
MINUTES
of the
OCTOBER 2013 MEETING
of
THE TRUSTEES
of
THE ROTARY FOUNDATION

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DATE AND PLACE

The Trustees of The Rotary Foundation of Rotary International met on 20-26 October 2013 in Evanston, IL, USA.

ATTENDANCE

Present were Chairman Dong Kurn (D.K.) Lee, Chairman-elect John Kenny, Vice-Chairman Michael K. McGovern , other Trustees Monty J. Audenart, Noel A. Bajat, Kalyan Banerjee, Stephen R. Brown, Antonio Hallage, Jackson San-Lien Hsieh, Ray Klingensmith, Samuel F. Owor, Kazuhiko Ozawa, Ian H.S. Riseley, Julio Sorjús, Stephanie A. Urchick, and General Secretary John Hewko. Anne L. Matthews attended as director liaison.

Alice Baehler serviced as secretary of the meeting with assistance from Laura Tell and Matt Hohmann. Other staff present were David Alexander, Michele Berg, Joseph Brownlee, Lori Carlson, Peter DeBerge, Paul Hydzik, Peter Markos, Andrew McDonald, Abby McNear, Maureen Ninneman, John Osterlund, Carol Pandak, James Robinson, Steven Routburg, and Eric Schmelling. Nobuko Andrews, Taka Hoshino, Hyun-Jung Lee, and Eiko Terao served as staff interpreters.

AGENDA

The general secretary had prepared a memorandum of items for consideration at this meeting. Items from that memorandum, as well as other items considered during the meeting that were acted upon, constituted the meeting's agenda as follows:

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* Filed only with the official copy of these minutes.

1. Minutes of the June 2013 Meeting

Statement: The general secretary distributed the June 2013 Trustee meeting minutes to each trustee.

DECISION: The Trustees approve the minutes of their June 2013 meeting and request the chairman to sign the official copy of those minutes.

2. Decisions Taken on Behalf of the Trustees

Statement: Rotary Foundation Bylaws section 5.10 states that any officer acting on behalf of the Trustees shall report such action to the Trustees at their next scheduled meeting.

DECISION: The Trustees ratify the decisions as shown in Appendix A, filed only with the official copy of these minutes, taken on their behalf between 16 May and 30 August 2013 by those authorized to do so.

3. Report of the General Secretary

Statement: The general secretary presented an update on the work at the Secretariat since the June 2013 Trustees meeting.

DECISION: The Trustees receive the general secretary's report on the activities at the Secretariat.

4. Report of The Rotary Foundation General Manager and Chief Programs and Member Services Officer

Statement: The Foundation general manager and chief programs and member services officer presented a report to the Trustees on activities of The Rotary Foundation since the June 2013 Trustees meeting.

DECISION: The Trustees receive the report of the Foundation general manager and the chief programs and member services officer on the activities of The Rotary Foundation.

5. Communications from the RI Board

Statement: At its "July" meeting, the Board took several decisions of interest to the Trustees.

DECISION: The Trustees note the following decisions from the RI Board's first meeting in 2013–14, held on 28 June 2013:

5. 2014–15 Rotary Institute Site and Date Approval

7. RI and TRF Meetings in 2013–14
9. Presidential Goals for 2014–15
14. Review and Approval of General Secretary's 2013–14 Key Performance Indicators
15. Rotary Foundation Programs Budget for 2013–14

6. Petitions to the Trustees

Statement: The Trustees considered 4 petitions from Rotary clubs and districts:

- from the Franschoek Valley Rotary Club (South Africa), requesting the Trustees to consider amending its policy to allow projects using shipping containers to be eligible for Foundation grants;
- from District 6580 (USA), requesting the Trustees to reconsider a Global Grant scholarship award, which had been previously denied;
- from the Rotary Club of Sandvika, Norway, requesting the Trustees to reconsider funding for their Global Grant to provide furnishings and equipment for preschool daycare and vocational training in South Africa;
- from the Rotary Club of Milwaukee, USA, requesting the Trustees to reconsider their Global Grant to build footbridges in underserved communities.

DECISION: The Trustees, the Executive Committee acting on their behalf, request the general secretary to follow-through on the petitions received at this meeting in accordance with discussion at this meeting.

7. Tentative Future Agenda

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

DECISION: The Trustees receive the tentative agenda for their January 2014 meeting.

8. Updates to The Rotary Foundation Code of Policies

Statement: The Rotary Foundation Code of Policies section 2.040.6. requires the general secretary, at the conclusion of each Trustees meeting, to review the decisions taken by the Trustees at that meeting and to prepare a report listing the decisions that might be added to The Rotary Foundation Code of Policies. The

general secretary also suggested additional amendments to the Code to reflect earlier Trustee decisions.

DECISION: The Trustees, to record the decisions taken at their April and June 2013 meetings and previously, amend the Rotary Foundation Code of Policies as shown in Appendix B, filed only with the official copy of these minutes.

9. Revisions to TRF Code of Policies Article 5

Statement: In decision 101, April 2013, the Trustees approved the revised terms of reference for regional Rotary Foundation coordinators and assistant regional Rotary Foundation coordinators. At that time, the Trustees requested the general secretary to undertake a comprehensive revision of Rotary Foundation Code of Policies Article 5 (Regional Rotary Foundation Coordinators), for review at this meeting. They further requested their chairman and the Fund Development Committee chairman to develop a framework for supervising the endowment/major gift advisors.

DECISION: The Trustees

1. amend Rotary Foundation Code of Policies Article 5, as shown in Appendix C;
2. note that the Trustee chairman and the Fund Development Committee chairman have developed a framework for supervising the endowment/major gift advisors.

10. Election of Officers for 2014–15

Statement: Foundation Bylaws section 5.2 provides that the Trustees' chairman-elect and vice-chairman shall be annually elected by the Trustees for a one-year term. The trustees had previously agreed to elect their officers at the October meeting to allow sufficient time for the officers to prepare for their term of office.

DECISION: The Trustees

1. elect Trustee Ray Klingensmith as their chairman-elect to serve during 2014–15 as an officer of The Rotary Foundation of Rotary International, an Illinois not-for-profit corporation;
2. defer election of the 2014–15 vice-chairman to their January 2014 meeting.

11. 2014–15 Foundation Goals

Statement: The Trustee chairman develops annual Rotary Foundation goals. At the end of each Rotary year, the Trustees review a status report on the achievement of those goals. The Trustees considered the goals presented by Chairman-elect Kenny.

DECISION: The Trustees adopt the goals for The Rotary Foundation in 2014–15 for implementation effective 1 July 2014.

12. Possible Future Strategic Priorities

Statement: In decision 103, April 2013, the Trustees requested the general secretary to collaborate with the 2013–14 vice chairman and two other Trustees regarding a plan to refine governance roles and to create a long-term plan for implementing enterprise initiatives, including a definition of specific measure-able outcomes.

DECISION: The Trustees receive the update on the long-term plan and possible future strategic priorities.

13. Proposed 2014–15 Rotary Foundation Committee Structure

Statement: Rotary Foundation Code of Policies section 2.020.2. requests the chairman-elect, in order to comply with Foundation Bylaws section 6.1, to submit a proposed committee structure for the following year to the Trustees for review at their October meeting. Chairman-elect Kenny recommended the committees for 2014–15 at this meeting.

DECISION: The Trustees thank Chairman-elect Kenny for the review of his 2014–15 Rotary Foundation committee recommendations.

14. Meeting Dates in 2014–15

Statement: Rotary Foundation Code of Policies section 2.040.1. provides that the annual Trustees meeting shall be held in October. The Rotary Foundation Bylaws section 4.2 provides that the Trustee chairman shall designate all other Trustee meetings.

DECISION: The Trustees

1. agree to hold their annual meeting on 20–24 October 2014 in Evanston, Illinois, USA;

2. request their chairman to decide the details of this meeting and the dates of other meetings in 2014–15.

15. Conflicting Meetings

Statement: Trustee Klinginsmith requested the Trustees to review their meetings schedule in relation to how these meetings may conflict with other large RI meetings.

DECISION: The Trustees request the RI Board and president, beginning in 2015–16

1. to avoid scheduling any conflicting RI meetings during the week preceding the full meetings of the Trustees in October and April;
2. to avoid scheduling any Rotary institutes during the weekend preceding the full meeting of the Trustees in October.

16. Trustees' Executive Committee Terms of Reference

Statement: In decision 102, April 2013, The Trustees requested their Executive Committee to review its terms of reference in relation to the Board's Executive Committee's terms of reference.

DECISION: The Trustees defer the review of their Executive Committee's terms of reference to their January 2014 meeting.

17. Update on Strengthening Rotary Initiative

Statement: Based on findings from the Committee to Strengthen Rotary's Brand and from the branding firm Siegel+Gale, RI recently implemented a new voice and visual identity that updated the color palette and display of the RI logo and provided guidelines for telling Rotary's story and describing the work of clubs and districts around the world. Noting that RI has many logos for the various programs, the general secretary recommended revisions to these logos, including the Rotary Foundation's logo, to ensure that they align with the new visual guidelines.

DECISION: The Trustees

1. receive the general secretary's update on the strengthening Rotary initiative;
2. note that the Strengthening Rotary Advisory Group supports the recommendation for a consistent visual

identity between Rotary International and The Rotary Foundation;

3. agree to the concept of a revised Foundation logo aligned with the new Rotary masterbrand signature;
4. encourage the RI Board and the general secretary to explore color alternatives for the Rotary masterbrand signature (also to be applied to the Foundation logo) for report to the Trustees at their January 2014 meeting.

18. Distinguished Service Award Deadline

Statement: In decision 124, April 2013, the Trustees established that the Foundation Awards Review Committee will announce the winners of the Global Alumni Service to Humanity Award, Alumni Association of the Year Award, and the Distinguished Service Award to the Trustees at their October meeting. To comply with this new schedule, the general secretary recommended that the Trustees also change the deadline for submission of Distinguished Service Award nominations.

DECISION: The Trustees amend the deadline for submission of Distinguished Service Award nominations from 15 November to 30 June, effective in 2014–15 and request the general secretary to amend the Rotary Foundation Code of Policies accordingly.

DECISIONS 19–20

Rotary Peace Centers Major Gifts Initiative Committee Report

The Rotary Peace Centers Major Gifts Initiative Committee met on 9–10 September 2013 in Evanston, Illinois, USA and made several recommendations to the Trustees.

