R O T A R Y I N T E R N A T I O N A L

MINUTES

of the

JUNE 2013 MEETING

of the

BOARD OF DIRECTORS

One Rotary Center Evanston, Illinois 60201-3698, USA

GENERAL OFFICERS
2012–13

President

Sakuji Tanaka (daily goods-wholesale.) One Rotary Center, 1560 Sherman Avenue, Evanston, IL 60201, USA (Rotary Club of Yashio, Japan)

President-elect

Ron D. Burton (univ. foundation) One Rotary Center, 1560 Sherman Avenue, Evanston, IL 60201, USA (Rotary Club of Norman, OK, USA)

Executive Committee Chair

Yash Pal Das (automobile retail) 122 Railway Rd., Ambala, Cantt., 133 001 Haryana, India (Rotary Club of Ambala, Cantt.)

Vice President

Kenneth M. Schuppert, Jr. (law - general practice) 201 Second Ave. S.E., Decatur, AL, 35601, USA (Rotary Club of Decatur)

Treasurer

Kenneth R. Boyd (real estate) 515 S. Boyd Dr., Kerman, CA 93630, USA (Rotary Club of Kerman)

General Secretary

John Hewko, One Rotary Center, 1560 Sherman Avenue, Evanston, IL 60201, USA

Other Directors

José Antonio Antiório (education) Al. Holanda 160, Alphaville I, 06474-320 Baraeri, S.P., Brazil (Rotary Club of Osasco, S.P.)

Ann-Britt Åsebol (admin. sec. educ.) Strandvågen 106, SE 791-43 Falun, Sweden (Rotary Club of Falun Kopparvågen)

John K. Best (financial planning) 604 Embury Road, Rochester, NY 14625, USA (Rotary Club of Penfield)

John B. Boag (law practice) P.O. Box 524, Tamworth, N.S.W., Australia 2340 (Rotary Club of Tamworth North)

Jacques di Costanzo (medicine specialist) 18 Impasse Quo Vadis, 13012 Marseille, France (Rotary Club of Marseille Chaîne de l'Etoile)

Allan O. Jagger (medal fab.) Springwood, 26 Hallenedge Rd., Elland, W. Yorks HX5 0QY, England (Rotary Club of Elland, W. Yorkshire)

Paul Knyff (veterinary science) Zuidereinde 156 E, 1243 KN S-Graveland, The Netherlands (Rotary Club of Weesp (Vechtstreek Noord))

Takeshi Matsumiya (oral surgery) 7-3 Midorigahama, Chigasaki, Kanagawa, Japan (Rotary Club of Chigasaki-Shonana)

Anne L. Matthews (education management) King's Grant, 31 Braddock Point, Columbia, SC 29209, USA (Rotary Club of Columbia East)

Shekhar Mehta (building construction) Skyline House, 145 Sarat Bose Rd., Calcutta, 700016 (Rotary Club of Calcutta, Mahanagar)

Ju-In Park (lawyer) 108-603 Hyundai Apt., Yongdang-dong, Suncheon Jeonranam 540-771, Korea (Rotary Club of Suncheon)

Gideon Peiper (architect) 16 Bustanai Street, IL-47224 Ramat-Hasharon, Israel (Rotary Club of Ramat-Hasharon)

Andy Smallwood (corporate law) 2130 Wimbleton Ct., Pearland, TX 77581 (Rotary Club of Gulfway-Hobby Airport (Houston))

Bryn Styles (pharmacy) 200 Collier St. #402, Barrie, ON, Canada L4M 1H7 (Rotary Club of Barrie Huronia)

Contents

183. Minutes of the January 2013 Board Meeting ... 1
184. Ratification of Decisions Made by the President ... 1
185. Ratification of Decisions Made by the General Secretary ... 1
186. Tentative Future Agenda ... 2
187. Decisions by Communication ... 2
188. Report of the President ... 2
189. Report of the General Secretary to the Board and to the Convention ... 2
190. Reelection of the General Secretary ... 2
191. Report of the Treasurer to the Board and to the Convention ... 3
192. Communications from the Trustees ... 3
193. Trustee Participation in the General Secretary's Annual Review ... 3
194. Petitions to the Board ... 3
195. Petition to the Board* ... 4
196. Updates to the Rotary Code of Policies ... 4
197. Executive Committee Selection Process* ... 4
198. Designation of Conveners and Sites for 2013–14 Director Nominating Committees ... 5
199. Timetable for Selection of Director from Zone 4* ... 5
200. Director-Nominee Training Plan ... 6
201. Interview Questions for 2015–16 RI Presidential Candidates ... 6
202. Nominating Committee for President Procedures ... 6
203. Strategic Planning Committee Report ... 7
204. Strategic Planning Committee Appointments in 2013–14 ... 7
205. Operations Review Committee Report ... 7
206. Election Review Committee Report ... 8
207. Regional Election Complaint Pilot Project Report ... 8
208. Amendment to Governor-nominee Selection Procedures in India Pilot Project ... 9
209. Litigation Concerning Election Disputes ... 9
210. Report on Comely Bank ... 9
211. RI Privacy Policy ... 10
212. RI Travel Policy ... 10
213. Information Technology Status Report ... 11
214. Status of Litigation ... 11

2013 Council on Legislation Proposed Enactments and Resolutions Referred to the Board (215–222)

215. Proposed Enactment 13-41: To Allow Certain Former Scholars to be Active Members ... 11
216. Proposed Enactments 13-63 and 13-65: To Add a Fifth Part to the Object of Rotary Involving Youth Services ... 11
217. Resolution 3-153: To Consider Proposing Legislation to the Next Council on Legislation to Introduce a New Category of Membership: Associate Membership ... 12
218. Resolution 13-157: To Encourage the Adoption of the Second Object of Rotary as a Guiding Principle for Vocational Service ... 12
219. Resolution 13-166: To Consider Adding Peace and Conflict Resolution Activities to the Areas of International Service ... 12
220. Resolution 13-167: To Establish RI New Generations Service Day ... 12
221. Resolutions 13-182 and 13-183: To Consider Changes to the Eligibility Guidelines for Foundation Awards ... 13
222. Withdrawn Resolutions 13-196 and 13-198: To Consider Proposing Legislation to the Next COL to Change the Structure and Operation of the Council to Improve Efficiencies and Effectiveness ... 13

New Generations Committee Report (223–225)

223. Business Internship Exchange ... 13
224. New Generations Service Exchange ... 14
225. New Program for Children under Age 12 ... 14

226. Rotarian Action Groups Committee Report ... 14
227. Partnership with Thunderbird School of Global Management ... 14
228. RI/USAID International H_2O Collaboration Phase 2 Plan ... 15

229. Formation of a Rotary South Asia Committee 15
230. Lisbon Peace Declaration* 15
231. 2014 RI (Sydney) Convention Budget* 15
232. 2014 RI (Sydney) Convention Promotion Committee Report 16
233. Request for Convention Reserve Fund for the 2014 RI (Sydney) Convention. 16
234. Sergeant-at-Arms Committee Report 16
235. Software Implementation for Events Management 16
236. Districting Committee Report 17
237. Update on Extension Activities in China 17
238. Update on Regional Membership Plans 18
239. Transition Plan for Meeting Frequency Pilot Clubs 18
240. Rotary Club of Union City 18
241. Communications Committee Report 18
242. Committee to Strengthen Rotary's Brand Report 19
243. Funding Model and Projected Costs for 2015 Expo Milano Host Organization 19

Finance Committee Report (244–249)

244. Adoption of 2013–14 Budget 19
245. Five-Year Financial Forecast 20
246. Term of Appointment of Fiscal Agents 20
247. RI Employee Retirement Plan Options Study 20
248. Club Dues and Reinstatement Cycle 21
249. General Fund Investment Policy 21

