals, promotion strategies for the program, current challenges, the Model UN program's relationship to Interact, youth protection, and Interact's role in Rotary's US\$200 Million Challenge, among other topics.

DECISION: The Board

1. does not agree to request conveners of Rotary institutes to emphasize Interact and other youth and young adult programs (Rotaract, RYLA, and Youth Exchange) either through program time or booth space;
2. does not agree to include an emphasis on youth and young adult programs in membership training modules at GETS and the International Assembly;
3. encourages Interact clubs to participate in Model UN programs;
4. amends *Rotary Code of Policies* section 41.010. as shown in Appendix G.

154. Joint Meeting of the Interact, Rotaract, RYLA, and Youth Exchange Committees

Statement: A joint meeting of the Interact, Rotaract, RYLA, and Youth Exchange committees took place on 12 November 2008, in Evanston, Illinois, USA. The committees discussed common challenges, goals, and opportunities for collaboration, and suggested that a new district-level youth service committee be created to facilitate and oversee such initiatives.

DECISION: The Board

1. thanks the Interact, Rotaract, RYLA, and Youth Exchange Committees and the general coordinators of the Youth Services Resource Group for their collaborative efforts to promote Interact, Rotaract, RYLA, and Youth Exchange;
2. does not recommend the creation of a new district youth service committee to oversee the district Interact, Rotaract, RYLA, and Youth Exchange committees;
3. encourages district Interact, Rotaract, RYLA, and Youth Exchange chairs to conduct joint activities in support of cross-promotion and in the enhancement of the Rotary experiences for youth and young adults.

155. Youth Protection for District-Organized Events and Travel of Youth

Statement: The general secretary recommended various amendments to the *Rotary Code of Policies* to address concerns regarding multidistrict Interact meetings, travel insurance for Interactors, and youth protection. The general secretary also recommended that the Board provide guidance to convention host organizations when considering activities for minors at an RI convention.

DECISION: The Board

1. revises the approval process for multidistrict Interact meetings, clarifies the insurance requirements for Interact activities at the club, district, and multidistrict level, and amends *Rotary Code of Policies* sections 41.010.9. and 41.010. as shown in Appendix H;
2. agrees that clubs and districts should require that parents of Interactors provide travel insurance for their children when traveling outside their local community for RI programs or activities, and amends accordingly *Rotary Code of Policies* sections 41.010. and 41.010.8., as shown in Appendix H;
3. agrees to enhance youth protection requirements for Rotary club and district-sponsored travel by minors and adds new section 2.110.4. to the *Rotary Codes of Policies* as shown in Appendix H;
4. requests the general secretary to make recommendations for incorporating specific guidance on

participation of minors in convention activities to the RI Convention Committee and Host Organization Committee in the *Manual for Conventions*, for report to the Board at its June 2009 meeting.

156. Youth Exchange Students Incident

Statement: On 24 January 2009, two Rotary Youth Exchange students were killed and several others injured when a gunman opened fire on a crowd outside a youth club in Portland, Oregon, USA. The general secretary provided a report to the Board detailing RI's response to this tragic event.

DECISION: The Board

1. extends its deepest condolences to the families of the Youth Exchange students killed or injured in the recent tragic incident in Portland, Oregon, USA;
2. expresses its appreciation to the local Rotarians for the immediate response and outstanding assistance they provided to the students and their families in the wake of this tragedy.

157. Annual Review of Open World Program

Statement: The Open World Program is a United States Library of Congress-sponsored activity that enables US Rotary clubs and districts to host emerging leaders from the Russian Federation and former Soviet republics for US study tours, exposing them to new ideas and skills. In decision 229, February 2001, the Board agreed that future participation in this program shall be subject to annual review by the Board. The general secretary reported that 2008 was a successful year for the program, with most Rotary club hosts reporting satisfaction with their participation in the program.

DECISION: The Board

1. thanks the general secretary for his report;
2. agrees to continue Rotary participation in the Open World Program in calendar year 2009 subject to the receipt of funding from the Open World Leadership Center sufficient to cover program expenses, including RI's administrative costs.

158. Bill & Melinda Gates Supplemental Challenge Grant

Statement: At its June 2008 meeting, the Board took a confidential decision regarding the potential supplemental challenge grant from the Bill & Melinda Gates Foundation, such decision to be released as a supplement to the minutes upon the execution and announcement of an agreement with the Gates Foundation. Since the final agreement was officially announced at the 2009 International Assembly, the Board wished to reaffirm its earlier decision.

DECISION: The Board

1. notes that its June 2008 decision B-4-c concerning the potential supplemental challenge grant from the Bill & Melinda Gates Foundation was to be kept confidential until the execution and announcement of a final agreement between the parties;
2. notes further that this grant was officially announced at the 2009 International Assembly in San Diego, California, USA;
3. requests the general secretary, therefore, to release the June 2008 decision as a supplement to the minutes of that meeting.

159. Update on Rotary's US\$200 Million Challenge

Statement: At the January 2009 International Assembly, Bill Gates Jr. announced that the Bill & Melinda Gates Foundation had awarded to RI a supplemental challenge grant of US\$225 million, over and above its initial US\$100 million contribution for polio eradication. As part of the supplemental challenge grant agreement, Rotary had agreed to raise an additional US\$100 million by 30 June 2012. Trustee John Germ, chairman of Rotary's US\$200 Million Challenge Committee, provided a report to the Board on the many fundraising initiatives underway to meet this goal.

DECISION: The Board

1. receives the report on Rotary's US\$200 Million Challenge and the status of The Bill & Melinda Gates Foundation Challenge Grant, and notes that Rotary has received cash and commitments of US\$73 million, US\$62 million of which is cash, and US\$11 million in commitments from individuals, clubs, and districts;

2. thanks Chairman John Germ for his excellent leadership in Rotary's US\$200 Million Challenge;
3. thanks and applauds Rotarians and non-Rotarians worldwide for their continued support to eradicate polio.