19. Fundraising Goal and Action Plan

Statement: In 2005 the Trustees adopted a long-term fund development plan to raise US\$95 million by June 2015 to cover Rotary Peace Centers program expenses. In decision 121, April 2013, the Trustees increased this goal to \$125 million by 30 June 2015. The Rotary Peace Centers Committee discussed the fundraising plan and strategies for achieving this new goal.

DECISION: The Trustees

1. acknowledge and deeply appreciate the generosity of donors who have provided approximately

US\$86.4 million (face value) as of 30 June 2013 to support the Rotary Peace Centers program;

2. agree to the goal of raising \$105 million (face value) in total contributions and commitments to the Rotary Peace Centers through 30 June 2014, and reaffirm the goal of \$125 million by 30 June 2015;
3. approve the action plan to build support for the Rotary Peace Centers major gifts initiative, as shown in Appendix D, filed only with the official copy of these minutes.

20. Spendable Earnings Threshold for Endowed Rotary Peace Center Naming Opportunities

Statement: The Rotary Peace Centers Committee recommended simplifying the process for endowed Rotary Peace Fellowships by allowing the Rotary Peace Fellowship endowment to award fellowships before the spendable earnings threshold is met.

DECISION: The Trustees

1. agree to eliminate the spendable earnings threshold for all endowed Rotary Peace Fellowships;
2. agree that peace fellowships will be awarded based on a funding schedule determined by the gift value and naming opportunities of endowed funds as shown in Appendix E.

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21. Fund Development Committee Report

Statement: The Fund Development Committee met 17–19 October, 2013 in Evanston, Illinois, USA and discussed fundraising strategies, strategic partnerships, the Annual Fund, and the Arch Klumph gallery space.

DECISION: The Trustees

1. receive the Fund Development Committee’s report;
2. recognizing that the cash and expectancies total of the endowment is more than US\$815 million, amend The Rotary Foundation Code of Policies section 20.070.4. by agreeing to change the timeline associated with the endowment’s goal of \$1 billion (cash plus expectancies) from 2025 to 2017 to coincide with The Rotary Foundation’s centennial;

3. request the Fund Development Committee to review issues regarding the Arch Klumph Society induction ceremonies and gallery space, for report to the Trustees no later than their January 2014 meeting;
4. receive Trustee Brown’s proposal regarding how Annual Fund contributions designated to the Areas of Focus may generate District Designated Fund allocations and request the general secretary to analyze this proposal, for report to the Fund Development Committee.

22. Endowment Modification

Statement: In preparation for the global launch of the Future Vision Plan, the general secretary reviewed the current and testamentary endowed funds to identify which funds will require modifications due to the program changes being implemented. The general secretary identified 96 endowed funds to be modified to fit in the new grant structure. To date, 68 funds have been modified.

DECISION: The Trustees

1. acknowledge the modification of the endowments by the donor or the donor’s representative as shown in Appendix F;
2. approve the modification to the endowments as shown in Appendix F;
3. request the general secretary to provide an update on the endowment modification project and modifications at the January 2014 Trustees meeting.

23. Donor Demographic Overlay

Statement: In decision 86, January 2012, the Trustees agreed to engage the fundraising consulting firm Community Counseling Services (CCS) to provide fundraising assistance to The Rotary Foundation. CCS suggested donor demographic overlays as a tool for identifying potential donors. The Fund Development Committee wished the Trustees to revisit this topic and discuss the potential benefits of conducting such a project.

DECISION: The Trustees

1. approve a United States donor demographic overlay during 2013–14 and approve a 2013–14 budget variance of up to US\$40,000 for this purpose;

- request the general secretary to provide an update on the project at the April 2014 Trustees meeting.

DECISIONS 24–31

International PolioPlus Committee Report

The International PolioPlus Committee met on 16–17 October 2013 in Evanston, Illinois, USA and made several recommendations to the Trustees regarding PolioPlus grants.

24. End Polio Now: Make History Today Campaign Report

Statement: In decision 160, June 2013, the Trustees authorized the International PolioPlus Committee to undertake the End Polio Now: Make History Today fundraising campaign to help meet the requirements of the new agreement with the Bill & Melinda Gates Foundation. This agreement established a two-for-one match for RI funds committed to polio eradication from 2013 through 2017. The committee suggested establishing a certificate of appreciation to recognize clubs that annually contribute to PolioPlus.

DECISION: The Trustees, to encourage contributions to End Polio Now: Make History Today, request the general secretary to develop a special certificate of appreciation for clubs that annually contribute US\$1,500 or more to PolioPlus, beginning 1 July 2013 through 30 June 2018.

25. Special India National PolioPlus Committee Grant

Statement: In decision 158, June 2013, the Trustees approved an additional PolioPlus grant of up to US\$300,000 to the India National PolioPlus Committee for operational support in the highest risk areas for polio eradication in India and requested an update on this grant at this meeting.

DECISION: The Trustees request the general secretary to provide an update on the special India National PolioPlus Committee grant at their January 2014 meeting.

26. PolioPlus Grants: Combined World Health Organization African Regional Office (WHO/AFRO) and UNICEF Grant Request

Statement: The World Health Organization African regional office (WHO/AFRO) and UNICEF requested

grants for technical assistance in Chad and Nigeria, and for operational support in Nigeria.

DECISION: The Trustees

- approve a PolioPlus grant of up to US\$2,600,000 to WHO for operational support in Chad, this grant to be released in accordance with Trustee policies;
- approve a PolioPlus grant of up to \$4,550,000 to WHO for technical assistance in Nigeria, this grant to be released in accordance with Trustee policies;
- approve a PolioPlus grant of up to \$6,023,185 to UNICEF for operational support in Nigeria, this grant to be released in accordance with Trustee policies;
- authorize the general secretary to execute agreement letters with WHO and UNICEF to convey the funds on a scheduled basis. WHO and UNICEF will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;
- note that these are one-year grants that must be fully expended by 31 December 2014, or one year after the transfer of funds to the grantee, whichever comes later;
- note that these grants, if fully expended, will increase total PolioPlus grants as follows:
 - Chad from \$18,886,799 to \$21,486,799;
 - Nigeria from \$156,187,924 to \$166,761,109.

27. PolioPlus Grants: Combined World Health Organization Eastern Mediterranean Regional Office (WHO/EMRO) and UNICEF Grant Request

Statement: The World Health Organization Eastern Mediterranean regional office (WHO/EMRO) and UNICEF requested grants for operational support in Afghanistan, South Sudan, and Sudan, and technical assistance in Afghanistan, Pakistan, and Somalia.

DECISION: The Trustees

- approve a PolioPlus grant of up to US\$7,090,000 to WHO for operational support in the following countries:

- Afghanistan \$900,000
- South Sudan \$1,600,000
- Sudan \$4,590,000

this grant to be released in accordance with Trustee policies;

2. approve a PolioPlus grant of up to \$7,035,000 to WHO for technical assistance in the following countries:

- Afghanistan \$1,785,000
- Pakistan \$2,650,000
- Somalia \$700,000
- South Sudan \$1,900,000

this grant to be released in accordance with Trustee policies;

3. approve a PolioPlus grant of up to US\$8,650,000 to UNICEF for operational support in the following countries:

- Afghanistan \$5,150,000
- South Sudan \$3,500,000

this grant to be released in accordance with Trustee policies;

4. authorize the general secretary to execute agreement letters with WHO and UNICEF to convey the funds on a scheduled basis. WHO and UNICEF will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;

5. note that these are one-year grants that must be fully expended by 31 December 2014, or one year after the transfer of funds to the grantee, whichever comes later;

6. note that these grants, if fully expended, will increase total PolioPlus grants as follows:

- Afghanistan from \$43,252,963 to \$45,937,963;
- Pakistan from \$82,330,265 to \$84,980,265;
- Somalia from \$10,566,611 to \$11,266,611;
- South Sudan \$19,693,070 to \$26,693,070;
- Sudan from \$32,010,231 to \$36,600,231.

28. PolioPlus Grants: Combined World Health Organization Southeast Asia Regional Office (WHO/SEARO) and UNICEF Grant Request

Statement: The World Health Organization Southeast Asia regional office (WHO/SEARO) and UNICEF requested grants for social mobilization support in India.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US\$5,975,000 to UNICEF for social mobilization support in India, this grant to be released in accordance with Trustee policies;
2. authorize the general secretary to execute an agreement letter with UNICEF to convey the funds on a scheduled basis. UNICEF will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;
3. note that this is a one-year grant that must be fully expended by 31 December 2014, or one year after the transfer of funds to the grantee, whichever comes later;
4. note that this grant, if fully expended, will increase total PolioPlus grants to India from \$155,783,900 to \$161,758,900.

29. PolioPlus Grants: World Health Organization Polio Research Committee Grant Request

Statement: The World Health Organization (WHO) requested a grant for polio eradication research activities proposed by the Polio Research Committee.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US\$935,929 to WHO for the implementation of polio eradication research activities proposed by the Polio Research Committee, this grant to be released in accordance with Trustee policies;
2. authorize the general secretary to execute an agreement letter with WHO to convey the funds on a scheduled basis. WHO will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;
3. note that this is a three-year grant that must be fully expended by 31 December 2016;

4. note that this grant, if fully expended, will increase total PolioPlus grants to WHO/Research from \$21,840,695 to \$22,776,624.

30. PolioPlus Grants: Support of the Global Polio Eradication Initiative Independent Monitoring Board Grant Request

Statement: The World Health Organization requested a grant to support the Global Polio Eradication Initiative Independent Monitoring Board.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US\$241,814 to the World Health Organization to support the administrative activities of the Global Polio Eradication Initiative Independent Monitoring Board in 2013–14, this grant to be released in accordance with Trustee policies;
2. authorize the general secretary to execute an agreement letter with WHO to convey the funds on a scheduled basis. WHO will apply the funds under such controls and conditions as the agreement specifies;
3. note that this is a 14-month grant that must be fully expended by 31 December 2014.

31. PolioPlus Grants: India National PolioPlus Committee Administrative Grant Request

Statement: The India National PolioPlus Committee requested a grant for administrative activities in India.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US\$295,000 to the India National PolioPlus Committee for administrative activities, this grant to be released in accordance with Trustee policies;
2. authorize the general secretary to negotiate a new agreement with the National PolioPlus Committee to convey the funds on a scheduled basis. The committee will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;
3. note that this is a one-year grant that must be fully expended by 31 December 2014, or one year after the transfer of funds to the grantee, whichever comes later;

4. note that this grant, if fully expended, will increase total PolioPlus grants in India from \$155,733,900 to \$156,028,900.