250. Additional Funds for 2012–13 Matching Grants 21

Audit Committee Report (251–253)

251. Extension of Agreement with Grant Thornton 22
252. Composition of RI Audit Committee 22
253. Risk Advisory Committee Participation 22

254. Director Allocation Equity Committee Report 22
255. New Member Administrative Fee 22
256. Indian Service Tax 22
257. Compensation Paid to "Disqualified Persons" 22
258. Amendment of Executive Committee Terms of Reference 23
259. Modifications to the Budget in 2012–13 and 2013–14 23

Appendices

A. Ratification of Decisions Made by the President (Decision 184) 25
B. Ratification of Decisions Made by the General Secretary (Decision 185) 27
C. Executive Committee Terms of Reference (Decision 193) 35
D.* Updates to the Rotary Code of Policies (Decision 196)
E.* Comely Bank Fundraising Option (Decision 210)
F. RI Travel Policy Class of Service (Decision 212) 36
G. Rotary South Asian Conference on Development and Cooperation (Decision 229) 37
H.* 2015 RI (Sydney) Convention Budget (Decision 231)
I.* Amendments to Sergeants-at-Arms Manuals (Decision 234)
J.* Digital and Small Space Signature Lock-up (Decision 242)
K.* Approved Use of General Surplus Fund (Decision 244)
L. Amendments to the Rotary Code of Policies Regarding Clubs in Arrears (Decision 248) 39

* *Filed only with the official copy of these minutes.*

MINUTES

of the

JUNE 2013

Rotary International Board of Directors Meeting

The Rotary International Board of Directors held its fourth meeting of the year on 17–21 June 2013 in Cascais, Portugal.

* * * * * *

Present were: President Sakuji Tanaka, President-elect Ron D. Burton, Vice President Kenneth M. Schuppert Jr., Treasurer Kenneth R. Boyd, Executive Committee Chairman Yash Pal Das, other directors, José Antonio Antiório, Ann-Britt Åsebol, John K. Best, John B. Boag, Jacques Di Constanzo, Allan O. Jagger, Paul Knyff, Takeshi Matsumiya, Anne L. Matthews, Shekhar Mehta, Juin Park, Gideon Peiper, Andy Smallwood, Bryn Styles, and General Secretary John Hewko. Michael K. McGovern attended as Trustee liaison.

At the Board's invitation, also present were President-nominee Gary C. K. Huang and Directors-elect Celia Elena Cruz de Giay, Mary Beth Growney Selene, Holger Knaack, Seiji Kita, Larry A. Lunsford, P. T. Prabhakar, Steven A. Snyder, and Michael F. Webb.

Alice Baehler served as secretary of the meeting with assistance from Laura Tell and Matt Hohmann. Other staff present were David Alexander, Michele Berg, Lori Carlson, Pat Groenewold, Paul Hydzik, Bernadette Knight, Peter Markos, Andrew McDonald, Michele Moiron, John Osterlund, and Steve Routburg. Nobuko Andrews, Taka Hoshino, Sandra LeBlanc, Legia de Matos Lima, and Eiko Terao served as staff interpreters.

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

* * * * * *

Note: decisions marked with an asterisk (*) indicate a decision taken at a special April session of the Board just before the Council on Legislation.

183. Minutes of the January 2013 Board Meeting

Statement: The general secretary distributed the January 2013 Board meeting minutes to each director.

DECISION: The Board approves the minutes of the January 2013 Board meeting as distributed.

184. Ratification of Decisions Made by the President

Statement: As authorized, President Tanaka took decisions on behalf of the Board during the period 7 December 2012 through 19 April 2013.

DECISION: The Board ratifies the decisions shown in Appendix A made on behalf of the Board by President Tanaka during the period 7 December 2012 through 19 April 2013.

185. Ratification of Decisions Made by the General Secretary

Statement: As authorized, the general secretary took several decisions on behalf of the Board during the period 7 December 2012 through 19 April 2013.

DECISION: The Board ratifies the decisions shown in Appendix B made by the general secretary on behalf of the Board during the period 7 December 2012 through 19 April 2013.

186. Tentative Future Agenda

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

DECISION: The Board receives the tentative agenda for its "July" 2013 meeting.

187. Decisions by Communication

Statement: Since its last meeting, the Board took three decisions by communication.

DECISION: The Board notes that it made three decisions by communication since its January 2013 meeting:

Ballot 2: The Board, in accordance with RI Bylaws section 5.080.1., unanimously elects Past Governor John K. Best to serve the unexpired term of Director Elizabeth S. Demaray, effective immediately.

Ballot 3: The Board places the country of Myanmar within District 3350 and revises the district boundary description as follows:

> **District 3350**
> VIETNAM, CAMBODIA, MYANMAR AND THAILAND—that portion that borders with Uthaithani, Nakorn Sawan and Phetchabun provinces to the north; with Lopburi, Saraburi, Nakorn Nayok provinces to the east; with Bangkok and Nonburi provinces to the south; and with Pranakorn Sri-Ayuthaya, Angthong, Singburi, and Chainat provinces to the west.

Ballot 4: The Board

1. reorganizes the clubs in Districts 4300, 4450, and 4460 (Peru) into two districts, to be known as Districts 4455 and 4465, effective 1 July 2013, as follows:

> **District 4455**
> PERU—Southern part, the regions of Apurimac, Arequipa, Ayacucho, Cuzco, Huancavelica, Ica, Madre de Dios, Moquegua, Puno, Tacna, and the part of the Lima region that includes the provinces of Huarochiri, Yauyos, Cañete, and Lima;
>
> **District 4465**
> PERU—Northern part, the regions of Amazonas, Ancash, Cajamarca, Huánuco, Junín, La Libertad, Lambayeque, Loreto, Pasco, Piura, San Martín, Tumbes, Ucayali, the Constitutional Province of Callao, and the part of the Lima region that includes the provinces of Barranca, Cajatambo, Huaura, Oyón, Huaral, and Canta;

2. amends accordingly point 1 of its decision 120, October 2012.

188. Report of the President

Statement: President Tanaka reported on his activities, accomplishments, and concerns since the January 2013 Board meeting.

DECISION: The Board thanks President Tanaka for his report.

189. Report of the General Secretary to the Board and to the Convention

Statement: The general secretary reported on the work at the Secretariat since the Board's January 2013 meeting. In accordance with the RI Bylaws, he also presented a report to the 2013 RI (Lisbon) Convention.

DECISION: The Board thanks the general secretary for his report concerning the work at the Secretariat since the January 2013 Board meeting and approves the convention report for submission to the 2013 RI (Lisbon) Convention.

190. Reelection of the General Secretary

Statement: Under current Board policy, the general secretary is to notify the Board's Executive Committee one year before the expiration of his employment contract as the RI general secretary whether he wishes to renew the contract. As General Secretary Hewko's contract expires on 30 June 2014, he notified the Executive Committee that he wished to renew the contract. The Board considered this request at this meeting.

DECISION: The Board, in accordance with RI Bylaws section 6.030., reelects John Hewko as the general secretary of Rotary International for an additional three-year term, beginning 1 July 2014, subject to the successful negotiation of a contract between the general secretary and the Executive Committee.

191. Report of the Treasurer to the Board and to the Convention

Statement: Rotary Code of Policies section 29.040.6. requires the RI treasurer to report on the status of RI finances at each Board meeting. The RI Bylaws require the treasurer to make a report to the annual convention.

DECISION: The Board thanks Treasurer Boyd for the text of his report to the 2013 RI (Lisbon) Convention, which is presented in fulfillment of RI Bylaws section 6.140.4., and expresses its sincere appreciation to Director Boyd for his service as RI treasurer.

192. Communications from the Trustees

Statement: At their April 2013 meeting, the Rotary Foundation Trustees took several decisions of interest to the Board.