160. Birmingham Convention Financial Forecast

Statement: In decision 166, January 2008, the Board raised the budgeted attendance for the Birmingham convention from 18,000 to 20,000. The general secretary noted that, based on registration numbers at the first registration deadline of 15 December, statistical projections of final paid registrants at the convention will not meet this budgeted attendance forecast, thus resulting in a projected financial loss for RI. In cooperation with the Birmingham Convention Committee, the general secretary explored numerous options for reducing convention costs.

DECISION: The Board

1. requests the Birmingham Convention Committee, in cooperation with the general secretary, to take immediate steps to minimize any expenses related to the Birmingham convention, while giving consideration to maintaining the service levels and expectations of the registrants;
2. requests an update on the status of the convention at its June 2009 meeting.

161. Birmingham Convention RIBI Registration Fees

Statement: The 2009 Convention Host Organization Committee (HOC) chair requested the Board at its November 2008 meeting to consider reducing the registration fee for RIBI Rotarians to help offset their increased registration costs due to the British pound/US dollar exchange rate. In decision 67 of that meeting, the Board did not agree to offer RIBI Rotarians a reduced rate. Since that time, the British pound continued to weaken against the US dollar. At this meeting the HOC submitted an alternate proposal to offer RIBI Rotarians a reduced registration rate. The HOC also proposed offering RIBI Rotarian volunteers at the convention a special House of Friendship-only pass at a reduced rate.

DECISION: The Board

1. does not authorize the general secretary to offer to

Birmingham convention registrants from RIBI a registration rate of US\$200 for Rotarians, non-Rotarian spouses, spouses of deceased Rotarians, Rotary club/district employees, guests age 19 or older, and TRF Alumni up to 2001-02;

2. authorizes the general secretary to offer to RIBI Rotarian convention volunteers a non-refundable “House of Friendship-only” registration at a reduced rate of GBPE25 until 30 May 2009, in accordance with the procedures shown in Appendix I.

162. Status Report on 2011 RI (New Orleans) Convention

Statement: In decision 77 November 2008, the Board requested the general secretary to provide a status report on the 2011 RI (New Orleans) Convention at this meeting. The general secretary reported that the Host Organization Committee had taken steps to include District 6800 as part of the official host area, but that time restraints had not permitted the president-nominee and Secretariat staff to further coordinate New Orleans convention plans for report to this meeting.

DECISION: The Board

1. thanks the general secretary for the update on the status of the 2011 RI (New Orleans) Convention;
2. agrees that District 6800 shall become part of the Host Organization Committee and host area for the 2011 New Orleans Convention, in addition to districts 6190, 6200, 6820 and 6840;
3. requests the general secretary to report on the status of the 2011 (New Orleans) Convention at its November 2009 meeting.

163. 2017 Convention Site Selection

Statement: *Rotary Code of Policies* section 57.050.11. requires that the Board annually determine those areas of the world from which proposals will be solicited to host an RI convention nine years hence. The general secretary provided a list of potential cities with the current capacity to host an RI convention along with a list of recent and Board-selected future convention locations.

DECISION: The Board

1. looks with favor on the 2017 RI Convention being held in Canada, France, Mexico, or the USA east of the Mississippi River;
2. requests the general secretary to invite Rotary districts in Canada, France, Mexico, and the USA east of the Mississippi River, that have cities with the facilities and services needed to hold a convention, to submit a proposal for hosting the 2017 RI Convention;
3. requests the general secretary to report to the Board at its November 2009 meeting on the status of proposals received for 2017.

164. Convention Logo Design and Approval

Statement: *Rotary Code of Policies* section 57.020.7. makes official RI convention logo design the primary responsibility of the Host Organization Committee (HOC). The general secretary noted that it is often necessary for RI to redesign or alter HOC-created logos to comply with Board policy and trademark issues. This can result in delays and HOC frustration. The general secretary suggested that responsibility for convention logo design should rest with RI—with input from the HOC—thereby resulting in a more efficient process.

DECISION: The Board

1. agrees that beginning with the 2015 RI Convention, the primary responsibility for designing convention logos shall rest with RI, with input and mutual cooperation between RI and the local host organization;
2. amends accordingly *Rotary Code of Policies* sections 57.020.7., 57.140.6., 57.160., and 57.180.3. and the *Manual for Conventions* as shown in Appendix J.

165. Discussion Topics for Rotary Institutes in 2009-10

Statement: The Board annually approves a list of topics recommended by the president-elect for use by conveners in developing the agendas for their respective institutes.

DECISION: The Board approves the following topics for discussion at the 2009-10 Rotary institutes:

- PolioPlus Status Report
- 2009-10 Presidential Emphases and Citation
- RI Strategic Plan
- Future Vision Plan

166. Secretariat Support at Rotary Institutes

Statement: A director recommended the Board consider amending its policy regarding Secretariat staff attendance and participation at Rotary institutes.

DECISION: The Board refers this matter to its Programs Committee, for consideration and recommendation to the Board at its June 2009 meeting.

167. Future Vision Pilot District Training Program

Statement: In decision 23, October 2008, the Trustees requested the Board and president-nominee to consider a training schedule for the Future Vision Plan at the 2010 International Assembly, for presentation at this meeting. The general secretary and president-nominee recommended a schedule that would shorten the International Assembly to five days, provide Future Vision training two days before the assembly, and conserve funds for both RI and TRF.