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32. Rotary Peace Centers Committee Report

Statement: The Rotary Peace Centers Committee met on 14–17 October 2013 in Evanston, Illinois, USA. It discussed funding for 2014–15 Rotary Peace Fellowships, adjustments to the Peace Builder District program, their strategic plan, recruitment issues, and a new name for the program, among other topics.

DECISION: The Trustees

1. thank the committee for its report;
2. approve the Rotary Peace Centers Strategic Plan vision and mission, program elements, and evaluation measures as shown in Appendix G, filed only with the official copy of these minutes;
3. approve the Rotary Peace Centers marketing and recruitment outline with associated operational impact, as shown in Appendix H, filed only with the official copy of these minutes;
4. receive the list of finalists awarded 2014–16 Rotary Peace Fellowships;
5. agree to allocate up to US\$2.5 million (based on current projections) from the World Fund for the 2014–15 TRF programs budget to supplement District Designated Fund allocations and restricted gifts, and to fund up to 50 masters' degrees and up to 50 professional development certificate Rotary Peace Fellowships;
6. agree to allow districts the option to make a single donation to be a Peace Builder District that would be part District Designated Fund and part cash;
7. change the official name of the program from "Rotary Centers for International Studies in peace and conflict resolution" to "Rotary Peace Centers" effective 1 January 2014;
8. agree that The Rotary Foundation will recognize any two or more districts that make a joint, one-time minimum donation of \$25,000 to the Rotary Peace Centers as "Peace Builder Contributors."

33. Alumni Event at 2014 RI (Sydney) Convention

Statement: In decision 155, June 2013, the Trustees agreed to rescind their decision to hold an official Rotary Alumni Celebration preconvention event within the next three years in favor of an ancillary alumni event at the 2014 Sydney Convention and requested the general secretary to provide a proposed program and budget for such event at this meeting.

DECISION: The Trustees

1. approve the Rotary Alumni Celebration draft program and budget as an ancillary event at the 2014 RI Convention in Sydney, Australia, as shown in Appendix I, filed only with the official copy of these minutes;
2. thank the Joint Committee on Alumni Relations for its work, and request the committee to continue developing the program.

34. TRF Anniversary Committee Report

Statement: The TRF Anniversary Committee met on 20 October 2013, in Evanston, Illinois, USA. The committee discussed potential future peace symposiums, speaker suggestions, and plans for public relations, among other topics.

DECISION: The Trustees

1. receive the Centennial Celebration Committee's report;
2. recognize that it will be important to feature a well-known keynote speaker at both the 2016 RI Convention in Seoul and the 2017 RI Convention in Atlanta to promote the Foundation's 100th anniversary, and thereby request the RI Board to allocate time for the keynote speeches during the plenary sessions in order for the Trustees to identify and recruit such keynote speakers well in advance with the expenses for such speakers to be paid by the Foundation.

35. Annual Report on Partnerships

Statement: The Rotary Foundation Code of Policies section 1.060.1. requires the general secretary to provide an annual report to the Trustees on the status of all existing partnerships with other organizations.

DECISION: The Trustees receive the general secretary's annual report on partnerships.

36. Strategic Partnerships and Packaged Grants

Statement: In decision 112, April 2013, the Trustees requested the general secretary to assess and plan the future of partnerships and the packaged grant concept for review at this meeting. The general secretary presented a partnerships strategic plan and an analysis and overview of packaged grants for the Trustees' consideration.

DECISION: The Trustees

1. look with favor on the Partnerships Strategic Plan and the Corporate Advisory Council Roles and Responsibilities document as shown in Appendix J;
2. subject to approval by the Board, requests the RI president and Trustee chairman to appoint a seven-person joint committee, including current directors and trustees, to review partnerships, for report to both boards at their April and June 2014 meetings;
3. request the general secretary to develop a three- to five-year partnerships plan for review by this joint committee;
4. request the Future Vision Committee to consider modifications to the structure and goals of packaged grants based on an evaluation of the grant model, for report at the April 2014 Trustees meeting.

37. RI/USAID H₂O Collaboration Phase 2 Plan

Statement: In decision 126, April 2013, the Trustees approved phase 2 of the RI/USAID H₂O Collaboration Plan. They requested the Steering Committee to further develop the plan and identify Packaged Grant and budget requirements.

DECISION: The Trustees

1. thank the RI/USAID Steering Committee for its proposal for the phase 2 strategic partnership with the RI/USAID H₂O International Collaboration;
2. request the Future Vision Committee to review the proposed package grant with USAID as part of the packaged grant evaluation scheduled for their February 2014 meeting, and recommend modifications to the proposed packaged grant model for

consideration by the Trustees at their April 2014 meeting;

3. request the RI/USAID Steering Committee to modify the proposed packaged grant based on the input of the Future Vision Committee and re-submit a packaged grant proposal for consideration by the Trustees at their April 2014 meeting;
4. appreciate the Future Vision Committee's intent to review the strategic partnerships model.

38. Flexibility in District Grants

Statement: In decision 131, April 2013, the Trustees requested the general secretary to review the advantages and disadvantages of the current restrictions on district grants, for report at this meeting.

DECISION: The Trustees request the Future Vision Committee to evaluate the restrictions in district grants at its February 2014 meeting, and report to the Trustees at their April 2014 meeting on whether the administrative and program requirements are still relevant after the three-year pilot and first year of global launch.

39. Process for Evaluating Funding for Low-Cost Shelters

Statement: In decision 129, April 2013, the Trustees requested the general secretary to develop a process that could be used to evaluate the advisability of funding low-cost shelter projects, for report at this meeting. The general secretary presented a timeline of previous decisions relating to low-cost shelters and proposed establishment of a working group to make recommendations to the Future Vision Committee regarding low-cost shelters.

DECISION: The Trustees

1. request the general secretary to convene a five-member working group, appointed by the Foundation chairman in consultation with the full Board of Trustees, to evaluate the advisability of funding low-cost shelter projects;
2. request a report from this working group be sent to the Future Vision Committee for its consideration in February 2014, for report to the April 2014 Trustees meeting;

3. authorize a budget variance of US\$4,000 to expand the length of the Future Vision Committee meeting in February.

40. Global Grant for Uganda Nursing School, Bwindi

Statement: Per policy, Global Grants requesting over US\$100,000 from the World Fund must be reviewed by the Trustees. Noting that the first opportunity for the Uganda Nursing School Global Grant to be presented to the Trustees would have been at this October meeting, which presented serious problems with the planned start date of the project, Chairman Lee granted an exception to have the grant reviewed via correspondence by the Programs Committee. The Programs Committee recommended approval of the grant before the October Trustees meeting.

DECISION: The Trustees ratify the Programs Committee's approval of global grant #1410616 in the amount of US\$248,758 to the Rotary Club of Kihhihi, Uganda (District 9211) and the Rotary Club of Reno, NV, USA (District 5190) to fund a disease prevention and treatment project that addresses the needs of the communities in Buhoma, Kanunga District in Uganda.

41. Report on Allegations

Statement: To facilitate the work of the Stewardship Committee, and in accordance with Rotary Foundation Code of Policies section 10.030.6.1., the Trustees receive semiannual updates on stewardship-related allegations, investigations, and litigation at their October and April meetings.

DECISION: The Trustees

1. receive the general secretary's report on the audit of grants sponsored by the Rotary Club of Kandy, Sri Lanka (District 3220);
2. suspend District 3272 (Afghanistan, Pakistan) from participation in Rotary grants until 30 April 2014 and request the general secretary to provide an update at their April 2014 meeting;
3. note there are no irregularities with the two clubs in Afghanistan and request the general secretary to explore alternative means of support to these clubs, for report to the January 2014 Trustee meeting;
4. suspend the Rotary Club of Battambang, Cambodia (District 3350) from participation in Rotary grants

for two years for failure to comply with stewardship guidelines and authorize the general secretary to lift the suspension upon confirmation that funds from the grants have been returned, receipt of a stewardship plan, and confirmation that at least two members have participated in district grant management training;

5. suspend Rotarian Saroeun Nouv from participation in Rotary grants for ten years for having failed to comply with stewardship requirements and further recommend to the RI president that Rotarian Nouv be ineligible for any appointment or assignment for a period of ten years;
6. suspend District 4150 (Mexico) from participation in Rotary grants for one year or until the district has submitted an updated stewardship plan and conducted an approved district stewardship training seminar;
7. authorize the general secretary to lift the suspension of District 4150 upon receipt of an updated stewardship plan and completion of a district stewardship training seminar;
8. suspend Rotarian Jose Sanchez Reynoso from participation in Rotary grants for ten years for having failed to comply with stewardship requirements and further recommend to the RI president that Rotarian Reynoso be ineligible for appointment or assignment for a period of ten years;
9. suspend District 9140 (Nigeria) from participation in Rotary grants for one year or until the district has submitted all outstanding audit requirements, an updated stewardship plan, and conducted a district stewardship training seminar;
10. authorize the general secretary to lift the suspension of District 9140 upon receipt of all outstanding audit requests, an updated stewardship plan, and completion of a district stewardship training seminar;
11. suspend Rotarians Ude Ikeotuonye and Elizabeth Nwankwu from participation in Rotary grants for ten years for having failed to comply with stewardship requirements and further recommend to the RI president that Rotarians Ikeotuonye and Nwankwu be ineligible for assignment or appointment for a period of ten years;

12. extend the suspension of the Rotary Club of Vihiga, Kenya (District 9212), previously approved in April 2013, from participation in Rotary grants until 30 April 2014 for failure to comply with stewardship guidelines.

42. World Reporting Analysis for The Rotary Foundation Programs

Statement: Rotary Foundation Code of Policies section 14.040.2. requires Rotary clubs and districts to be 100 percent current and compliant with grant reporting requirements. The general secretary provides a comprehensive report on the status of such grant reporting compliance at the October and April Trustees meetings.

DECISION: The Trustees

1. receive the general secretary's report on world reporting analysis for Rotary Foundation programs;
2. amend The Rotary Foundation Code of Policies as follows:

14.040.2. Expectations for Being Current and Compliant with Reporting Requirements

An important component of effective stewardship is the preparation and submission of timely and accurate grant reports. Districts and their member Rotary clubs are expected to be consistently 100% current and compliant with reporting requirements.