DECISION: The Board

1. notes the following decisions from the April 2013 Trustees meeting:

    93. Communications from the RI Directors
    102. Report of Subcommittee to Study TRF Committee Structure
    103. Possible Future Strategic Priorities for the Trustees
    112. Strategic Partnerships and Packaged Grants
    119. Endowment/Major Gifts Advisers Training
    121. Rotary Peace Centers Major Gifts Initiative Goal
    126. RI/USAID International H_20 Collaboration Phase 2 Plan
    127. Supplemental Agreement with the Bill & Melinda Gates Foundation
    140. Budget for 2013–14 Contributions and Program Awards

2. requests President-elect Burton to appoint three Rotarians, including one director and one trustee, to serve on the RI/USAID Steering Committee.

193. Trustee Participation in the General Secretary's Annual Review

Statement: In decision 44, October 2012, the Board confirmed that the annual review of the general secretary would be done by the Board's Executive Committee. According to the Rotary Code of Polices, the Executive Committee shall annually meet with the general secretary to review proposed key performance indicators for the succeeding year. The Trustees requested participation in this process.

DECISION: The Board amends Rotary Code of Policies section 30.060.5. as shown in Appendix C so as to include trustees in the annual process of developing the general secretary's key performance indicators that relate to the Foundation and of evaluating the progress in achieving those goals.

194. Petitions to the Board

Statement: The Board considered fourteen petitions from Rotary clubs and districts:

- from the Rotary Club of Bangalore North West, Karnataka, India, requesting the Board to establish a fixed exchange rate semi-annually;

- from the Rotary Club of Bangalore West, Karnataka, India, requesting the Board to mandate public image seminars at the district level;

- from the Rotary Club of Bangalore Peenya, Karnataka, India, requesting the Board to make the word "Rotary" more distinct in the Rotary wheel;

- from the Rotary Club of Woodbridge, IL, USA , requesting the Board to consider various issues regarding leadership opportunities for women in Rotary;

- from the Rotary Club of Southold, New York, USA, requesting the Board to include the RI Bylaw's antidiscrimination policy in the Rotary club bylaws and in Rotary club constitutions;

- from the Rotary Club of Once, Bs. As., Argentina, requesting the Board to designate 20 July as Rotary Friendship Day;

- from the Rotary Club of Princess Anne at Town Center, VA, USA, requesting the Board to expand use of the Four Way Test;

- from the Rotary Club of Mount Clemens, MI, USA, envisioning a new television network featuring service organizations and highlighting countries, cultures, and communities around the world;

- from the Rotary Club of Mount Clemens, MI, USA, requesting the Board to consider adopting an

updated and retitled Code of Conduct called "Our Rotary Values";

- from District 4815 (Argentina), requesting the Board to reverse its January 2013 decision 167, point 8 pertaining to the change of boundaries for District 4815;

- from the Rotary Club of Coimbatore Metropolis, Tamil Nadu, India, requesting the Board to consider several changes to the Council on Legislation;

- from the Rotary Club of San Juan Capital, Argentina, requesting the Board to consider reinstating a vision statement for RI;

- from District 7850 (Canada), requesting the Board to conduct a pilot program for membership growth;

- from the Rotary Club of Eshowe, South Africa, requesting the Board to reconsider its decision 104, January 2013, regarding an RI Convention in South Africa in 2019.

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

195. Petition to the Board*

Statement: At its pre Council on Legislation session, the Board considered a petition from District 2450, requesting the Board to intervene to change the site of the 2013 Rotary Institute for Zones 14, 19, and 20.

DECISION: The Board requests the general secretary to follow-through on the petition received at this meeting in accordance with discussion at this meeting.

196. Updates to the Rotary Code of Policies

Statement: Board policy requires the general secretary at the conclusion of each Board meeting to review the decisions taken by the Board at that meeting and prepare a report listing the decisions that might be added to the Rotary Code of Policies. The general secretary provided suggested amendments to the Code based upon decisions the Board took at its January 2013 meeting.

Rotary Code of Polices section 49.060. states that any section or subsection of the Code that is more than 30 years old, and has not been subsequently amended, shall be automatically rescinded effective 1 July of the applicable year, unless formally retained by specific Board action. Since the Board had reviewed affected sections of the Code adopted before 1983 at its previous meeting, it considered Code sections adopted during 1983 at this meeting.

DECISION: The Board

1. to record the decisions taken at its January 2013 meeting and previously, amends the Rotary Code of Policies as shown in Appendix D, filed only with the official copy of these minutes;

2. agrees to retain the sections of the Rotary Code of Policies adopted in 1983 as currently written and as shown in Appendix D, filed only with the official copy of these minutes;

3. to record changes made to RI's constitutional documents at the 2013 Council on Legislation, amends the Rotary Code of Policies as shown in Appendix D, filed only with the official copy of these minutes.

197. Executive Committee Selection Process*

Statement: The Board's Executive Committee comprises the president, president-elect, vice president, treasurer, and up to three additional members. Rotary Code of Policies section 30.060.2. has provided that the Board elect these additional members at its first meeting using a secret ballot system. In the interest of knowing earlier who will be serving on the Executive Committee, the Board considered delegating authority to the president-elect to appoint the committee's additional members.

DECISION: The Board, in accordance with RI Bylaws section 5.070.,

1. agrees to appoint an Executive Committee on an annual basis and delegates authority to the president to appoint the members of the Executive Committee and its chairman, such membership to include the president, president-elect, vice-president, and treasurer;

2. rescinds Rotary Code of Policies section 30.060.2. regarding the selection process for the Executive Committee;

3. notes that 2013–14 President Burton intends to appoint Gary C. K. Huang, Anne L. Matthews, Andy Smallwood, Ann-Britt Åsebol, John B. Boag, and Jacques di Costanzo as members of the Executive Committee, with Ann-Britt Åsebol to serve as chairman. The 2013–14 president will also serve on the committee;

4. notes further that 2013–14 President Burton intends to appoint Gary C. K. Huang, Anne L. Matthews, Andy Smallwood, and Ann-Britt Åsebol to serve during 2013–14 on the Joint Committee of RI Directors and Foundation Trustees. The 2013–14 president will also serve on the committee.

198. Designation of Conveners and Sites for 2013–14 Director Nominating Committees

Statement: During 2013–14, Zones 4, 6B, 10B, 13, 22, 26, 29, and 30 selected director nominating committees that must meet between 15 and 30 September 2013. RI Bylaws section 12.020.12. requires the Board to designate a convener from the members of each nominating committee no later than 15 June in the year preceding the year in which a director and alternate are to be nominated, and to designate the location of each nominating committee meeting. The Board had earlier authorized Zone 4 to hold its committee meeting at an earlier date

DECISION: The Board

1. designates the following conveners, dates, and cities for the meeting of nominating committees for RI director to function during 2013–14, to be elected at the 2014 RI (Sydney) Convention as follows:

   Zone 4:
   Convener: Ranjit Bhatia
   Date: 1–15 August 2013 (per Board decision 199)
   City: Karnal, Haryana, India

   Zone 6B:
   Convener: Edward Sung Burongoh
   Date: 15–30 September 2013
   City: Kuala Lumpur, Malaysia

   Zone 10B:
   Convener: Yen Shen Hsieh
   Date: 15–30 September 2013
   City: Taipei, Taiwan

   Zone 13:
   Convener: Nicolaas de Boer
   Date: 15–30 September 2013
   City: Madrid, Spain

   Zone 22:
   Convener: Lezio Pires Da Luz
   Date: 15–30 September 2013
   City: São Paulo, Brazil

   Zone 26:
   Convener: Ronald Sekkel
   Date: 15 September–13 October 2013
   City: Anaheim, CA, USA

   Zone 29:
   Convener: John Hall
   Date: 15 September–13 October 2013
   City: Pittsburgh, PA, USA

   Zone 30:
   Convener: Jerry Fox
   Date: 15–30 September 2013
   City: Lexington, KY, USA

2. authorizes the general secretary, for good reason and in consultation with the director from that zone, to fill any convener vacancy;

3. authorizes the general secretary, for good reason and in consultation with the director from the zone, to change any of the meeting places listed above, if so requested by a convener;

4. encourages conveners to schedule their committee meetings at the time most convenient for the majority of the committee members.