DECISION: The Board

1. agrees that the training for Future Vision pilot districts shall be held two days immediately before the 2010 International Assembly;
2. agrees to reduce the 2010 International Assembly and training leaders seminar to five days each;
3. agrees to allocate to The Rotary Foundation up to one-half of the savings realized in reducing the International Assembly to five days, to help offset its costs for Future Vision training;
4. authorizes the general secretary to transition to a five-day International Assembly program in future years, preceded by a four-day training leaders seminar as contract negotiations permit;
5. authorizes the president and president-elect to waive selected provisions of *Rotary Code of Policies* Article 58, "International Assembly," as requested by the president-nominee in preparing and conducting the 2010 International Assembly, and requests a report on these waivers at its June 2009 meeting.

DECISIONS 168–183

Districting Committee Report

The Districting Committee met on 19-20 January 2009, in San Diego, California, USA, and made several recommendations to the Board.

168. Small Districts 1360 (Iceland), 3850 and 3870 (Philippines), 4690 (Bolivia), and 7370 (Pennsylvania, USA)

Statement: At its January 2008 meeting, the Board identified several districts below the minimum size of 30 clubs and 1,000 Rotarians. The Board requested the general secretary to monitor some of these districts, extended the deadline for others to reach the minimum size, and requested other districts to submit consolidation plans, for report to the Board at this meeting. The Districting Committee reported that several had met the minimum size.

DECISION: The Board congratulates districts 1360, 3850, 3870, 4690, and 7370 for surpassing the minimum size for districts of 30 clubs and 1,000 Rotarians, and encourages the districts to continue their membership growth.

169. District 1910 (Austria, Slovenia, and Croatia)

Statement: The Districting Committee reviewed a proposal from District 1910 that would regroup the clubs in the district into three districts, thereby creating two new districts. The committee noted that the proposed two new districts did not meet the minimum size requirement for new districts of 60 clubs and 2,100 Rotarians and, therefore, did not recommend approval of the district's plan. A director, noting the historical and political sensitivities of the region, suggested the Board consider approving the plan.

DECISION: The Board

1. regroups the clubs in District 1910 into three new districts, districts 1910, 1912, and 1913 (Zone 19), effective 1 July 2011 as follows:

District 1910 – Part of Austria (the provinces of Burgenland, Carinthia, Lower Austria, Styria, and Vienna), and the country of Bosnia-Herzegovina.

District 1912 – Slovenia

District 1913 – Croatia

2. requests the director from Zone 14 (future Zone 19) to work closely with these two new districts 1912 and 1913 to cultivate the district leadership and strengthen club membership;
3. requests the general secretary to notify the clubs in the above district of this decision.

170. District 2450 (Armenia, Bahrain, Cyprus, Egypt, Georgia, Jordan, Lebanon, Sudan, and United Arab Emirates)

Statement: The Districting Committee reviewed a proposal from District 2450 to regroup the clubs in the district into two new districts. Although one of the proposed new districts is three clubs short of the minimum size requirement for new districts of 60 clubs, the committee recommended accepting their proposal due to the unique challenges of the area.

DECISION: The Board

1. regroups the clubs in District 2450 into two new districts, Districts 9060 and 2460, (Zone 20, Section B), effective 1 July 2011 as follows:

District 9060 – The countries of Republic of Egypt and Sudan.

District 2460 – The countries of Armenia, Bahrain, Cyprus, Georgia, Jordan, Lebanon, and the United Arab Emirates.

2. requests the director (and/or immediate past director) from Zone 10 (new Zone 20 in 2009-10) to work closely with these two new districts to cultivate the district leadership and strengthen club membership;
3. requests the general secretary to notify the clubs in District 2450 of this decision.

171. Small Districts 9450, 9460, and 9470 (Australia)

Statement: In decision 178, February 2007, the Board advised District 9470 that it must meet the minimum size of 30 clubs and 1,000 Rotarians by 31 December 2007, or the Board would consolidate the district. The Board further advised districts 9450 and 9460 that due to their declining membership, the Board would support the districts if they consolidated with District 9470. In decision 188, January 2008, noting the districts' upward

membership trends, the Board provisionally agreed to extend the deadline for consolidation of the districts to 31 December 2008, provided that each district submit a consolidation plan by 1 June 2008, and that each reach at least 1,000 Rotarians by 31 December 2008. The Districting Committee noted that the districts had not met these provisions and, therefore, recommended that they be regrouped into two new districts.

DECISION: The Board

1. regroups the clubs in districts 9450, 9460, and 9470, into two new districts in Zone 7 (new Zone 8 in 2009-10) effective 1 July 2010, as follows:

District 9455 – Australia – Western Australia, that portion bounded on the west by the Indian Ocean; on the north by that ocean and the Timor Sea; on the south by the Swan River from its mouth at Fremantle, thence following the centre of the river easterly until it intersects with the Windan Bridge, thence south along the Graham Farmer Freeway, continuing along Orrong Road until its intersection with the Roe Highway, thence following Welshpool Road East until its intersection with Canning Road, thence south-easterly and then south along Canning Road to its intersection with the Brookton Highway. Follow the Brookton Highway south-easterly to Brookton, thence following the Brookton-Corrigin Road to Corrigin, thence following the Bruce Rock-Corrigin Road to Bruce Rock. From Bruce Rock following the Bruce Rock-Merredin Road to Merredin. From Merredin following the line of the Trans Australian Rail Line easterly to the eastern boundary of Western Australia, and on the east by that boundary to the Timor Sea.

District 9465 – Western Australia, the portion bounded on the west by the Indian Ocean, on the south by the Southern Ocean to the eastern boundary of Western Australia, thence northerly to the intersection of that boundary with the Trans Australian Rail Line. On the north by the Trans Australian Rail Line westerly until it reaches Merredin. Then follow the Bruce Rock-Merredin Road to Bruce Rock, thence the Bruce Rock-Corrigin Road to Corrigin, thence the Brookton-Corrigin Road to Brookton, thence the Brookton Highway north-westerly to its inter-section with the Canning Road. Then follow the Canning Road north and then north-westerly until its intersection with the Welshpool Road East, thence following Welshpool Road East until its intersection with the

Roe Highway, thence north-westerly along Orrong Road, continuing along the Graham Farmer Freeway until the Windan Bridge. From the intersection of the Windan Bridge and the Swan River following the centre of the river westward until it joins the Indian Ocean at Fremantle.