The general secretary will notify districts of their reporting percentages on a quarterly basis and provide reports on world reporting compliance percentages to the Trustees at their ~~October and~~ April meetings. [text omitted]

3. allow district grants to be paid when a district is overdue on reporting for a global grant and revise The Rotary Foundation Code of Policies as follows:

11.030.3.Reporting

- a) All primary Rotary clubs and/or districts will be held accountable for submitting complete and accurate reporting within two months of the activity's completion.
- b) Failure to provide accurate and timely reports to The Rotary Foundation will prevent both the primary host and international sponsors from receiving future global grants until an acceptable report is submitted. An overdue

global grant will not affect the processing of a district grant unless the global grant is significantly overdue.

43. Rotary Foundation Cadre of Technical Advisers Report

Statement: Rotary Foundation Code of Policies section 10.020. requires the Rotary Foundation Cadre of Technical Advisers to provide an annual report of its activities and findings for review by the Trustees. The cadre completed 125 assignments in 2012–13, including 5 operational audits of Future Vision pilot districts. The general secretary provided additional details on 2012–13 activities and a plan for training programs at the 2014 RI (Sydney) Convention.

DECISION: The Trustees

1. receive the general secretary's activity report on The Rotary Foundation Cadre of Technical Advisers;
2. approve the preliminary scheduling of the Cadre training on Friday, 30 May 2014, before the Sydney Convention;
3. approve a 2013–14 budget variance of US\$19,350 to provide one night's hotel accommodation for Rotarians attending the Cadre training on Friday.

44. Report on Stewardship Litigation

Statement: The general secretary reported on litigation matters arising out of stewardship issues.

DECISION: The Trustees

1. receive the general secretary's report on stewardship litigation;
2. request the general secretary to report on stewardship litigation annually at their October meeting, provided that any significant developments will be reported to the Stewardship Committee in the interim as they occur.

45. Audit Committee Report: Acceptance of Audited Financial Statements and Confirmation of Auditors for Fiscal Year 2014

Statement: The Audit Committee met on 25–27 September 2013 in Evanston, Illinois, USA and discussed the audited financial statements and external auditor's report for 2012–13, confirmation of the independent auditor for 2013–14, and recently com-

pleted internal audits. The committee made three recommendations to the Board.

DECISION: The Trustees

1. accept the audited financial statements and report on The Rotary Foundation's financial results for 2012–13 as presented to the Audit Committee;
2. request the general secretary to publish an annual report in accordance with the Rotary Foundation Bylaws;
3. reaffirm their decision 174, June 2013, to appoint Grant Thornton to audit The Rotary Foundation's financial statements for fiscal year 2013–14.

46. Investment Committee Report

Statement: The Investment Committee met on 17–18 September 2013, in Evanston, Illinois, USA and discussed the quarterly investment report, the endowment fund peer group, the fixed income strategy, real asset investing, investing in hedge funds, Rotary's private equity program, and risk management issues, among other topics. The committee made no recommendations to the Trustees.

DECISION: The Trustees thank the Investment Committee for its report.

47. The Rotary Foundation Funding Model

Statement: At their October 2012 meeting, the Trustees were informed that the current funding model to pay for fund development and administrative expenses was not sustainable. In decision 49, October 2012, the Trustees requested the Rotary Foundation Funding Model subcommittee to recommend a new model for funding the Foundation's operating expenses, for review at this meeting.

DECISION: The Trustees

1. approve The Rotary Foundation Funding Model policy as shown in Appendix K to become effective 1 July 2015;
2. request the general secretary to work with the subcommittee in developing the message to Rotarians on the new funding model, for review at the January 2014 Trustees meeting.

Note: Trustee Bajat requested that his negative vote be recorded.

48. Joint Meeting of RI and TRF Finance Committees

Statement: The TRF Finance Committee discussed the benefits of working with the RI Finance Committee and recommended a joint meeting of both committees to the Trustees.

DECISION: The Trustees

1. approve the attendance of the TRF Finance Committee members at the RI Finance Committee meeting on 23–25 April 2014 to jointly review 2014–15 draft budgeted expenses;
2. authorize a 2013–14 budget variance of up to US\$25,000 for TRF Finance Committee members and incoming members, as appropriate, to attend the April 2014 meeting.

49. TRF Operating Reserve Policy

Statement: In decision 49, October 2012, the Trustees requested the Rotary Foundation Funding Model subcommittee to recommend a new reserve policy for the Foundation, for review by the Trustees at this meeting.

DECISION: The Trustees amend Rotary Foundation Code of Policies Article 24 (Operating and Programs Reserves) by replacing the current policy with the policy shown as Appendix L

50. Modifications to the Budget

Statement: The Trustees reviewed decisions taken at this meeting that have future budget impact.

DECISION: The Trustees

1. note no modifications to the 2013-14 budget:

	<u>2013-14</u>
Revenues:	\$ 276,138,000
Program Awards:	241,144,000
Program Operations:	21,090,000
Operating Expenses:	
Fund Development & General and Administration:	22,472,000
Total Expenses:	284,706,000
Change in Net Assets:	<u>\$ (8,568,000)</u>

2. note budget variances for 2013-14

Dec. 32 Rotary Peace Centers	35,000
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Committee Report:

Dec. 33 Alumni Events at 2014 (Sydney) Convention:	7,500
Dec. 43 Report on TRF Cadre of Technical Advisers:	19,500
Dec. 23 Donor Demographic Overlay:	40,000
Dec. 48 Joint Meeting of RI and TRF Finance Committees:	25,000
Dec. 39 Process for Evaluating Funding for Low-Cost Shelters:	4,000
Dec. 24 End Polio Now: Make History Today Report:	6,000
Total 2013-14 variances:	<u>137,000</u>

3. note items with future budget impact as indicated below:

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Dec. 32 Rotary Peace Centers Committee Report:	\$68,000	\$70,000	\$72,000
Dec. 24 End Polio Now: Make History Today Report:	<u>\$6,000</u>	<u>\$6,000</u>	<u>\$6,000</u>
Total:	<u>\$74,000</u>	<u>\$76,000</u>	<u>\$78,000</u>

Adjournment

The foregoing is a true record of the proceedings at The Rotary Foundation Trustees meeting held on 27 June 2013 in Lisbon, Portugal.

Dong-Kurn Lee, Chairman
The Rotary Foundation

Alice A. Baehler
Secretary of the Meeting

ATTEST:

John Hewko
General Secretary

APPENDIX A

Summary of Decisions Taken on Behalf of the Trustees (Decision 2)

Exhibit a – Citation for Meritorious Service Awards

- There are 55 recipients of the award.

Exhibit b – TRF Cadre of Technical Advisers

- The cadre reviewed thirty grants, including twelve technical reviews, two routine audits, one operational audit, six random audits, two advance site visits, six interim monitoring visits, and one post project site visit.

Exhibit c – PolioPlus Grants

- One PolioPlus Administrative grant, totally US\$37,560, and one rapid response grant, totally \$500,000.

Exhibit d – Foundation Programs

- One hundred and thirty-four District Grants awarded for a total of \$8,659,225 in DDF. One hundred eighty-five Global Grants awarded for a total of \$4,561,287 in World Fund. Two Aga Khan University Nursing Scholarship Packaged Grants awarded for a total of \$448,200 in World Fund (these two grants support a cohort of twenty-four scholarships). Seven UNESCO-IHE Scholarship for Water and Sanitation Professionals Packaged Grants awarded for a total of \$227,273 in World Fund. One administrative waiver on the composition of a vocational training team.

Exhibit e – Future Vision Grants

- Three District Grants awarded for a total of \$42,680 in DDF, and eighty-one Global Grants awarded for a total of \$2,434,951 in World Fund.

Exhibit f – Legacy Programs

- Four hundred and seventy Matching Grants awarded for a total of \$5,949,133 in World Fund. TRF also approved \$4,222,247 in DDF towards these grant award projects. Total project funding (cash, DDF, World Fund) was \$13,959,989.

APPENDIX C

AMENDMENTS TO ROTARY FOUNDATION CODE OF POLICIES ARTICLE 5 (Decision 9)

Article 5. Regional Rotary Foundation Resources ~~Coordinators~~

- 5.010. Regional Rotary Foundation Coordinator Purpose
- 5.020. Functions
- 5.030. RRFC Responsibilities
- 5.040. Responsibility for Zone-Level Fundraising
- 5.050. RRFC Selection and Appointment Process
- 5.060. Training Institute
- 5.070. Funding
- 5.080. Regional Rotary Foundation Seminars
- 5.090. RRFC Organization
- 5.100. Evaluation of Regional Rotary Foundation Coordinators
- ~~5.110. Adjunct Meeting at Annual Convention~~
- 5.1210. Assistant Regional Rotary Foundation Coordinators
- 5.1320. Endowment/Major Gift Advisers

5.010. Regional Rotary Foundation Coordinator Purpose

The regional Rotary Foundation coordinator (RRFC) reports to the chair of The Rotary Foundation trustees, and is responsible for disseminating information to district governors, district governors-elect and district Rotary Foundation chairs. District leadership shall disseminate this information to the club members.

5.020. Functions

Regional Rotary Foundation Coordinators serve as a key volunteer resource on all general Foundation matters, program and financial, and serve as a vital link between Rotarians and the Secretariat. Regional Rotary Foundation coordinators shall be concerned with the promotion of The Rotary Foundation and its various programs and fundraising initiatives, shall actively work in support of Rotary goals, and shall be responsive to requests by the Trustees and the general secretary. The Trustees recognize the importance of coordinated and consistent efforts in providing the most effective training possible to all Rotarians. The regional Rotary Foundation coordinator will confer and cooperate with trustees in their geographic area of the world. The regional Rotary Foundation coordinator will also confer and cooperate with the RI director, Rotary coordinator (RC), the Rotary public image coordinator (RPIC) and the endowment/major gift adviser for their assigned regions with the goal of supporting and strengthening clubs and districts.