199. Timetable for Selection of Director from Zone 4*

Statement: Due to the timing of the Zone 4 Rotary Institute in 2012–13, and to avert possible campaigning for the office of RI director at this institute, Director Das recommended the zone's timetable for the selection of director be altered to allow for the Nominating Committee to meet and select a director-nominee before the institute is held.

DECISION: The Board

1. pursuant to its authority in RI Bylaws section 12.030.10. to alter dates for the director-nominee selection procedures where exceptional circum-

stances exist, agrees on a one-time exception basis to the following timetable for the 2013–14 selection of the RI director-nominee from Zone 4:

	RI Bylaws Deadline	2013–14 Deadline
Deadline for receipt of all nominating committee members:	1 June	15 May
Official Suggestion Form mailed:	1 July	1 June
Deadline for submission of Suggestions Forms:	1 September	26 July
Nominating Committee meets:	15–30 September	1–15 August

(all subsequent deadlines remain unchanged)

2. delegates authority to the president, acting on behalf of the Board and upon the recommendation of the current director from the zone, to designate the nominating committee convener and the place for its meeting immediately following the 15 May deadline for submission of committee members;

3. requests the general secretary to immediately inform all clubs in Zone 4 of this timetable for the 2013–14 director-nominee selection process.

200. Director-Nominee Training Plan

Statement: In decision 152, January 2013, the Board agreed to establish training for directors-nominee, to be scheduled in the second half of their year as directors-nominee, and requested the general secretary to plan this annual training, which would be in addition to the annual director-elect orientation, for review at this meeting. The general secretary presented a budget and plan outlining the purpose, time, and location of the training, plus recommended trainers, participants, and topics for the event.

DECISION: The Board

1. reaffirms decision 152, January 2013, to establish training for directors-nominee during the second half of their year as directors-nominee;

2. thanks the general secretary for the plan for this annual training, which will be held on a pilot basis at the 2015 (São Paulo) Convention;

3. invites 2014–15 directors-nominee to attend the training at their own expense;

4. requests the general secretary to budget approximately US$5,000 for this training beginning in 2014–15.

201. Interview Questions for 2015–16 RI Presidential Candidates

Statement: In decision 122, January 2011, the Board agreed to develop three to five questions annually that candidates for RI president will be asked to answer in writing.

DECISION: The Board

1. agrees that candidates for the office of RI president in 2015–16 shall be asked to answer the following four questions in writing:

    1. How do you plan to address membership opportunities in light of the regional membership plans?

    2. How do you plan to raise awareness of our Rotary Foundation?

    3. How do you plan to enhance and promote Rotary's public image in our clubs, districts, communities, and worldwide?

    4. How do you plan to promote Rotary's core values to Rotarians and the general public?

2. requests the general secretary to send these questions to those Rotarians who submit their names for consideration by the Nominating Committee for RI President and to share the responses with the committee at the time of its meeting.

202. Nominating Committee for President Procedures

Statement: To limit the amount of candidate material the Nominating Committee for RI President must review, Vice President Schuppert recommended amending the procedural guidelines for candidates for RI president.

DECISION: The Board amends Rotary Code of Policies section 27.010.2. as follows:

27.010.2. Procedures for the Functioning of the Nominating Committee for President
The RI board has adopted procedures for the functioning of the Nominating Committee for RI president as follows:

[text omitted]

Preparation for the Committee Meeting

[text omitted]

4. Candidates for RI president shall be asked to submit a statement not to exceed 300 words outlining their vision and goals for Rotary. Additional words will be stricken and disregarded.

5. Candidates shall be invited to submit a DVD of no more than five minutes in which they explain their vision and goals for Rotary. A candidate who does not submit a DVD shall not be disqualified or disregarded. DVDs longer than five minutes will not be transmitted to the committee.

[text omitted]

9. The assigned staff person shall prepare a packet for each committee member containing the following:

   a) an informational letter from the general secretary pertaining to procedures of the committee meeting
   b) a copy of the "Procedures for the Functioning of the Nominating Committee for President"
   c) a copy of RI bylaws Article 11
   d) an alphabetical list of candidates for the office of president
   e) a copy of the DVDs submitted by candidates explaining their vision and goals
   f) one set of each of the following for each candidate
      1) a copy of a current photograph submitted by the candidate
      2) a copy of the submission form from the candidate containing a one-page background statement
      3) a copy of written answers to inter-view questions developed by the RI Board
      4) a copy of the written statement of vision and goals for Rotary
      5) a chronological list of RI committees on which the candidate has served
      6) a copy of the general biographical data on record in the secretariat

   These materials shall be delivered by the general secretary the ~~night~~ day before the meeting.

   [text omitted]

203. Strategic Planning Committee Report

Statement: The Strategic Planning Committee met on 29–30 April 2013 in Evanston, IL, USA to discuss matters of strategic importance to RI. In decision 55, October 2012, the Board requested the committee to review the Strategic Plan's current "core values" for recommendation at this meeting.

DECISION: The Board thanks the Strategic Planning Committee for its report.

204. Strategic Planning Committee Appointments in 2013–14

Statement: The Board considered a letter from past RI Director Tom Thorfinnson and Past Governor Hugh Gregory that questioned President-elect Burton's appointments to the 2013–14 Strategic Planning Committee.

DECISION: The Board, having reviewed the letter sent from Past RI Director Tom Thorfinnson and Past Governor Hugh Gregory to the RI president concerning future appointments to the RI Strategic Planning Committee, notes that all committee appointments for 2013–14 will be reviewed by the Board at its first meeting of that year. Additionally, the Board finds that the RI president and/or president-elect are authorized to make appointments and replace committee members when deemed appropriate and in the best interest of Rotary, in accordance with the RI Bylaws.

Note: Director Jagger requested that his negative vote be recorded.

205. Operations Review Committee Report

Statement: The Operations Review Committee met on 13–14 May 2013 in Evanston, IL, USA. Chairman Robert Stuart Jr. provided the committee's report for Board review.

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

206. Election Review Committee Report

Statement: The general secretary received three election complaints since the Board's January 2013 meeting. In accordance with Board policy, the Election Review Committee reviewed these complaints and made its recommendations to the Board.

DECISION: The Board

1. receives the complaint of the Rotary Club of Birlanagar, Mad. Pr., India, concerning the election of the 2013–14 governor of District 3053 and

    a. confirms the findings and recommendations of the zone-level election review panel and commends them on their work;

    b. dismisses the complaint of the Rotary Club of Birlanagar;

2. receives the complaint of the Rotary Club of Seongnam-Moran, Gyeonggi, Korea, concerning the election of the 2014–15 governor of District 3600 and

    a. admonishes Rotarian Chang-Kil Chung for visiting some members of the district nominating committee in advance of the committee meeting and notes that this is a violation of RI Bylaws section 10.060;

    b. finds that the ballot prepared by 2012–13 Governor Jin-Ah Kim violated RI Bylaws section 13.040. by not stating that Rotarian Kee-Bong Kim was the choice of the district nominating committee;

    c. on the basis of point b., voids the selection of Rotarian Chang-Kil Chung and requests the 2013–14 governor to conduct a new ballot between Rotarians Chung and Kim that conforms with RI Bylaws section 13.040.;

3. receives the complaint of the Rotary Club of Cheongju (District 3740) concerning the election of the 2013–15 director from Zone 9 and

    a. does not find that satisfactory evidence has been presented that supports the allegations that ballots with over 400 votes were stolen from RI World Headquarters or that some of the ballots were altered and the results of the vote manipulated;

    b. dismisses the complaint of the Rotary Club of Cheongju;

    c. elects Past Governor Sangkoo Yun as the 2013–15 director from Zone 9;

4. notes that since the last Board meeting, the regional election complaint panel for Zones 4, 5, and 6A has reviewed and dismissed complaints from Districts 3110 and 3230 concerning the election of their 2014–15 governors;

5. thanks Chairman Mike Pinson, Vice-Chairman David R. Oliver, and the other members of the 2012–13 Election Review Committee for their work during the year.