2. requests the director from Zone 7 (new Zone 8 in 2009-10) to work closely with these two new districts to cultivate the district leadership and strengthen club membership;
3. requests the general secretary to notify the clubs in the above districts of this decision.

Note: Director Lawrence requested his negative vote be recorded.

172. Request from the Rotary Clubs in the Aland Islands for Transfer from District 1410 to District 2350

Statement: The Districting Committee reviewed a request to transfer the Rotary clubs of Godby and Mariehamn, Aland Islands from District 1410 to District 2350. The committee noted that it was not entirely clear if all club members voted on this transfer and further noted the political, historical, and emotional issues related to the transfer of these clubs. The committee recommended that official club and district votes be taken on the matter.

DECISION: The Board

1. requests the Rotary clubs of Godby and Mariehamn, Aland Islands, to conduct official club votes regarding the potential transfer of their clubs from District 1410 to District 2350;
2. agrees that, should the two clubs vote in favor of this transfer, the governors of districts 1410 and 2350 then conduct a vote of all clubs in the districts to determine the wishes of the majority regarding this transfer.

173. District 2220 (Western Russia)

Statement: The Districting Committee noted that District 2220 had fallen below the 1,000 Rotarian minimum size for a district, and suggested that Director Fredriksson and the regional Rotary International membership coordinator provide support to the district in meeting their membership goals. The committee

agreed that the district must meet the minimum size of 1,000 Rotarians by 31 December 2009.

DECISION: The Board

1. agrees that District 2220 must submit a strategic plan for sustainable membership growth by 1 July 2009;
2. advises District 2220 that it must meet the minimum size of 30 clubs and 1,000 Rotarians by 31 December 2009, or the Board will take action.

174. District 2230 (Poland, Belarus, and Ukraine)

Statement: The Districting Committee reviewed a proposal from District 2230 to split into three new districts and noted that the proposal did not meet minimum size requirements for new districts of 60 clubs and 2,100 Rotarians.

DECISION: The Board

1. does not approve District 2230's proposal to split into three new districts because it does not meet Board policy requiring new districts to have at least 60 clubs and 2,100 members;
2. encourages the district to continue its efforts to increase and sustain membership;
3. requests District 2230 to consider options with neighboring areas and districts in future redistricting proposals;
4. invites the district to submit a revised proposal once membership totals in the proposed new districts reach at least 60 clubs and 2,100 Rotarians.

175. District 2270 (Norway)

Statement: In decision 185, January 2008, the Board agreed to extend the deadline for the consolidation of District 2270 until 31 December 2008, provided that the district submit a consolidation plan by 1 June 2008, and that it reach at least 1,000 members by 31 December 2008. The Districting Committee noted that while the district has continued to lose membership, the current governor is currently working on plans to increase membership, and the Norwegian District Forum is working with district leadership to create an overall redistricting plan for Norway. To allow time for these plans to have an effect, the committee recommended

extending the district's deadline for consolidation.

DECISION: The Board

1. requests District 2270 to submit a consolidation plan to the Board no later than 1 July 2009;
2. advises District 2270 that it must reach the minimum size of 30 clubs and 1,000 Rotarians by 31 December 2009, or the Board will take action to consolidate the district effective 1 July 2010;
3. requests the general secretary to work with the chair of the Norwegian District Forum and the district leadership on a redistricting plan for all of Norway, for submission to the Board by 1 July 2009.

176. Districts 2420 and 2430 (Turkey)

Statement: The committee reviewed a proposal from districts 2420 and 2430 that would split the two districts into three. The committee noted that the proposed new district did not meet the minimum size requirements for new districts of 60 clubs and 2,100 Rotarians.

DECISION: The Board

1. does not approve the proposal of districts 2420 and 2430 to create a third district because it does not meet Board policy requiring new districts to have at least 60 clubs and 2,100 Rotarians;
2. encourages the districts to continue their efforts to increase and sustain membership;
3. requests districts 2420 and 2430 to consider options with neighboring areas and districts in future redistricting proposals;
4. invites districts 2420 and 2430 to submit a revised proposal once membership totals in the proposed new districts reach at least 60 clubs and 2,100 Rotarians.

177. Districts 4180 and 4200 (Mexico)

Statement: The Districting Committee reviewed membership statistics for districts 4180 and 4200 and noted that both were below the district size minimum of 30 clubs and 1,000 Rotarians. The committee further noted that the Board had previously identified districts 4180 and 4200 as being below the minimum size for districts.

DECISION: The Board

1. agrees that districts 4180 and 4200 must submit a consolidation plan by 1 July 2009;
2. advises districts 4180 and 4200 that they must meet the minimum size of 30 clubs and 1,000 Rotarians by 31 December 2009, or the Board will take action to consolidate the districts, effective 1 July 2010.

178. Districts 4280 and 4290 (Colombia)

Statement: The Districting Committee reviewed the membership statistics of districts 4280 and 4290 and noted that both were below the district size minimum of 30 clubs and 1,000 Rotarians. The committee further noted that the Board had previously identified districts 4280 and 4290 as being below the minimum size for districts.

DECISION: The Board

1. agrees that districts 4280 and 4290 must submit a consolidation plan by 1 July 2009;
2. advises districts 4280 and 4290 that they must meet the minimum size of 30 clubs and 1,000 Rotarians by 31 December 2009, or the Board will take action to consolidate the districts, effective 1 July 2010.