5.030. RRFC Responsibilities - General

- a) Help districts and clubs focus and increase humanitarian service.
- b) Assist the Trustees and the general secretary in explaining Foundation grants and the need for funding to district and club leaders.
- c) Support district leadership in establishing their district Foundation goals for grant participation and Foundation giving.
- d) Monitor the progress of their districts' Foundation goals throughout the Rotary year.
- e) Keep Rotary alumni involved in Rotary through membership, contributions and service opportunities.
- f) Assist with the development and promotion of alumni associations.
- g) Be responsible for nomination process for the Global Alumni Service to Humanity Award and the Alumni Association of the Year Award, in which each RRFC may nominate one candidate for both awards annually.
- h) Complete reports as necessary and forward them to the general secretary in a timely manner.

Training

- a) Attend annually appropriate orientation and instruction at the regional Rotary Foundation coordinator training institute.
- b) Plan and conduct an annual zone team training for zone-level Foundation volunteers following the regional Rotary Foundation coordinator training institute and prior to 1 July.
- c) Plan, promote and conduct a Regional Rotary Foundation seminar annually.
- d) Conduct zone-level training for governors-elect and other district leaders on the Trustee-recommended Foundation subjects at sessions held in conjunction with Rotary Institutes.
- e) Assist district governors and their Foundation committees to plan district or multidistrict–Rotary Foundation seminars.
- f) Train existing district leadership to inform club membership on the Foundation’s grants, programs and fundraising.
- g) Conduct special sessions on the Foundation at Rotary Institutes.

Grants and Programs

- a) Provide continued support of Rotary’s top priority – a polio free world.
- b) Promote the Rotary Peace Centers program and assist districts in attracting qualified candidates.
- c) Actively support district leaders to achieve their service goals by conducting information training sessions on Foundation grants and activities, and monitoring progress toward goals throughout the year.
- d) Promote the importance of stewardship, oversight and reporting in the use of TRF funds to governors, district Rotary Foundation committee chairs, and district subcommittee chairs.
- e) Encourage clubs and districts to remain involved with alumni.

Fundraising

- a) Lead by example and make a personal contribution each year to the Annual Fund
- b) Educate Rotarians, alumni, and friends of Rotary on all giving opportunities including but not limited to the Annual Fund, PolioPlus, term gifts, Rotary’s endowment and the Rotary Peace Centers
- c) Lead by example through a major gift, Bequest Society commitment, and/or Benefactor commitment according to his or her own financial capacity
- d) Encourage continued personal contributions through the Every Rotarian, Every Year initiative and 100 percent club participation in Foundation giving each year
- e) Promote Rotary’s recurring giving program, Rotary Direct, and the Paul Harris Society
- f) In collaboration with fund development staff, including Gift Officers where applicable, endowment/major gift advisers and district leadership, personally assist in identification, cultivation and solicitation of major gifts, with an emphasis on gifts of US\$25,000 or more
- g) Host or support cultivation events for important Foundation donors at Rotary Institutes or at other Rotary events.

5.030.1. Quarterly Reporting Provided to Coordinators

To facilitate the support that regional Rotary Foundation coordinators provide to districts and their member clubs participating in grants, the general secretary will provide quarterly reporting statistics to each coordinator as well as copy the coordinators on all report warning letters for the districts she/he supports.

5.040. Responsibility for Zone-Level Fundraising

The regional Rotary Foundation coordinators have responsibility for overall coordination of all volunteer fundraising efforts benefiting The Rotary Foundation at the zone level. This includes but is not limited to promotion of the Annual Fund and the Endowment Fund.

5.050. RRFC Selection and Appointment Process

5.050.1. Previous Experience

Regional Rotary Foundation Coordinators must have the following qualifications and experiences before appointment as a Coordinator:

- a) past district governor
- b) working knowledge and experience of The Rotary Foundation at the district level and of the program and fund-raising aspects of the Foundation.

In addition, preference should be given to Rotarians who have demonstrated leadership through

- a) having served as a RRFC team member (Annual Fund strategic adviser, endowment/major gift adviser, assistant RRFC, Rotary Foundation alumni coordinator or zone challenge coordinator) and/or
- b) having served as RI International Assembly training leader.

In addition, RRFCs shall not hold other significant ongoing RI or TRF appointments, including nor serve as the district Rotary Foundation committee chair for their home district. (October 2008 Trustees Mtg., Dec. 21)

5.050.2. RRFC Selection

1. Requests for recommendations ~~Letters of solicitation~~ are sent to the RI president, RI president-elect, trustee chairman, trustee chairman-elect, trustee vice-chairman, trustees, relevant directors and directors-elect, and current RRFCs not later than 15 July each year.
2. Names of the recommended Rotarians with respective backgrounds are presented to the trustee chairman-elect, who may confer with other trustees on the recommendations.
3. The trustee chairman-elect is requested to prepare a list of all tentative appointments ~~names suggested for appointment~~ and send said list to all trustees for review.
4. Each trustee will respond within fourteen days of receipt of the list, providing to the chairman-elect, on a confidential basis, his/her advice concerning those individuals who in his/her opinion are inappropriate to receive an appointment for the following year and information, when known, on the skills and experiences of the individuals listed.
5. The trustee chairman-elect reviews the information and makes the selections.
6. The trustee chairman-elect shares the selected names with the RI president-elect for consultation.
- ~~7. Letters of appointment are sent to the selected Rotarians no later than 1 September.~~
- ~~8. Announcements of the appointments is made after all acceptances are received.~~

5.050.3. Number and Term of Appointment

There shall be ~~4~~¹² regional Rotary Foundation coordinators. The term of appointment for each regional Rotary Foundation coordinator shall be three years, subject to an annual performance review.

5.050.4. Creation of New Regional Rotary Foundation Coordinator Appointments

The Trustees have adopted the following criteria to be used for creating new regional Rotary Foundation coordinator (RRFC) appointments in the future:

- a) geographic distribution and number of districts, clubs and Rotarians the RRFC would cover;
- b) cultural and linguistic considerations;
- c) the area's capacity for giving to TRF, the area's program participation or the area's need to educate Rotarians about The Rotary Foundation.

5.060. Training Institute

All regional Rotary Foundation coordinators will receive annually appropriate orientation and instruction at a training institute dedicated to regional Rotary Foundation coordinators following the International Assembly and prior to 1 July. All official participants invited to attend the regional Rotary Foundation coordinator Training Institute must attend for the full duration of the Institute in order to receive full reimbursement for expenses unless excused by the Chairman for health or family emergencies. Training for Rotary coordinators, Rotary public image coordinators, and regional Rotary Foundation coordinators will consist of three days training for Rotary coordinators and Rotary public image coordinators, a day of joint training for all three groups, and three days of training for the regional Rotary Foundation coordinators.

5.060.1. Training Session Moderator Selection

A moderator will be selected for the regional Rotary Foundation coordinator training session at the April meeting of the Trustees each year following consultation with the past RI president who is in his or her first year of service as a trustee. The person chosen shall serve as assistant moderator at the training session in the following year and as moderator at the training session in the year following his or her service as assistant moderator. (*January 2012 Trustees Mtg., Dec. 76*)

5.070. Funding

Funds shall be provided annually to cover necessary expenses incurred by regional Rotary Foundation coordinators associated with their participation in the regional Rotary Foundation coordinators training session, the conducting of Regional Rotary Foundation Seminars, and for the provision of training materials of a professional quality appropriate to the language and cultural needs of each coordinator.

5.080. Regional Rotary Foundation Seminars

All regional Rotary Foundation coordinators are encouraged to refer to the guidelines established by the Trustees when developing the agenda for a seminar. These guidelines are as follows:

Regional Rotary Foundation Seminars are an opportunity to provide relevant information to current and incoming district leadership and the Foundation team through training and interactive discussion. The purpose of the Regional Rotary Foundation Seminar is to provide participants with the tools necessary to reach every Rotarian with the message of the Foundation by providing relevant information on the programs of The Rotary Foundation and ways to financially support the Foundation.

While it is recognized that the specific content and training methodologies used in Regional Rotary Foundation Seminars will vary from area to area, all regional seminars should be

1. *Motivational:* motivate Rotarian leaders to support and participate in Foundation programs and the financial support of the Foundation
2. *Educational:* outline basic Foundation programs and policies and offer updates on Foundation program/policy changes
3. *Relevant:* for all participants

Recognizing that the purpose of Regional Rotary Foundation Seminars is best served when attended by current and incoming district governors as well as current and incoming district Foundation chairs, officers and appointees, it is suggested that all regional Foundation seminars include group discussion sessions focusing on the roles and responsibilities of each district officer.

Regional Rotary Foundation Seminars could be held in conjunction with Rotary Institutes or separately from them depending upon the geographic distances, logistics and convenience of target attendees. Such seminars should be attended by current governors and current and incoming district Foundation chairs/officers/appointees.

When the Regional Rotary Foundation Seminar is held in conjunction with a Rotary Institute, the seminar must be a distinct event before or after the Institute planned in cooperation with the Institute convener and must be focused on attendance and participation of current and incoming district governors and current and incoming district Foundation chairs/officers/appointees.

5.090. RRFC Organization

Coordinators should be organized by zones. There should be no more than parts of two zones per coordinator. However, where necessary, especially where there are extreme travel problems, flexibility should be allowed.

5.100. Evaluation of Regional Rotary Foundation Coordinators

The Trustees have approved the use of the Regional Rotary Foundation Coordinator evaluation criteria found in the "Supporting Documents" for this Code.

~~5.110. Adjunct Meeting at Annual Convention~~

~~A reception and workshop for current and past Regional Rotary Foundation Coordinators will be held as an adjunct meeting at the annual convention.~~

5.1210. Assistant Regional Rotary Foundation Coordinators

5.120.1 Purpose

The assistant regional Rotary Foundation coordinator reports to the Regional Rotary Foundation Coordinator and assists the RRFC in promoting and supporting all aspects of The Rotary Foundation. Assistant RRFCs are given specific district responsibilities by the RRFC.

5.120.2. Responsibilities

General

1. Be assigned a maximum of four districts within the RRFC's region of responsibility.
2. Work closely with district leadership on an ongoing basis to support district Foundation service and giving goals, and provide strategies for goal achievement.
3. Promote the importance of Rotary alumni as potential Rotary club members and as potential contributors to The Rotary Foundation.
4. In collaboration with the RRFC and Rotary's alumni group, assist with the development and promotion of Rotary Foundation alumni associations.
5. Monitor monthly fundraising progress in assigned territories and provide support, encouragement and strategies to clubs and districts in meeting or exceeding established goals.
6. Provide regular progress reports to RRFCs and Foundation staff as requested.