Note: Director Park requested that his negative vote on point 3 be recorded.

207. Regional Election Complaint Pilot Project Report

Statement: To reduce the number of election complaints from Zones 4, 5, and 6A, and to reduce the amount of time the Board spends reviewing complaints, the Board, in decision 126, January 2010, adopted a three-year regional election complaint pilot project beginning on 1 July 2010. Noting the success of this pilot project, Directors Das and Mehta recommended the Board extend the pilot.

DECISION: The Board

1. thanks Directors Das and Mehta for the update on the regional election complaint pilot project in Zones 4, 5, and 6A;

2. notes that the creation of zone-level election complaint review panels has significantly reduced the number of election complaints and the time the Board spends in reviewing election complaints from these zones;

3. extends this pilot project for three years, until 30 June 2016.

208. Amendment to Governor-nominee Selection Procedures in India Pilot Project

Statement: In decision 260, May 2012, the Board adopted a Governor-nominee Selection Procedures in India pilot project, with the aim of reducing the number of election disputes in Zone 4, 5, and 6A. Director Das recommended an amendment to this pilot project.

DECISION: The Board amends point 6 of the Governor-nominee Selection Procedures in India Pilot Project to provide that the president may, in consultation with the director from the zone, act on behalf of the Board to approve applications from districts seeking to be exempted from the pilot project.

209. Litigation Concerning Election Disputes

Statement: Since initiating the Governor-nominee Selection Procedures in India pilot project in May 2012, there have been five lawsuits against RI contesting governor elections. Directors Das and Mehta noted that four of the Rotary clubs filing these lawsuits did not complete election review procedures as detailed in the RI Bylaws, which provide that candidates or clubs that fail to follow and complete the election review procedures before filing a lawsuit shall be disqualified from the election in question. Effective 1 July 2013, the Bylaws will also provide that such litigants will further be disqualified from contesting any future elective office in RI for a period determined by the Board, and that the Board may deem a club that fails to follow and complete the election review process as "failing to function." An additional lawsuit from two members of a Rotary Club in District 3211 (India) challenged the legitimacy of the pilot project itself.

DECISION: The Board

1. recognizes that the following clubs have violated RI Bylaws by failing to follow and complete RI's election review procedures before filing lawsuits against RI in connection with election complaint allegations:

   The Rotary Club of Amritsar Central
   The Rotary Club of Kanpur
   The Rotary Club of Birla Nagar
   The Rotary Club of Karette;

2. requests the general secretary to notify each of the foregoing clubs that unless they withdraw or dismiss their litigation against all defendants within 15 business days, the Rotarian candidate on whose behalf the litigation was initiated will be disqualified from the election in question and from contesting any elected office of RI for five years and the club will be deemed as failing to function and will be deemed terminated by the Board immediately upon the expiration of such 15 day period;

3. requests the general secretary to notify the Rotary club of Quilon that two of its members have initiated and are maintaining litigation against RI and to urge the club to persuade its members to withdraw or dismiss their litigation against all defendants;

4. authorizes the general secretary, consistent with the RI Bylaws to,

   a. disqualify from election to office any Rotarian candidate on whose behalf a Rotarian or club takes legal action in a manner inconsistent with the requirements of RI Bylaws section 10.070.5.;

   b. deem as failing to function and deem to be terminated by the Board any club that takes legal action in a manner inconsistent with the requirements of such section of the RI Bylaws.

210. Report on Comely Bank

Statement: Comely Bank is the former home of Rotary International founder Paul Harris. In decision 263, May 2012, the Board agreed that Comely Bank is of great historical importance to RI and requested the general secretary to consider options for preserving the home, which had fallen into disrepair. In decision 42, October 2012, the Board agreed to provide US$50,000 to the Paul and Jean Harris Home Foundation (PJHHF) to develop a detailed business plan to restore Comely Bank and requested the president to appoint a three-member committee to evaluate the plan. The Board authorized this committee (comprising Vice President Schuppert, Director Das, and the deputy general secretary) to enter into a loan agreement of up to $500,000 with PJHHF for interior reconstruction of Comely Bank and requested a report at this meeting.

DECISION: The Board

1. receives the report from the three-person committee appointed by the president to evaluate the business plan submitted by the Paul and Jean Harris Home Foundation (PJHHF);

2. recognizes that the successful execution of the business plan is dependent on fundraising and therefore requests the Trustees to consider taking a decision that would:

   a) endorse the Board's decision to support the efforts of the PJHHF's plan to preserve Rotary's history by restoring the Paul Harris Home site;
   b) request the general secretary to allocate fund development resources including the utilization of temporary staff, if necessary, to support a three year fundraising campaign to raise US$5 million for PJHHF's restoration project, which could be extended by the Trustees;
   c) agree to offer Foundation recognition points for all restricted contributions of US$5,000 or more received for this campaign;
   d) agree to include the PJHHF as an option for districts to donate unallocated District Designated Funds;
   e) be consistent with fundraising option 1 in the donor protocol as shown in Appendix E, filed only with the official copy of these minutes;

3. reconfirms that the three-person committee is authorized to enter into a first mortgage loan agreement of up to $500,000 to PJHHF upon the committee's determination that a satisfactory business plan has been submitted and the terms of such loan agreement meet the committee's requirements including a first mortgage;

4. establishes a four-person committee in 2013–14, and requests the 2013–14 trustee chair to appoint one trustee, and the president to appoint two directors to serve with the deputy general secretary.

Note: Director Jagger requested that his negative vote be recorded.

211. RI Privacy Policy

Statement: In decision 223, January 2012, the Board requested the general secretary to review and revise RI's privacy policy to be consistent with RI's social business strategy. At the Board's October 2012 meeting, the general secretary presented a basic outline of this revised policy, noting that the fully revised privacy policy would be presented at this meeting.

DECISION: The Board

1. confirms that Rotary International will not sell or trade its membership data without the Board's approval, and requests the general secretary to modify the RI Privacy Policy accordingly;

2. authorizes the general secretary to update the RI Privacy Policy as necessary from time to time to remain current with applicable regulations, and social media and website practices, with all such updates being reported to the Board.

212. RI Travel Policy

Statement: In decision 176, January 2012, the Board approved a revised travel policy contingent upon 2013 Council action to remove the policy from the bylaws. Council Enactment 13-120 removed the RI travel policy from the RI Bylaws effective 1 July 2013. The general secretary recommended additional travel policy amendments for the Board's review at this meeting. Four Council-proposed enactments regarding the travel policy that were not approved by the Council were also referred to the Board for its consideration.