179. Small Districts 4300, 4450, and 4460 (Peru)

Statement: In decision 186, January 2008, the Board agreed to extend the deadline for the consolidation of districts 4300, 4450, and 4460 until 31 December 2008, provided that each district submit a consolidation plan by 1 June 2008 and reach at least 1,000 members by 31 December 2008. The Districting Committee noted that districts 4300 and 4460 had reached 1,000 members and that District 4450 was very near this number. The committee recommended that the Board grant a final deadline to District 4450 to meet the membership requirement.

DECISION: The Board

1. grants a fourth and final deadline extension for District 4450 to reach 1,000 members by 31 December 2009;
2. agrees that if District 4450 does not meet the requirement in point 1 above, the Board will take

action to consolidate the district as outlined in its consolidation plan, effective 1 July 2010.

180. District 4360 (Chile)

Statement: The Districting Committee reviewed membership statistics for district 4360, and noted that it was below the district size minimum of 30 clubs and 1,000 Rotarians. The committee further noted that the Board had previously identified District 4360 as being below the minimum size for districts.

DECISION: The Board

1. agrees that District 4360 must submit a consolidation plan by 1 July 2009;
2. advises District 4360 that it must meet the minimum size of 30 clubs and 1,000 Rotarians by 31 December 2010, or the Board will take action to consolidate the district, effective 1 July 2011.

181. District 7250 (New York, USA)

Statement: The Districting Committee reviewed the membership statistics of District 7250 and noted that although the district had a slight increase in membership recently, it was still below the minimum size of 30 clubs and 1,000 Rotarians.

DECISION: The Board

1. agrees that District 7250 must submit a consolidation plan by 1 July 2009;
2. advises District 7250 that it must meet the minimum size of 30 clubs and 1,000 Rotarians by 31 December 2009, or the Board will take action to consolidate the district, effective 1 July 2011.

182. District 9270 (South Africa)

Statement: The Districting Committee reviewed the membership statistics of District 9270 and noted that the district was below the minimum size of 30 clubs and 1,000 Rotarians.

DECISION: The Board

1. agrees that District 9270 must submit a consolidation plan by 1 July 2009;

2. advises District 9270 that it must meet the minimum size of 30 clubs and 1,000 Rotarians by 31 December 2010, or the Board will take action to consolidate the district, effective 1 July 2011.

183. Quarterly Updates to Directors

Statement: The Districting Committee agreed that directors should be regularly advised of those districts in their respective zones that have fewer than 33 clubs and/or 1,200 Rotarians, and that directors advised of such districts should work with the regional Rotary International membership coordinator and district leadership to develop strategies for possible redistricting and for sustaining membership growth in the region.

DECISION: The Board

1. requests the general secretary to provide quarterly updates to each director listing those districts in his or her area that are near or have fallen below 33 clubs and/or 1,200 Rotarians;
2. requests those directors who receive such a list to work with the regional Rotary International membership coordinators serving the district and district leadership to develop a broader, long-term strategy for possible redistricting and for increasing membership growth in the region;
3. requests the Districting Committee to consult with those directors when reviewing districting issues.

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184. Issues in District 2481

Statement: In decision 243, June 2008, the Board requested the general secretary to obtain the necessary information to resolve an election complaint in District 2481. The general secretary reported that the conflict was primarily due to the actions of a small number of Rotarians and the complexities of the area's history. In decision 100, November 2008, the Board requested President Lee and other Rotary senior leaders to meet with the district's current, past, and incoming governors at the Zone 10 Rotary Institute to help develop a plan to resolve the conflict. At that meeting, the parties agreed on a redistricting plan that would split the clubs in District 2481 into two new districts.

DECISION: The Board

1. recognizing the unique political and cultural challenges in southeast Europe, agrees to grant a special exception to its policies and divide District 2481 into two new districts, one comprising the clubs in Serbia and Montenegro and one comprising the clubs in northern Greece, effective 1 July 2011 as follows:

District 2483 - Zone 20, section B: SERBIA-national boundaries of Serbia and MONTENEGRO – national boundaries of Montenegro

District 2484 – Zone 20, section B: Greece, that part of Greece including the prefectures of Dramas, Kavallas, Xanthis, Evrou, Rodopis, Imathias, Thessalonikis, Kilkis, Pellis, Pierias, Serron, Halkidikis, Grevenon, Kastorias, Kozanis, Florinas, Artas, Thesprotias, Ioanninon, Prevezis, Karditsas, Larisas, Magnisias, Trikalon, Kerkyras, and Lesvou.

2. requests the general secretary to notify the clubs in the districts of this decision;
3. defers a decision on districting clubs in Kosovo and FYROM until its June 2009 meeting and requests the general secretary, working in conjunction with the current governor of District 2481, to recommend future placement of these clubs at that time;
4. thanks President Lee, Past Director Balkan, Past Governor Hinov, Governor Theodoropoulos, and the incoming and past officers of District 2481 for sharing their thoughts with the Board on this matter.

185. Regional Advisory Committees

Statement: Noting that the Board has requested numerous districts to submit redistricting proposals, the Administration Committee of the Board recommended that the appointment of regional advisory committees might help district leadership develop long-term districting and membership strategies. The Administration Committee also noted that RI directors might help regional Rotary International membership coordinators in this effort.

DECISION: The Board

1. requests the president, where necessary, to appoint regional advisory committees to help club and district leadership consider redistricting proposals in

their regions and address long-term districting and membership strategies, such committees to work at no cost to Rotary, for report to the Board at their earliest opportunity;

2. requests as appropriate the directors from the regions to work with the regional Rotary International membership coordinators and the districts to develop a long-term strategy for redistricting and sustainable membership growth.