Training

1. Attend the annual zone team training for zone-level Foundation volunteers, conducted by the regional Rotary Foundation coordinator.
2. Assist the RRFC in educating, motivating and training Rotarians about The Rotary Foundation grants, programs and giving opportunities at Rotary Institutes, regional seminars, presidents-elect training seminars, Foundation seminars, and other Rotary events as requested.
3. Assist the RRFC with regional seminars
5. Assist district leadership with Foundation seminars in assigned districts
6. Help organize district and multidistrict orientation seminars for Rotary scholars or vocational training teams, involving program alumni as appropriate.

Grants and Programs

1. Provide continued support of Rotary's top priority – a polio free world.
2. Work regionally as a Foundation resource to assigned districts concerning all grants and activities of The Rotary Foundation.
3. Monitor grant activity and promote stewardship in assigned districts and provide support to district leaders.
4. Encourage clubs and districts to remain involved with alumni.

Fundraising

1. Lead by example and make a personal contribution each year to the Annual Fund.
2. Educate Rotarians, alumni, and friends of Rotary on all giving opportunities including but not limited to the Annual Fund, PolioPlus, term gifts, Rotary's endowment and the Rotary Peace Centers.
3. Lead by example through a major gift, Bequest Society commitment, and/or Benefactor commitment according to his or her own financial capacity.
4. Encourage districts to develop and maintain strong fundraising committees to establish and exceed goals.
5. Assist the district leadership in promoting Every Rotarian Every Year and Rotary's recurring giving program, Rotary Direct.

6. Encourage continued personal contributions through the Every Rotarian, Every Year initiative and work with district leadership to achieve 100 percent club participation in Foundation giving each year.
7. Work with district leaders to appoint and train a Paul Harris Society coordinator to assist in the administration and promotion of those contributing US\$1,000 or more annually to The Rotary Foundation.
8. In collaboration with fund development staff, including Gift Officers where applicable, RRFCs, endowment/major gift advisers and district leadership, personally assist in identification, cultivation and solicitation of major gifts, with an emphasis on gifts of US\$25,000 or more.
9. Assist with the stewardship of major donors as requested.

5.120.3. Assistant Regional Rotary Foundation Coordinators Selection

5.120.3.1. Previous Experience

Assistant RRFCs should have shown success as

1. district governor, or
2. district Rotary Foundation committee chair, or
3. district Rotary Foundation subcommittee chair (PolioPlus, annual giving, major gifts, scholarships, GSE, grants, Rotary Centers, alumni).

In addition, assistant RRFCs shall not hold other significant ongoing RI or TRF appointments, including ~~nor serve as~~ the district Rotary Foundation committee chair for their home district.

5.120.3.2. Selection

1. RRFCs may recommend Rotarians with respective backgrounds to the trustee chairman-elect.
2. The trustee chairman-elect reviews the information and makes the selections.
3. The list of recommended Assistant RRFCs may be shared for final comment with the RRFC before the appointments are made.

5.120.3.3. Term of Appointment

Assistant RRFCs are appointed by the chair of The Rotary Foundation trustees in consultation with the RRFC, for a one-year term, renewable up to a maximum of three years.

5.120. Endowment/Major Gift Advisers

~~15.020.3.~~ 5.120.1 Endowment/Major Gift Advisers

Effective 1 July 2013, 41 endowment/major gift advisers shall be appointed for a three-year pilot period.

~~15.020.3.~~5.120.2. Purpose

The endowment/major gift adviser reports directly to the chair of The Rotary Foundation trustees, and assists with the identification, cultivation and solicitation of major gifts, including gifts to Rotary's endowment.

~~15.020.3.2.~~ 5.120.3 Functions

Endowment/major gift advisers serve as a key volunteer resource for all major gift and endowment matters in his or her region of responsibility. In general, endowment/major gift advisers assist districts in developing fundraising committees and identifying strategies for encouraging major and planned gifts.

~~15.020.3.3.~~ 5.120.4 Responsibilities

General

1. Lead by example and make a personal contribution each year to the Annual Fund.
2. Lead by example through a major gift or Bequest Society commitment to the Foundation according to his or her own financial capacity.

3. Reinforce to districts the importance of Rotary's endowment.
4. Educate Rotarians, alumni and friends of Rotary on major giving opportunities to The Rotary Foundation, with emphases on Rotary's endowment, PolioPlus, the Rotary Peace Centers and the areas of focus.
5. Complete regular progress reports as requested and forward them to the general secretary in a timely manner.

Training

1. Attend annually appropriate orientation and instruction for endowment/major gift advisers as scheduled.
2. Work with the chair of The Rotary Foundation trustees and the chair of the Fund Development Committee in training district leaders on major gifts, Rotary's endowment and Bequest Society commitments at Rotary Institutes, regional seminars, presidents-elect training seminars, Foundation seminars, and other Rotary events as requested.
3. Assist districts in establishing a structure for the identification and cultivation of potential endowment and major gift donors.
4. Where applicable, identify members of the Gift and Estate Planning Professionals group (CPA's, estate planning attorneys, financial advisers, etc.) within his or her assigned region, and provide opportunities for enhanced involvement in the districts' fundraising activities.

Fundraising

1. In collaboration with fund development staff, including gift officers where applicable, RRFCs and district leadership, develop personalized cultivation and solicitation plans for at least fifteen (15) prospective major gift donors each year.
2. Personally participate in or be productively involved with the solicitation of at least ten (10) major gifts each year, with an emphasis on gifts of US\$25,000 or more.
3. Work closely with the chair of The Rotary Foundation trustees, the chair of the Fund Development Committee, RRFCs and district leadership to plan cultivation events for Foundation supporters and prospective supporters, including the identification of potential guests who may be interested in making a major or planned gift.

15.020.3.4, 5.120.5 Number and Term of Appointment

There shall be 41 endowment/major gift advisers, appointed by the chair of The Rotary Foundation trustees in consultation with the chair of the Fund Development Committee and Fund Development staff. The term of appointment for each endowment/major gift adviser shall be for one-year, renewable up to a maximum of three years.

APPENDIX E

**PEACE FELLOWSHIPS FUNDING SCHEDULE
(Decision 20)**

Contribution (US\$)	Naming Opportunity	Description
\$1,500,000	Rotary Peace Fellows (every year)	Endows one Rotary Peace Fellow at a two-year Rotary Center every year
\$1,000,000	Rotary Peace Fellows (every two years)	Endows one Rotary Peace Fellow at a two-year Rotary Center every two years
\$750,000	Rotary Peace Fellow (every 3 years)	Endows one two-year Rotary Peace Fellow at a Rotary Peace Center every three years
\$500,000	Rotary Peace Fellow (every 4 years)	Endows one two-year Rotary Peace Fellow at a Rotary Peace Center every four years
\$250,000	Certificate Program Center Fellow	Endows a certificate program Fellow every year
\$25,000 and up	Rotary Peace Center General Support	Endows a fund bearing the donor's name and provides general support to the program

APPENDIX F

MODIFICATIONS TO ENDOWMENTS (Decision 22)

Endowments Modified by Donor or Donor's Representative

Endowment	Pre-modification spending designation	Post-modification spending designation	30 June 2013 Gift Value	30 June 2013 Market Value
Mabelle L. Fullerton Endowed Fund	District Simplified Grants	<i>SHARE</i>	\$300,000	\$395,836
Reid Jones Endowed Ambassadorial Scholarship	Academic-Year Ambassadorial Scholarship	Endowed Global Grants - Scholarships	\$517,378	\$634,000
Sung-Dae Ko Endowed Global Grant Scholarship	Academic-Year Ambassadorial Scholarship	Endowed Global Grants - Scholarships	\$354,400	\$382,493
Peter and Marion Seary Endowed Ambassadorial Scholarship	Academic-Year Ambassadorial Scholarship	Endowed Global Grants - Scholarships	\$250,000	\$278,222
William E. Skelton Endowed Ambassadorial Scholarship	Academic-Year Ambassadorial Scholarship	Endowed Global Grants - Scholarships	\$1,402,264	\$1,769,612
Hiroshi Yamada Endowed Ambassadorial Scholarship	Academic-Year Ambassadorial Scholarship	Endowed Global Grants - Scholarships	\$154,000	\$184,962

Endowments Modified by the General Secretary

Endowment	Pre-modification spending designation	Post-modification spending designation	30 June 2013 Gift Value	30 June 2013 Market Value
Salem A. Mashhour and Safinaz El Ashram Endowed Fund	Children's Fund	Endowed Global Grants -general support (maternal and child health)	\$32,500	\$34,956
Karl Muller Children's Endowed Fund	Matching Grants	Endowed Global Grants -humanitarian projects (maternal and child health)	\$245,454	\$319,906

APPENDIX J

CORPORATE ADVISORY COUNCIL ROLES AND RESPONSIBILITIES (Decision 36)

This planning document examines the strengths, weaknesses, opportunities, and threats Partnerships faces. The analysis and subsequent strategy takes into consideration that Partnerships is an integrated function of the larger Rotary International structure. The document then specifies planned activities over the next year. As Partnerships evolves and decisions on Packaged Grants are solidified, the strategic plan will be revisited and revised, and a more comprehensive, three to five year plan will be created.

Mission Statement

The mission of Partnerships is to build a collaborative network that connects Rotarians with diverse organizations and leaders, to secure resources that address critical local and global needs and help Rotary achieve financial sustainability.

Situation Analysis: Where We Are

Strengths

- Rotary has a global reach unparalleled to most non-profits, with engaged volunteer members around the world. This provides Partnerships with a competitive advantage to promote and foster new relationships.
- Rotary's extensive member volunteer network is an asset for building large-scale partnerships and to successfully execute accompanying projects that will contribute to stakeholders' goals.
- Rotary has an extensive portfolio of partner organizations that include the Bill and Melinda Gates Foundation, USAID, Aga Khan University, UNESCO-IHE Institute for Water Education, universities housing Rotary Peace Centers, among others.
- Rotary excels at nurturing diverse relationships and is therefore uniquely positioned to develop, build, cultivate, and steward a variety of partners.