DECISION: The Board

1. notes the adoption of Council Enactment 13-120 that removed the RI travel policy from the RI Bylaws effective 1 July 2013;

2. thanks the Rotary Club of Southport, Merseyside, England and the Rotary Club of Southport Links, Merseyside, England for their Council-proposed enactment 13-121 and their efforts to conserve RI funds, but notes that current directors and trustees frequently travel long distances in their Rotary service and should be permitted to travel in business class on flights longer than four hours, and that past directors and trustees should be permitted to travel in business class on flights longer than eight hours;

3. thanks the Council of District 1140, Surbiton, Greater London, England for Council-proposed enactment 13-122 and its effort to conserve RI funds, but notes that while 13-122 permits business class on flights longer than three hours, the Board policy has selected flights longer than four hours as an additional cost savings measure, and the Board's policy is also more restrictive on the use of first class airfare, thereby creating additional savings;

4. thanks the Rotary Club of Beeston, Notts., England for Council-proposed enactment 13-123 and its effort to conserve RI funds, but notes that the Board policy is more restrictive than 13-123 since it permits business class on flights longer than four hours, and the Board agrees that past directors and trustees should be permitted to travel in business class on flights longer than eight hours;

5. thanks the Rotary Club of Sevenoaks, Kent, England for Council-proposed enactment 13-125 and its effort to conserve RI funds, but notes that the Board policy is more restrictive than 13-125 since it only permits business class on flights longer than four hours, and the Board agrees that past directors and trustees should be permitted to travel in business class on flights longer than eight hours;

6. approves amendments to the RI travel policy as adopted in its decision 176, January 2012 and as shown in Appendix F.

213. Information Technology Status Report

Statement: Board policy requires the general secretary to update the Board semi-annually on plans at the Secretariat related to information technology projects and initiatives.

DECISION: The Board receives the general secretary's information technology status report.

214. Status of Litigation

Statement: The general secretary provides a report at each Board meeting regarding ongoing litigation affecting RI.

DECISION: The Board receives the general secretary's report on litigation.

DECISIONS 215–222
2013 Council on Legislation Proposed Enactments and Resolutions Referred to the Board

The 2013 Council on Legislation met on 22–26 April 2013 and referred several proposed enactments and resolutions to the Board for consideration.

215. Proposed Enactment 13-41: To Allow Certain Former Scholars to be Active Members

Statement: Council proposed enactment 13-41 proposed to have former scholars of the Rotary Yoneyama Memorial Foundation qualify for membership in RI in the same manner as Rotary Foundation alumni.

DECISION: The Board

1. thanks the Rotary Club of Tokyo Tamagawa, Tokyo, Japan and District 2750 for their interest in and support of alumni and their membership in Rotary clubs;

2. refers the issue of including other Rotary-based Foundation recipients as potential alumni to the 2013–14 Joint Committee on Alumni Relations for its consideration.

216. Proposed Enactments 13-64 and 13-65: To Add a Fifth Part to the Object of Rotary Involving Youth Services

Statement: Two proposed enactments to the 2013 Council on Legislation suggested adding a fifth part to the Object of Rotary related to youth service. During consideration of enactments 13-64 and 13-65, the delegates agreed that improved language was needed for these proposed enactments and referred both to the Board.

DECISION: The Board

1. thanks the Rotary Clubs of Kawaguchi West, Saitama, Japan; Chandigarh Mid Town, Union Territory, India; Kota Kinabalu, Sabah, Malaysia; and Enugu, Anambra State, Nigeria; and Districts 2770, 3080, 3310, 4855, and 9140 for their interest in and support of youth service;

2. agrees to submit to the 2016 Council on Legislation the following proposed enactment:

PROPOSED ENACTMENT 16-

To add a fifth part to the Object of Rotary to include the development of service and leadership in youth

Proposed by the Board of Directors of RI

IT IS ENACTED by Rotary International that the CONSTITUTION OF ROTARY INTERNATIONAL be and hereby is amended as follows

Article 4 Object
The Object of Rotary is to encourage and foster the ideal of service as a basis of worthy enterprise and, in particular, to encourage and foster:
First. The development of acquaintance as an opportunity for service;
Second. High ethical standards in business and professions; the recognition of the worthiness of all useful occupations; and the dignifying of each Rotarian's occupation as an opportunity to serve society;
Third. The application of the ideal of service in each Rotarian's personal, business, and community life;
Fourth. The advancement of international understanding, goodwill, and peace through a world fellowship of business and professional persons united in the ideal of service~~.~~;
Fifth. The empowerment of a new generation of global leaders through service, mentorship, international exchange, and leadership development opportunities.

217. Resolution 3-153: To Consider Proposing Legislation to the Next Council on Legislation to Introduce a New Category of Membership: Associate Membership

Statement: In decision 88, November 2010, the Board established an "associate member" pilot project, beginning 1 July 2011. The pilot is scheduled to end on 30 June 2014. Council resolution 13-153 requested the Board to submit legislation to the 2016 Council that would introduce an associate membership category.

DECISION: The Board

1. thanks the Rotary Club of Belconnen, A.C.T., Australia and District 9710 for their interest in the associate membership category;

2. notes that the associate membership pilot program is currently scheduled to conclude on 30 June 2014;

3. based on the results of the associate membership pilot program, will consider legislation to the 2016 Council that would introduce the category of "associate member."

218. Resolution 13-157: To Encourage the Adoption of the Second Object of Rotary as a Guiding Principle for Vocational Service

Statement: Council resolution 13-157 requested the RI Board to encourage the adoption of the second Object of Rotary as the guiding principle for vocational service.

DECISION: The Board

1. thanks the Rotary Club of Chigasaki-Shonan, Kanagawa, Japan and District 2780 for their interest in and support of vocational service;

2. refers this matter to the 2013–14 Vocational Service Committee for its consideration.

219. Resolution 13-166: To Consider Adding Peace and Conflict Resolution Activities to the Areas of International Service

Statement: Rotary Code of Policies section 8.050.2. provides that international services can be categorized into four areas: service projects between clubs in two or more countries; international education and cultural activities; special international observances and events; and international meetings. Council resolution 13-166 requested the Board to add a fifth area: peace and conflict resolution activities. Noting recent efforts to simplify the RI Code, and the likelihood that very few clubs reference this section of the Code when selecting international service activities, the general secretary recommended removing the section completely.

DECISION: The Board

1. thanks the Rotary Club of Gebze, Turkey and District 2420, for their interest in peace and conflict resolution service projects;

2. notes that peace and conflict resolution is a priority as one of the areas of focus and is actively promoted to Rotary clubs and districts as an international service opportunity;

3. rescinds Rotary Code of Policies section 8.050. Basic Principles of International Service.

220. Resolution 13-167: To Establish RI New Generations Service Day

Statement: To raise awareness of certain RI programs, the Board has designated specific weeks or months on the Rotary calendar to celebrate these programs.

Council resolution 13-167 sought to establish an RI New Generations Service Day. The general secretary noted that the only specific day celebrated on the Rotary calendar is 23 February, RI's birthday; and further noted that Global Youth Service Day, a project of the Rotary service partner Youth Service America, could satisfy the intent of this Council resolution.

DECISION: The Board

1. thanks the Rotary Club of Bloomington-Normal Sunset, Illinois, USA and District 6490, for their interest in and support of youth programs;

2. encourages Rotary clubs and districts to promote participation in Global Youth Service Day, a program of the Rotary service partner Youth Service America.

221. Resolutions 13-182 and 13-183: To Consider Changes to the Eligibility Guidelines for Foundation Awards

Statement: Proposed resolution 13-182 and adopted resolution 13-183 both sought changes to the eligibility guidelines for Foundation awards.

DECISION: The Board refers resolutions 13-182 (to consider making grandchildren of Rotarians eligible for Foundation awards programs) and 13-183 (to consider granting an exception to the eligibility guidelines for grants for families affected by disaster) to the Trustees for consideration.

222. Withdrawn Resolutions 13-196 and 13-198: To Consider Proposing Legislation to the Next COL to Change the Structure and Operation of the Council to Improve Efficiencies and Effectiveness

Statement: To help minimize the amount of legislation at the 2013 Council, the Board, in decision 251, May 2012, agreed to review and consider any withdrawn proposals of non-defective resolutions requesting Board action. At its October 2012 meeting the Board considered two such items that sought changes to how the Council operates. Noting that similar legislation was being considered at the Council, the Board agreed to wait until after the Council to review these matters. Additionally, at its January 2013 meeting, the Board created a committee to review the structure and operation of the Council.