186. Termination of Rotary Clubs in District 3260 (India)

Statement: In decision 29, November 2008, the Board authorized the general secretary to terminate five Rotary clubs in District 3260 (India) for non-payment of dues or other financial obligations. The Board wished to reaffirm its decision and emphasize the authority of the general secretary to direct clubs to take appropriate steps to terminate the membership of any Rotarian who is found to have misused funds from The Rotary Foundation.

DECISION: The Board

1. reaffirms its decision 29, point 13-a, November 2008, authorizing the general secretary to terminate the following Rotary clubs in District 3260 (India) as a result of non-payment of dues or other financial obligations:

- Rotary Club of Bhubaneswar Cosmopolitan
- Rotary Club of Cuttack Midtown
- Rotary Club of Niali
- Rotary Club of Konark
- Rotary Club of Vyasagar

2. reaffirms its decision 29, point 13-b, November 2008, authorizing the general secretary to terminate any club in District 3260 that remains in financial arrears or fails to meet other requirements under the RI constitutional documents;

3. authorizes the general secretary to direct any club in District 3260 to take appropriate steps to terminate the membership of any Rotarian who has been found to have misused, misappropriated, or mismanaged funds from The Rotary Foundation, including matching grant funds, or has otherwise been found to have abetted the misuse, misappropriation, or mismanagement of funds from

The Rotary Foundation, including matching grant funds;

4. authorizes the general secretary to terminate the membership of any club that fails to follow the direction outlined above.

187. Extension of Rotary – Middle East and Mediterranean Countries Committee Report

Statement: In decision 277, June 2008, the Board requested the general secretary to work with the Middle East and Mediterranean Countries Committee to develop a new model of operation and proposed budget that includes travel by committee-designated Rotarians to Middle East and Mediterranean countries for information gathering and outreach purposes. The committee met on 4 December 2008 and discussed possible new models of operation, timelines, and best practices, including strategies for introducing Rotary to political leaders in these areas.

DECISION: The Board

1. receives the report of the Extension of Rotary—Middle East and Mediterranean Countries Committee, and congratulates the committee for its efforts;
2. agrees to the proposed new model of operations for the work of the committee as outlined in its report;
3. encourages Rotarians in these areas to pursue opportunities for extension.

188. Possible Membership Slogan

Statement: In decision 89, November 2007, the Board requested the Membership Development and Retention Committee to establish a membership motto to convey the principle that it is each Rotarian's responsibility to invite a prospective member into Rotary each year. The Board considered several possible slogans that it felt could best reinforce RI's emphasis on membership, and further took into consideration the ease of translation for each slogan.

DECISION: The Board

1. agrees to the use of the membership slogan "Each One, Reach One" pending review by the general secretary on the use of this slogan by other organizations;

2. authorizes the Executive Committee to approve the use of this slogan, if required;
3. approves a 2008-09 budget variance of US\$2,000 for the design of the new membership slogan.

Note: Director Branum requested his negative vote be recorded.

189. Membership Development Strategy

Statement: Noting the recent success of The Rotary Foundation's *Every Rotarian Every Year* campaign, Vice-president Audenart and Director Netzel recommended that the Board consider adopting a set of guiding principles to support the association's long-term membership development and retention strategy, a component of which would include a new member sponsor and retention recognition program.

DECISION: The Board

1. thanks Vice-president Audenart and Executive Committee Chairman Netzel for submitting the Guiding Principles and Strategy for Membership, outlined in Appendix K;
2. adopts the Guiding Principles as shown in Appendix K in support of the association's long-term membership strategy;
3. adopts the new member sponsor and retention recognition program as shown in Appendix K effective 1 July 2009, and allocates US\$500 to the 2009-10 budget for this purpose;
4. affirms its intention to establish additional recruitment recognition programs for Rotarians who commit to sponsor at least one new member into Rotary each year, as noted in Appendix K, and requests the 2008-09 RI Membership Development and Retention Committee to meet via correspondence and consider this issue and additional elements of the membership strategy noted in Appendix K, for recommendation to the Board at its June 2009 meeting.

190. Report on Meeting Frequency Pilot Program

Statement: In decision 200, February 2007, the Board established a new pilot project to explore the effects of club meeting frequency on membership development and related statistics and requested the general secretary

to invite Rotary clubs to participate in the project. The general secretary reported that the approximately 200 clubs from 34 countries in the pilot program are being evaluated on four criteria: their ability to retain and increase membership, their increased support to The Rotary Foundation, the increased number of successful club service projects, and an increase in club members who are able to serve beyond the club level.

DECISION: The Board

1. thanks the general secretary for the meeting frequency pilot program baseline performance report;
2. requests the general secretary to provide an update on the pilot program at the Board's November 2009 meeting.

191. Change to Club Naming Policy

Statement: The *Rotary Code of Policies* provides that the name of a Rotary club should identify the club with its locality, which should be easily identifiable on a map of the area. The general secretary noted that the term "locality" may, in some cases, be too vague, and can lead to a club name that does not easily allow someone to locate the club on a map. The general secretary recommended that the Board consider amending the *Code* to require that a new club be named according to the town, city, or village in which it is located.

DECISION: The Board makes no change to club naming policy as shown in *Rotary Code of Policies* sections 3.010., 3.010.1., and 18.050.3.

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DECISIONS 192-194

Communications Committee Report

The Communications Committee met on 20-21 November 2008, in Evanston, Illinois, USA, and made several recommendations to the Board.

192. District Governor-Nominee Training

Statement: The Communications Committee reviewed the training provided to club and district leaders on promoting RI's public image and agreed that such public image training should also be provided to governors-nominee.

DECISION: The Board requests the 2009-10 Leadership Development and Training Committee to consider amendments to district governor-nominee training at

GETS to ensure appropriate coverage of RI's public image.