Weaknesses

- Rotary's culture is to rely on Rotarians to lead and drive implementation of all aspects of projects and activities. Organizational culture change needs to be ready to share leadership with potential partners and see value in the learning that results from partnerships.
- Rotary's annual rotation of leadership poses a challenge to maintaining a long-term vision and strategy for partnerships. For a nascent department within the organization, Partnerships requires an incubation phase where its strategy has time to fully unfold, allowing the team to take a more proactive approach to building relationships that can become formal partnerships.
- Building relationships is resource intensive as they scale up from conversations to commitments. Partnerships has limited staff and funding resources, thus limiting the relationships, activities and projects that can be successfully achieved in one year. While Rotary has name recognition, the public is largely unaware of *what* the organization does. The public perception of Rotary does not accurately reflect the range, quality, and impact of Rotarian projects. Rotary is most commonly recognized in the development community for its work in polio eradication, but there is less awareness about activities in areas of focus.
- The development and implementation of Packaged Grants is resource intensive and their purpose and value to Rotary as either a fund development tool or a grant-making tool remains unclear.
- Partnerships has been focused on short-term deliverables during the Future Vision pilot and lacks a cohesive process across the organization that coordinates the activities of volunteers and staff in establishing relationships that have strategic long-term value to Rotary. Partnerships requires engaged, experienced, decisive leadership with clear priorities, focus, and realistic expectations that align with a multi-year plan.

Opportunities

- There are a multitude of initiatives currently underway which involve Partnerships. The area is well-positioned to leverage Rotarians and Rotary Senior Leaders to foster new relationships and expand Rotary's reach in the corporate and foundation arenas. The new grant structure, organizational vision, diversified avenues of

engagement with Rotarians and the world via social media, and thriving Rotarian Action Groups (such as WASRAG, RFHA and RAGM) will enhance the Partnerships team's efforts to collaborate with diverse stakeholders.

- The Area of Focus managers have analyzed the strengths and weaknesses of clubs and districts in each area of focus. The analysis provides a breakdown of how club and district activities align with the UN Millennium Development Goals and where they are focused geographically. This information will help Partnerships identify the project types that have the greatest potential for impact in each area with support from a partnership and provide a geographic emphasis that will help prioritize potential partnerships that are the best strategic fit for Rotary.
- On a daily basis, Rotary receives many requests to partner. With this demand is an opportunity to build innovative, impactful, and strategic partnerships in many different sectors and industries. Partnerships can capitalize on new trends and proactively seek out relationships that will inspire Rotarians and support their efforts at the local level.
- As a new area at Rotary, Partnerships has a clean slate with regard to developing a comprehensive strategy that leverages untapped potential and new revenue channels for the organization. Partnerships can assist in positioning Rotary to be a thought leader in innovative partnerships among our peers.

Threats

- Rotary is dependent primarily on contributions from Rotarians to support its activities, a significant decline in membership would result in a decline in charitable giving. Rotary needs to diversify its revenue streams outside of individual Rotarians to include funding from governments, NGO's, corporations and foundations if it is to achieve financial sustainability.
- Rotary is often perceived as a funding organization with its own asset base, is relatively unknown, and its value proposition to potential partners is often unclear. Rotary is often perceived as a funder of charitable activities as opposed to a charity seeking funding from other organizations. This perception poses a challenge to Partnerships' ability to create a compelling narrative for *why* organizations should partner with Rotary and more importantly provide funding for our activities.
- As a large member-based organization with a complex governance structure, there is a proclivity towards focusing inward. This can lead to groupthink, confirmation bias, and a lack of diversity in decision-making. It often does not take into consideration external stakeholders or the broader context and philanthropic environment. As a result, partnerships are often seen primarily as to how they benefit Rotary as opposed to how they could result in mutually beneficial outcomes for Rotary and the partner or impact in the area of focus.
- Cultivating new relationships and managing existing ones involves a great deal of dedicated time. In combination with high expectations for sponsorships, packaged grants, and other partners, Partnerships could potentially become stretched thin. Unsatisfied partners can be detrimental to Rotary's international reputation in the donor and development communities.

Stakeholder Needs Identified by the Partnerships Team

- **Alumni:** Expect communication, collaboration, and updates on successes and opportunities regarding Partnerships. They are a critical resource for Partnerships as we look to expand our base of corporations, foundations, and friends.

Alumni include: Peace Fellows and TRF alumni (scholars, fellows, VTT members, grant recipients, and program participants).

- **External partners:** Expect an unambiguous and specific case for support, with strong engagement, cultivation, solicitation, and transparent stewardship. They need to understand how their organizations align with Rotary's strategic priorities and how a positive impact can be created, measured, and leveraged. Partners expect high-quality relationship management in a collaborative environment.

External partners include: The Corporate Advisory Council, current and potential partners, high-profile service partners in NGOs, corporations and foundations, peer groups and universities, and governments and donors.

- **Internal staff:** Play an integral role in collaborating, engaging, and working with Partnerships. Partnerships is committed to fostering and facilitating a coordinated approach and developing clear communication channels to ensure success at every level of the organization.

Internal staff teams working with Partnerships include: General Managers and Directors, Fund Development, Area of Focus Managers, Polio, Grants, Programs, Legal, Finance, Membership, Strategy, and Communications/PR.

- **Rotarians:** Expect communication, collaboration, and updates on successes and opportunities regarding Partnerships. They desire not only regular information and engagement, but ask to be involved and participate in discussions with the Partnerships team.

Rotarians include: All members, including RAGs.

- **Rotary Committees:** Drive Rotary governance decision-making with their ability to bring together Rotary Senior Leaders and executive staff around a strategic topic or area of the organization.

Committees for Partnerships include: The Fund Development Committee, Programs Committee, RI/USAID Steering Committee, Rotary Peace Centers Committee, and the Membership Committee.

- **Rotary Senior leaders:** Expects Partnerships to manage its time and resources well to raise funds for Rotary, attract strategic and funding partners, and strengthen Rotary to corporations and foundations.

Rotary Senior leaders include: The Trustees and Board of Directors.

Goals: Where We're Going

In establishing goals for each type of partnership for the 2013-14 Rotary year, the following assumptions were made:

- Focus partnership resources primarily on the cultivation and growth of strategic partnerships, funding partnerships and sponsorships, while maintaining existing service and project partnerships.
- Secure partners that help diversify revenue streams for the organization to improve Rotary's financial sustainability.
- Secure partners that Rotarians will be excited to engage with, contributing to projected growth toward Rotary's membership and fundraising goals.
- Secure Rotary as a "hub" for collaboration and best practices on building multi-sector partnerships.

Below are specific Partnerships' goals *for the 2013-14 Rotary year*:

1. **Strategic Partners:** Partnerships will assess and recalibrate the current model of Packaged Grants to increase efficiency, funding, and impact. This will be accomplished by achieving the following goals:
 - Create a diverse portfolio of strategic partners within the six areas of focus based on an analysis of the Packaged Grant concept and Rotary's strengths in the area of focus for report to the Trustees in April 2014.
 - Transition the programmatic elements of Packaged Grants out of Partnerships to the Programs and Grants areas by 1 July 2014 to allow Partnerships to focus on attracting funding partners and relationship building rather than grant processing.
 - Bolster Rotary's image as a collaborative, innovative organization by partnering with strong stakeholders and participating in high visibility international events (including Clinton Global Initiative, Rotary Day at the White House, UN Day, World Economic Forum, and World Polio Day).
 - Create, define, and implement efficient evaluation, measurement, and stewardship processes that helps ensure a mutual sharing of funds and resources between Rotary and its partner organizations by April 2014.
 - Engage Rotary's alumni and Rotarian networks for engagement, support, and assistance in identifying strategic partnerships that add value to Rotary.
2. **Funding Partners:** Partnerships will cultivate new relationships with corporations and foundations that are aligned with Rotary's focus areas and priorities. This will be accomplished by achieving the following goals:
 - Create sustainable, mutually-beneficial, and well-designed relationships with a funding partner for each area of focus.

- Transition from a reactive to a proactive operational mode to secure impactful funding partners, focusing efforts on building relationships with high value potential partners as opposed to vetting large numbers of less valuable partners in each area of focus.
 - Develop a diverse Corporate Advisory Council, with its first meeting planned for fall 2014. [See Exhibit 1 for Roles and Responsibilities document.]
 - Integrate corporate cultivation events into highly visible annual Rotary programming.
 - Establish regular, value-added communication with partners through electronic and social media.
 - Provide high visibility for Rotary in the corporate and foundation arena where the organization is not well-known.
3. **Sponsorships:** Partnerships will raise US \$250,000 in sponsorships for the 2014 Sydney Convention. This will be accomplished by achieving the following goals:
- Generate new revenue through the development of a corporate prospect list and solicitation of each prospect, ideally securing multi-year Convention agreements.
 - Develop an attractive, compelling menu of sponsorship offerings.
 - Enhance the Convention program with sponsors that add value to the Rotarian experience.
 - Increase sponsor comfort level among Rotary's member base.
 - Raise Rotary's brand awareness via communications and marketing efforts tied to sponsorships.
4. **Team Development:** Partnerships will build the infrastructure to adequately fulfill the demands and expectations from its multitude of stakeholders and effectively execute the tactics needed to achieve Partnerships' goals. This will be accomplished by achieving the following goals:
- Establish clear, long-range focus, priorities, strategy, and reorganization of staff.
 - Educate all stakeholders on Partnerships' priorities, tactics, and strategy for building strong, sustainable relationships.
 - Maintain existing number of service and project partners during Partnerships' first year.
 - Evaluating the operational resources required to implement a multi-year partnerships strategy for consideration by the Trustees in April 2014.

Actions: How We'll Get There By June 30, 2014

Partnerships will achieve its goals *for the next year* by implementing the following tactics.

1. **Strategic Partners:** Partnerships will assess and recalibrate the current model of Packaged Grants to increase efficiency, funding, and impact. This will be accomplished through execution of the following tactics:
- Obtain feedback from the Trustees on the Packaged Grants structure and purpose at the Trustee Meeting in October 2013; conduct an evaluation of Packaged Grants as part of the Future Vision Committee's pilot evaluation for report to the Trustees in April 2014.
 - Secure Rotary champions to support our new strategic partner model.
 - Re-evaluate operational impact of managing Packaged Grants in Partnerships by April 2014.
 - Create a communication plan that generates positive press for both Rotary and its strategic partners while documenting and sharing success stories and mutual impact by December 2013.
 - Establish a strong monitoring and evaluation plan that evaluates the partner, the packaged grant, and impact by April 2014.
 - Cultivate a list of partners to target based on analysis of Area of Focus managers as to Rotary's strengths and alignment with Millennium Development Goals.
 - Seek opportunities to present the strategic partnership model at various events and share best practices.
2. **Funding Partners:** Partnerships will cultivate new relationships with corporations and foundations that are aligned with Rotary's focus areas and priorities. This will be accomplished through execution of the following tactics:
- Implement a process for tracking and reporting meetings and communication with potential and secured partners.