DECISION: The Board

1. thanks the Rotary Clubs of San Juan Capital S.J. (Argentina); Aire-sur-la-Lys; Ardres-Audruicq-Guines; Dunkerque; and Dunkerque-Horizons (France) for their proposed resolutions;

2. notes that in decision 145, January 2013, it created a Council on Legislation Review Committee to review the structure and operation of the Council;

3. requests the general secretary to forward proposed resolutions 13-196 from the Rotary Club of San Juan Capital, S.J., (Argentina) and proposed resolution 13-198 from the Rotary Clubs of Aire-sur-la-Lys; Ardres-Audruicq-Guines; Dunkerque; and Dunkerque-Horizons (France) to the committee for its consideration.

* * * * * *

DECISIONS 223–225
New Generations Committee Report

The New Generations Committee met in January–May 2013 via conference calls and correspondence to discuss a possible business internship exchange, the New Generations Service Exchange, and a possible new youth program.

223. Business Internship Exchange

Statement: To help minimize the amount of legislation at the 2013 Council, the Board, in decision 251, May 2012, agreed to review and consider at its October 2012 meeting any withdrawn proposals of non-defective resolutions requesting Board action. The Rotary Club of Cambrai, Nord, France submitted to the Board its resolution seeking to initiate a business internship exchange program. In decision 69, October 2012, the Board referred this matter to the New Generations Committee for further study. In discussion with the Vocational Service Committee, the New Generations Committee agreed that the intent of a business internship exchange can be met through the New Generations Service Exchange.

DECISION: The Board

1. thanks the New Generations Committee for its report;

2. agrees that New Generations Service Exchange activity can adequately support the aims of the proposal for a new exchange activity;

3. requests the general secretary to inform the Rotary Club of Cambrai, Nord, France, accordingly.

224. New Generations Service Exchange

Statement: In decision 96, October 2012, the Board approved a transition plan for the New Generations Service Exchange that shifted the participants' age range to adults ages 21–30. Noting unforeseen problems with this new minimum age, the New Generations Committee recommended that the minimum age be changed to the age of majority in the host country.

DECISION: The Board thanks the New Generations Committee for its report and amends the Rotary Code of Policies as follows:

> **8.060. New Generations Service Exchange**
> ~~Young~~ Adults up to the age~~s 21~~ of 30 may participate in New Generations Service Exchange for up to six months and may be organized for individuals or groups. The minimum age of the participants shall be the age of majority in the host country, but not be younger than age 18. New Generations Service Exchanges must have a strong humanitarian or vocational service component.

225. New Program for Children under Age 12

Statement: Noting the persistent interest of Rotarians over the years to start a new RI program for youth under 12 years old, the New Generations Committee recommended that the Board establish an ad hoc committee to more thoroughly study the issue.

DECISION: The Board

1. recognizes that there is great interest among Rotarians to establish a new program for children younger than age 12;

2. suggests that the president-elect convene an ad hoc committee of no more than ten Rotarians with representation from existing programs for children under age 12 to study RI recognition of a new or existing program, taking into consideration:

   a. proposed program name
   b. recommended age range of participants
   c. common purpose and goals
   d. minimum policies
   e. strong Rotary brand
   f. protection and enforcement of Rotary Marks
   g. support from the Secretariat
   h. transition and implementation

3. requests the general secretary to solicit nominations from Rotarians who work with existing programs to serve on the ad hoc committee for the president-elect's consideration, including district New Generations Committee chairs, those who submitted relevant resolutions to the 2010 and 2013 Councils on Legislation, and those known to have significant personal investment in similar existing programs;

4. approves an increase of US$2,000 in the 2013–14 budget to support meeting by correspondence and conference calls;

5. looks forward to receiving recommendations on recognizing service programs for children under age 12 at its May 2014 meeting.

* * * * * *

226. Rotarian Action Groups Committee Report

Statement: Rotary Code of Policies section 42.020.4. requires prospective Rotarian Action Groups to apply to the Board for recognition. Since the Board's January 2013 meeting, the general secretary received one application from a prospective Action Group. The Rotarian Action Groups Committee met by correspondence to review this application and recommended its approval.

DECISION: The Board recognizes the proposed Alzheimer's/Dementia Rotarian Action Group.

227. Partnership with Thunderbird School of Global Management

Statement: In decision 161, January 2013, the Board looked with favor on developing a pilot program with the Thunderbird School of Global Management located in Arizona, USA and requested the general secretary to work with the school to develop parameters for the program, for report at this meeting. Director Boyd and the general secretary met with a member of the school's advisory board to develop these parameters.

DECISION: The Board

1. agrees to enter into a service partnership, as a two-year pilot initiative, with the Thunderbird School of Global Management;

2. requests the Trustees to approve this partnership;

3. requests the general secretary to provide an update on this partnership at the May 2014 Board meeting.

228. RI/USAID International H_2O Collaboration Phase 2 Plan

Statement: RI and the United States Agency for International Development (USAID) have had a memorandum of understanding since 2007. The RI/USAID International H_2O Collaboration was formally launched in 2009, when under phase 1 of this alliance, seven 3-H grants were awarded to clubs and districts in Ghana, the Philippines, and the Dominican Republic for large-scale water, sanitation, and hygiene projects. The RI/USAID Steering Committee met in January 2013 to discuss next steps for phase 2 of the alliance, including expanding activity into other counties; investing in and promoting innovative tools, interventions, and partnerships to advance the water, sanitation, and hygiene sector; and investing in capacity building and leadership efforts at the district level.

DECISION: The Board

1. approves in concept the RI/USAID H_2O International Collaboration plan for phase 2 of the partnership;

2. requests the 2013–14 RI president to appoint three Rotarians, including one director and one trustee, to serve on the 2013–14 RI/USAID Steering Committee.

229. Formation of a Rotary South Asia Committee

Statement: Directors Das and Mehta brought to the Board's attention the work and goals of the Rotary South Asia Committee.

DECISION: The Board recognizes the continued existence of the Rotary South Asia committee (chaired by Past RI President Kalyan Banerjee) whose goals are to promote world understanding and peace by strengthening cooperation and development in South Asia, while upholding the principles and philosophy of Rotary, as outlined in Appendix G.

230. Lisbon Peace Declaration*

Statement: In 2012–13, President Tanaka convened Rotary Global Peace Forums in Berlin, Germany; Honolulu, USA; and Hiroshima, Japan. At each forum, a Peace Declaration was presented that focused on the specific theme of the meeting. A final Peace Declaration was to be presented at the Lisbon convention. The Rotary Peace Forums Committee requested that the Board receive an advance copy of the Lisbon Peace Declaration before its formal presentation.

DECISION: The Board thanks the committee for its work in support of the Rotary Global Peace Forums in Berlin, Hiroshima, and Honolulu and receives with appreciation the Lisbon Peace Declaration.

231. 2014 RI (Sydney) Convention Budget*

Statement: In decision 163, January 2013, the Board approved the budget and registration fees for the 2014 Sydney convention. This budget was based on the assumption that RI would not charge a goods and services tax (GST) on income and revenue and further would not be able to file to reclaim GST. A March 2013 ruling from the Australian Tax Office provided that RI must charge GST on all revenue, but is able to reclaim it on most items. This ruling required changes to the convention budget and registration fees.