193. Amendments to the Rotary World Magazine Press Certification Agreement

Statement: In decision 202, January 2008, the Board requested the Communications Committee to review the certification requirements related to the Rotary World Magazine Press, for report to the Board at this meeting. The committee agreed that to best ensure quality and value in the regional magazines, re-certification should be done every four years and each magazine should publish at least six times per year. The committee also reviewed the status of the provisional regional magazines *Rotary Bulgaria* and *Rotarianin*.

DECISION: The Board

1. agrees that the certification process for Rotary World Magazine Press magazines shall be conducted every four years and amends *Rotary Code of Policies* sections 51.020.7. and 51.020.8. accordingly;
2. requires Rotary World Magazine Press magazines to publish a minimum of six times per year and amends *Rotary Code of Policies* sections 51.020.1. and 51.020.8. accordingly;
3. extends the provisional status of *Rotary Bulgaria* and *Rotarianin* (Poland) for one more year to allow time for the publications to meet qualifications for certification.

194. Membership Focus Groups in North America

Statement: In decision 86, November 2008, the Board requested the Communications Committee to review the results of focus group surveys of non-Rotarian women ages 30 and older and of professional men ages 30 to 45, specifically regarding the public awareness and image of RI, and to determine actions necessary to remedy any negative perceptions therein. The committee noted that all surveys were conducted outside of North America, and agreed that to get a broader perspective, the Board should consider authorizing similar surveys in North America.

DECISION: In light of the current economic climate, the Board defers a decision on conducting membership focus groups in North America during 2009-10 to its June 2009 meeting.

195. Status of Investments

Statement: Rotary Code of Policies section 69.010.15. requires the general secretary to report on the status of RI investments at each Board meeting. The general secretary noted that the availability of these quarterly status reports rarely coincides with Board meeting dates, and therefore recommended rescinding this requirement. The general secretary noted that these reports are already posted to the Board's secure Web site as soon as they become available.

DECISION: The Board amends *Rotary Code of Policies* section 69.010.15. as follows:

69.010.15. Status of RI Investments

The General Secretary shall ~~report on the status of RI investments at each Board meeting.~~ post to the directors' secure Web site the status of RI investments as soon as it becomes available.

196. RI Funds on Deposit in Restricted Currency Countries

Statement: Board policy requires the general secretary to provide an annual statement regarding RI funds on deposit in restricted currency countries. The general secretary reported that when this policy was first established in 1968, RI had funds on deposit in 11 restricted currency countries; today there are only four countries. The RI Finance Committee periodically receives updates on RI's restricted currencies and brings to the Board's attention any issues on such RI funds as necessary. Therefore, the general secretary recommended the Board rescind this annual reporting requirement.

DECISION: The Board rescinds point D of decision 177, January 1968, thereby eliminating the requirement for an annual report on RI funds on deposit in restricted currency countries.

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DECISIONS 197 – 201 Audit Committee Report

The RI Audit Committee met on 26-28 January 2009, in Evanston, Illinois, USA, and made several recommendations to the Board.

197. Evaluation of Independent Auditors

Statement: Board policy requires the Audit Committee to annually assess the performance of RI's independent auditors, for report to the Board at its third meeting.

DECISION: The Board receives the RI Audit Committee's annual performance assessment of the independent auditor.

198. Proposed Amendments to the *Rotary Code of Policies*

Statement: In decision 82, November 2008, the Board requested the RI Audit Committee, in consultation with the general secretary, to study proposed amendments to the *Code* regarding the responsibilities of Rotary senior leader spouses at the International Assembly, for report to this meeting.

DECISION: The Board defers consideration of proposed amendments to *Rotary Code of Policies* section 58.040.10. to its June 2009 meeting.

199. Convention Host Organization Committees' Financial Assistance from and Financial Reporting to RI

Statement: In decision 118, November 2008, the Board requested the RI Audit Committee to review the relevant *Rotary Code of Policies* sections and other procedures relating to financial assistance and financial reporting by host organization committees for RI conventions, for report to this meeting.

DECISION: The Board

1. receives the report of the RI Audit Committee, as shown in Appendix L, filed only with the official copy of these minutes, and thanks PDG Peter Wan for his review of RI's policies and procedures relating to the Host Organization Committee's financial assistance from and financial reporting to RI;
2. refers this matter to the 2009-10 Meetings Review Committee for further study, for later report to the Board;
3. requests the general secretary to develop a standardized financial reporting format and process from Convention Host Organization Committees to RI.

200. RI Travel Insurance

Statement: The RI Audit Committee recommended that the Board consider providing travel insurance to Rotarians and their spouses when traveling at the request of the president.

DECISION: The Board agrees to provide travel insurance coverage for all Rotarians and their spouses traveling on Rotary-funded business at the president’s request, and authorizes a 2008-09 budget variance not to exceed US\$1,000 for this purpose.

201. Proposed Per Capita Dues Increase

Statement: In decision 112, November 2008, the Board agreed to submit to the 2010 Council on Legislation a proposed enactment that would raise per capita dues US\$2.00 annually from 2011-12 through 2013-14. The RI Audit Committee noted that this proposed legislation does not address RI Bylaws section 17.030.5., which provides for the amount of per capita dues payable by the clubs in RIBI and, therefore, recommended the Board amend its proposed enactment to include this provision.