- In consultation with the Area of Focus managers, develop a case statement for each area of focus in order to solicit support for funding partners that clearly identifies the unique benefits to partnering with Rotary, as well as the ROI of an aligned relationship (by April 2014).
 - Identify Rotary champions to support partnership initiatives.
 - Secure at least three Rotary Senior Leader champions by the end of September 2013.
 - Establish a Corporate Advisory Council with approximately 20 members by 1 July 2014. The revenue target is approximately US \$500,000 annually.¹ The first meeting will be held in the fall of 2014.
 - Create a communication plan that generates positive press for both Rotary and its partners while documenting and sharing success stories for mutual impact.
 - Create a robust prospect research process and wealth management screening system to effectively identify and solicit high value partners.
 - Build a diverse partner network which attracts Fortune 500 companies to Rotary.
 - Conduct a survey of potential funding partners that will provide insight as to how Rotary is perceived as a partner to inform Rotary's approach to developing partner relationships and messaging about the unique benefits of partnering with Rotary.
3. **Sponsorships:** Partnerships will raise \$250,000 in sponsorships for the 2014 Sydney Convention. This will be accomplished through execution of the following tactics:
- Develop a sponsorship prospect list and begin solicitation in October 2013.
 - Invest time in networking and cultivating relationships with corporate Rotarians and secure feedback on prospect list for sponsorship.
 - Collect data to begin a corporate and foundation database for Partnerships by the end of October 2013.
 - Partnerships will research 50-100 organizations, cultivate relationships with 25-50, and solicit 25-50 by 1 June 2014.
 - Define a value proposition for *sponsors* that will be reflected in the menu of offerings and prices (end of September 2013).
 - Engage HOC staff and Rotarians in a collective understanding of sponsor "enhancements" to the Convention experience. Secure organizational buy-in that is essential for a successful sponsorship strategy and execution (ongoing).
 - Secure program speakers and execute events that will attract potential partners and sponsors, an added-value activity for all stakeholders (December 2013).
 - Design and execute a survey to potential partners and sponsors that asks about perception of Rotary as a funder versus fund recipient (September 2013).
 - Create a communication plan that generates positive press for both Rotary and its sponsors (ongoing).
 - Proactively participate in staff, HOC, and other Convention planning meetings to ensure sponsorship fits seamlessly within the larger event. This will ensure the Convention is well-positioned to accommodate and facilitate sponsorship in the future (ongoing).
4. **Team Development:** Partnerships will build the foundation to adequately fulfill the demands and expectations from its multitude of stakeholders and effectively execute the tactics needed to achieve Partnerships' goals. This will be accomplished through execution of the following tactics:
- Secure approval on Strategic Plan at the October 2013 Trustees Meeting.
 - Advocate for 1-year incubation period where Partnerships can operate, then develop a multi-year strategic plan that will be presented to the Trustees in April 2014.
 - Develop a comprehensive partnership Toolkit by April 2014 that defines criteria (for evaluation, impact, review, and feedback measurements). For each partner category, we will outline a strategic business process that can be tailored to the four types of partnerships, and identify guidelines and potential partner names.
 - Develop a Partnerships ListServ that can be utilized to share communications, updates, and best practices with stakeholders. This will increase Partnerships' reach to external audiences, as well as engage prospective funding partners and provide added visibility to working with Rotary. The first communication to this ListServ will be disseminated by December 2013.

¹ US \$500,000 annually is based on securing 20 members, each of which is required to make a gift of US \$25,000 per year.

Evaluation: How We'll Know We've Arrived

- Accomplish all the goals listed above and achieve the metrics and measures we have set for ourselves.
- At Trustee meetings, Partnerships will report on progress towards these goals to Rotary Senior Leadership. The necessary and appropriate adjustments to these goals and actions as circumstances warrant.
- Update the Trustees and Rotary Senior Leadership on the gifts and funding partners secured, as a crucial component of Partnerships' strategic plan.
- Organize staff to adequately respond to the stakeholders and the high expectations required of Partnerships, including the expansion of the base of partners from corporations and foundations.

Exhibits 1

Rotary Corporate Advisory Council Roles and Responsibilities

Rotary Partnerships is charged with creating, developing, and overseeing strategic partnerships for the organization, with a special emphasis on elevating Rotary International's engagement with the corporate and foundation sectors. The mission of the Rotary Corporate Advisory Council is to support, advance, communicate, and raise funds for the cultivation, solicitation, and stewardship of these high-impact strategic partnerships. Rotary International Partnerships values diversity and believes that engaging a diverse group of stakeholders is key for meaningful conversation and sound decision-making. The Corporate Advisory Council will reflect that dedication to diversity by building a council with members varying in industry, age, gender, nationality, and Rotarian membership status.

Corporate Advisory Council members are tasked with supporting Rotary Partnerships through advice, outreach efforts, fundraising, and advocacy. Council members are appointed to three-year, renewable terms, during which participation is expected in the following ways:

1. Attend two annual Corporate Advisory Council meetings.
2. Give an annual Partnerships gift of \$25,000² (*see below*).
3. Support Rotary's partnership cultivation efforts by providing introductions to prospective corporate collaborators (donations, sponsorships, and broader partner opportunities).
4. Advocate for and build awareness of Rotary International Partnerships within the global business community.
5. Analyze issues and offer counsel regarding Partnerships' corporate engagement strategy and fundraising goals, and respond with advice based on respective areas of expertise.

The Corporate Advisory Council is chaired by a Rotary Foundation Trustee, who will serve for a three-year period. Membership will be limited to 20 individuals, with annual renewal of membership required. Rotary Partnership administrators will provide administrative support to Council members as necessary.

Fundraising Requirement

In order to support its mission and programs, the Corporate Advisory Council asks that each member contribute either by raising funds or personal contributions, in addition to making strategic introductions to persons or companies that would prove beneficial to Rotary Partnerships. In addition, each Council member will be asked to suggest the name of at least one additional Council member for future membership.

² To be paid by corporation, foundation, or individual.

APPENDIX K

ROTARY FOUNDATION FUNDING MODEL POLICY (Decision 47)

Article 11. Funding Model Policy

- 11.010. Purpose
- 11.020. Definitions
- 11.030. Goals
- 11.040. Accounting for Funding Model Earnings
- 11.060. Use of Funding Model Earnings
- 11.070. Reporting and Monitoring
- 11.080. Review of Policy

11.010. Purpose

The purpose of the Funding Model Policy is to recognize the importance of adequate resources to pay for the Foundation's Operating Expenses and to identify the most appropriate process for obtaining those resources.

11.020. Definitions

Funding Model Earnings include Annual Fund investment earnings, Endowment Fund Spendable Earnings allocated to Operating Expenses, up to ten percent of contributions received from corporations, and other Earned Income transfers. Effective 1 July 2015, Funding Model Earnings also include five percent of Annual Fund contributions and five percent of Grant contributions.

Annual Fund investment earnings include dividends, interest, realized and unrealized gains~~losses~~ and currency gains, less investment fees, bank fees, losses, realized and unrealized losses and currency losses, recorded in the Annual Fund's Earned Income balance.

Grant contributions are funds received from Rotarians or other sources that are not invested for three years, but are used in support of a Rotary Global Grant.

Earned Income balance is the accumulation of Funding Model Earnings less Operating Expenses.

Operating Expenses are the Foundation's fund development and general administration expenses, excluding all PolioPlus activity.

11.030. Goals

Resources to support Operating Expenses should not be reliant on any single source.

The sources of Funding Model Earnings ~~should not require extensive computer programming to implement~~, should be easily communicated to Rotarians and simple to administer, should not include contributions to programs that are already paying fees to other service providers or providing a source of funds used to pay Operating Expenses, and should not deter giving.

11.040. Accounting for Funding Model Earnings

Funding Model Earnings will be included in the financial records as part of the Annual Fund's Earned Income balance. The Earned Income balance is part of the Annual Fund's investment portfolio.

11.050 Use of Funding Model Earnings

Funding Model Earnings are first used to pay for the current year's Operating Expenses. Additional uses of Funding Model Earnings are further described in the Operating Reserve Fund Policy.

11.060. Reporting and Monitoring

The Chief Financial Officer is responsible for assuring that the Funding Model Earnings are recorded properly and used only as described in this Policy. The CFO will provide regular reports to the Finance Committee on the Annual Fund, including Funding Model Earnings activities.

11.070. Review of Policy

The Policy will be reviewed at least once every three years, ~~at minimum~~, by the Finance Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Committee to the Board of Trustees.

APPENDIX L

AMENDMENTS TO THE ROTARY FOUNDATION CODE OF POLICIES REGARDING THE OPERATING AND PROGRAMS RESERVES (Decision 49)

Article 24. Operating and Programs Reserves

- 24.010. Purpose
- 24.020. Policy
- 24.030. Definition
- 24.040. PolioPlus Use

24.010. Purpose

The purpose of the Foundation's operating and programs reserve policy is to:

- provide adequate funds to support the Foundation's operating expenses in the event that current year investment earnings are inadequate
- provide funds to cover a decline in the value of Rotarians' contributions due to adverse market conditions
- ensure an adequate level of reserves, which will enable the Annual Fund to assume a reasonable level of risk to generate sufficient investment earnings to pay for fund development and general and administrative expenses.

24.020. Policy

The Foundation shall maintain an operating reserve fund equal to the sum of (1) budgeted operating expenses for the current year and (2) forecasted operating expenses for the next two fiscal years. Operating expenses are defined to include fund development and general administrative expenses, excluding PolioPlus expenses. The Foundation shall also maintain a Programs Reserve equal to 15 percent of the sum of contributions to the Annual Fund during the prior three fiscal years.

24.030. Definition

The Foundation Operating Reserve Fund is the corpus of the Annual Fund Operating Reserve Fund. The Foundation's Programs Reserve is the earned income balance of the Annual Fund's Programs Fund.

24.040. PolioPlus Use

The needs of the PolioPlus program shall be considered whenever additional funds can be reallocated from the operating reserve fund.

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* *Filed only with the official copy of
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