DECISION: The Board amends its decision 112, November 2008, and agrees to submit to the 2010 Council on Legislation the following

Proposed ENACTMENT 10-

To increase per capita dues

Proposed by the Board of Directors of RI

IT IS ENACTED by Rotary International that the BYLAWS OF ROTARY INTERNATIONAL be and hereby are amended as follows (pages 240 - 241 MOP):

Article 17 Fiscal Matters

17.030. Dues.

17.030.1. Per Capita Dues.

Each club shall pay to RI per capita dues for each of its members as follows: ~~US\$23.50 per half year in 2007-2008, US\$24.00 per half year in 2008-2009, US\$24.50 per half year in 2009-2010, and US\$25.00 per half year in 2010-2011,~~ US\$26.00 per half year in 2011-2012, US\$27.00 per half year in 2012-2013, and US\$28.00

per half year in 2013-2014 and thereafter; provided that each club shall pay semi-annually to RI a minimum of US\$235.00 in 2007-2008, US\$240.00 in 2008-2009, US\$245.00 in 2009-2010, US\$250.00 in 2010-2011, US\$260.00 in 2011-2012, US\$270.00 in 2012-2013, and US\$280.00 in 2013-2014 and thereafter. Such dues shall remain constant until changed by the council on legislation.

17.030.5. Percentage Retained by RI.

The amount of the per capita dues paid each half year as provided in subsection 17.030.4., by the clubs in RIBI to be retained by RI, shall be determined annually by the board and shall be applicable to per capita dues payable by the clubs in the next succeeding year. Such determination by the board shall be made on the basis of the amount of RI expenditures in the year immediately preceding that in which the determination is made, on behalf of the clubs in RIBI, including their proportionate share of the general administration expenses of RI in furthering the program of Rotary worldwide. To the amount so determined shall be added ~~US\$1.00~~ US\$1.25 each half year in 2010-2011, US\$1.75 each half year in 2011-12, US\$2.25 each half year in 2012-2013 and US\$2.75 each half year in 2013-2014 and thereafter as a contribution to the unrestricted net assets of RI. This additional amount shall be subject to review no less often than every six years to ascertain whether such amount should be increased, remain the same, or be reduced, taking into account experience in the immediately preceding year, the current situation, and circumstances in the fore-seeable future.

(End of Text)

Note: Material to be deleted is lined through and will not appear in the revised text. New material is underlined.

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202. Payment of Per Capita Dues to RI in 2009-10 by Clubs in RIBI

Statement: RI Bylaws section 17.030.5. provides that the Board shall determine annually the amount of per capita dues paid each half year by Rotary clubs in Great Britain and Ireland to be retained by RI. This amount is determined on the basis of RI expenditures made on behalf of clubs in Great Britain and Ireland in the year immediately preceding that in which the determination is made.

DECISION: The Board

1. agrees, on the basis of RI expenditures in 2007-08 on behalf of the clubs in Great Britain and Ireland, including their required contribution towards the unrestricted net assets of RI, that the amount of US\$12.88 of the per capita dues paid each half year by clubs in Great Britain and Ireland shall be retained by RI for the fiscal year beginning 1 July 2009;
2. requests the general secretary to communicate the amount of the per capita dues paid each half year by clubs in Great Britain and Ireland to be retained by RI for the fiscal year beginning 1 July 2009.

203. Joint RI/TRF Allocations Committee Report

Statement: The Joint RI/TRF Allocations Committee met on 31 October 2008 and reviewed RI's methodology and allocation of costs to the Foundation. The committee recommended that the Board approve the proposed administrative services agreement, which it noted was similar to the original agreement, but included all changes implemented over the past three years.

DECISION: The Board

1. receives the report of the RI/TRF Joint Allocations Committee;
2. approves the administrative services agreement for 1 July 2009 through 30 June 2012;
3. notes the Trustees' approval of the administrative services agreement at their January 2009 meeting;
4. requests the RI president, the Trustee chairman, and the general secretary to sign the agreement;
5. requests the general secretary to seek outside counsel to review the agreement during the next three years to ensure that it continues to meet all regulatory requirements and to minimize any risk to both organizations.

204. 2008-09 Cost Reductions

Statement: Vice President Audenart, Treasurer Rosen, and directors Netzel, Johns, and Colasurdo conducted a preliminary examination of cost saving opportunities for

2009-10 and beyond and presented the Board with two items for consideration this fiscal year.

DECISION: The Board

1. rescinds point 2 of decision 298, June 2007 that authorized a 2008-09 budget expenditure of up to US\$70,000 to fund support for district consolidation;
2. agrees that the Extension of Rotary—Cuba Committee's plans for extension to Cuba will continue at no cost to Rotary International;
3. approves a 2008-09 positive budget variance of US\$80,000 based on the remaining 2008-09 budget for points 1 and 2 above.

205. Modifications to the Budget in 2008-09

Statement: At the conclusion of each meeting, the Board reviews all action taken during the meeting affecting the RI budget.

DECISION: The Board

1. notes no modifications to the 2008-09 budget as approved through January 2009:

2008-09 Budget	
Revenues	US\$86,402,757
Expenses	<u>86,274,653</u>
Change in Net Assets	US\$128,105

2. approves budget variances for 2008-09 as indicated below:

Expenses:	
188. Possible Membership Slogan	2,000
200. Audit Committee Report: RI Travel Insurance	1,000
204. 2008-09 Cost Reductions	<u>(80,000)</u>
Total January 2009 Meeting Variances	(77,000)

3. notes previously approved budget variances for 2008-09 as indicated below:

Variances for June 2008 Board Meeting	94,200
Variances for November 2008 Board Meeting	90,000
Total Variances 2008-09	107,200

4. notes the following decisions at this meeting impacting future years:

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Expenses:				
200. Audit Committee Report: RI Travel Insurance	1,000	1,000	1,000	1,000
203. Joint RI/TRF Allocations Review Committee Report		12,000		
204. Fiscal Year 2008-09 Cost Reductions	(80,000)			
Additional financial impact on future years	\$(79,000)	\$13,000	\$1,000	\$1,000

Adjournment

The foregoing is a true record of the proceedings of the January 2009 meeting of the Board of Directors of Rotary International.

Dong Kurn Lee
President

Alice Baehler
Secretary of the Meeting

Attest:

Ed Futa
General Secretary