DECISION: The Board

1. rescinds its decision 163, January 2013;

2. approves the revised budget for the 2014 RI (Sydney) Convention as shown in Appendix H, filed only with the official copy of these minutes;

3. sets the registration fees for the Sydney convention based upon 17,000 registrants with corresponding registration fees as outlined below inclusive of GST:

Registration Fees:	15 Dec. 2013	31 Mar. 2014	On Site
Rotarian, Non-Rotarian spouse, Spouse of deceased Rotarian, Rotary club/district employee, Guest age 19 or older, and Rotary Foundation alumnus (prior to 2006-07)	$310 ($281.82 exclusive of GST)	$360 ($327.27 exclusive of GST)	$410 ($ 372.73 exclusive of GST)
Rotaractor, *Rotary Foundation alumnus (2006-07 or later), and one guest of Rotaractor or Rotary Foundation alumnus	$66 ($60 exclusive of GST)	$99 ($90 exclusive of GST)	$132 ($120 exclusive of GST)
Guest age 5 to 18, Youth Exchange Student or Interactor	$11 ($10 exclusive of GST)	$11 ($10 exclusive of GST)	$11 ($10 exclusive of GST)
Guests younger than 5	Free	Free	Free

* Rate does not apply to alumni who were Rotarians before their Foundation program participation.

232. 2014 RI (Sydney) Convention Promotion Committee Report

Statement: The 2014 RI (Sydney) Convention Promotion Committee met on 14–16 February in Parramatta, N.S.W., Australia and discussed its terms of reference and objectives, the committee's cooperative relationship with the Sydney convention host organization committee, and convention promotion strategies, among other topics.

DECISION: The Board receives the 2014 RI (Sydney) Convention Promotion Committee's report.

233. Request for Convention Reserve Fund for the 2014 RI (Sydney) Convention

Statement: President-elect Burton and Sydney Convention Chairman Maloney requested the Board to allocate additional funds from the convention reserve fund to improve the quality of entertainment at the Sydney convention.

DECISION: The Board approves an expenditure of up to US$300,000 from the RI convention reserve fund to enhance the entertainment provided during the 2014 RI (Sydney) Convention.

234. Sergeant-at-Arms Committee Report

Statement: The Sergeant-at-Arms Committee met on 27 April 2013 in Chicago, IL, USA to discuss future membership on the committee, the committee's responsibilities as defined in the *Manual for Conventions*, and updates to the *Sergeant-at-Arms Manual* and other meetings manuals where the sergeants-at-arms responsibilities are defined.

DECISION: The Board

1. thanks the Sergeant-at-Arms Committee for its report;

2. approves the revisions to the Sergeant-at-Arms *Council on Legislation Manual*, the Sergeant-at-Arms *International Assembly Manual*, and the Sergeant-at-Arms *International Convention Manual*, all as shown in Appendix I, filed only with the official copy of these minutes;

3. authorizes the general secretary to update the above-referenced manuals as needed, provided that all proposed changes are distributed to the Board for review one month before they take effect, and that any proposed changes objected to by a director be reviewed by the Board at its next meeting;

4. approves the establishment of a Sergeant-at-Arms Committee every three years, such committee to be appointed by the RI president who serves during a Council on Legislation year, and agrees that the committee shall meet at the Council on Legislation to significantly reduce RI costs;

5. requests the general secretary to include the provisions in point 4 above in the appropriate section of the Rotary Code of Policies.

235. Software Implementation for Events Management

Statement: In decision 202, January 2012, the Board approved use of up to US$500,000 from the convention reserve fund to purchase, test, and implement new software to replace RI's current international meeting registration and housing system software. The general secretary reported that additional funds were necessary

to complete the implementation phase before the software could be fully utilized.

DECISION: The Board approves up to an additional US$150,000 from the RI convention reserve account to fund the completion of the international meeting registration and housing system.

236. Districting Committee Report

Statement: The Districting Committee met via teleconference in May 2013 to discuss a possible amendment to districting policy, a redistricting proposal, the status of districts with exemptions to districting policy, and the effects of policy changes resulting from 2013 Council action.

DECISION: The Board

1. reorganizes the clubs in District 2980 into two districts, effective 1 July 2015, as follows:

   District 2981
   INDIA—Puducherry: Puducherry and the region of Karaikal; Tamil Nadu: the revenue districts of Cuddalore, Nagapattinam, Thanjavur, and Tiruvarur.

   District 2982
   INDIA—Tamil Nadu: the revenue districts of Dharmapuri, Krishnagiri, Namakkal, Salem, and Villupuram.

   and requests the general secretary to notify the clubs in District 2980 of this decision;

2. amends Rotary Code of Policies section 17.010.4. as follows:

   17.010.4. <u>Districting Procedures</u>
   The procedures for districting shall be as follows:

   [text omitted]

   8. The general secretary shall be authorized to act on behalf of the Board to approve a minor district boundary modification, affecting the transfer of up to ten clubs, or an area containing no Rotary club, from one district to ~~a neighboring~~ <u>another</u> district and shall become effective 1 July following the decision. In districts with 33 or more clubs and ~~1,200~~ <u>1,100</u> or more Rotarians, such action shall be taken if the majority of the clubs do not file objections within 30 days of receiving the governor's proposal.

3. strongly encourages district leaders of Zone 8 to submit a reorganization plan for their districts, for review by the Board at its October 2013 meeting, as their exemption from redistricting expires in January 2014;

4. receives Zone 7B's report on sustaining Rotary in New Zealand and the Pacific Islands and thanks the district leaders for their thorough review and collaborative approach and encourages the six districts to continue working through the membership plan as outlined in the report;

5. noting that membership numbers in the districts of Zone 7B exceed 1,100, agrees not to extend the districts' exemption from redistricting;

6. noting that any changes to districting policy resulting from the 2013 Council on Legislation take effect as of 1 July 2013, confirms that districting proposals approved by the Board through January 2013 are still in effect.

237. Update on Extension Activities in China

Statement: The Board opened China for extension in 2005, and in 2006 two clubs were chartered in Beijing and Shanghai for foreign passport holders only. Since then, RI has explored the possibility of chartering new clubs in China with Chinese citizens. Recently, due to new legal regulations in Guangdong Province in southern China, conditions may be more favorable for international humanitarian organizations to register and operate in that province. The general secretary noted that conditions now appear right for Rotary to explore moving forward in establishing Rotary clubs with Chinese citizens.

DECISION: The Board

1. receives the update on recent extension activities in southern China;

2. places Guangdong Province, People's Republic of China, within District 3450 and revises the district boundary description as follows:

District 3450
HONG KONG, MACAU, MONGOLIA, and The PEOPLE'S REPUBLIC OF CHINA—Guangdong Province

3. in accordance with RI Bylaws section 15.010., requests the general secretary to notify the clubs in District 3450 of this decision;

4. notes that any objections by the clubs in District 3450 to the above changes must reach the RI general secretary within 30 days from the mailing date of this decision;

5. requests a further report on extension activities in China at its June 2014 meeting.

238. Update on Regional Membership Plans

Statement: Noting the regional differences in how clubs around the world handle membership development and retention matters, the Board, in decision 101, September 2011, approved local development of regional membership plans and in decision 283, May 2012 approved plans from most regions in the Rotary world. In decision 114, October 2012, the Board requested directors to continue working with the general secretary to refine their plans for report on a quarterly basis. The general secretary reported that in 2012–13, plan implementation had concentrated mostly on establishing processes and guidelines, including approving and refining budgets, developing tools to support the plans, sending plans to governors-elect and posting to the RI website, continuing discussions with the RI president and president-elect on the various plans' objectives, and hiring staff at the Secretariat to support these new activities.

DECISION: The Board receives the general secretary's update on the regional membership plans.

239. Transition Plan for Meeting Frequency Pilot Clubs

Statement: The Meeting Frequency Pilot project began in July 2007 to study the influence attendance flexibility has on membership. Participating clubs reduced the frequency of their meetings to twice a month. With the pilot ending on 30 June 2013, and the 2013 Council rejecting legislation to allow meeting frequency flexibility, the participating clubs—per the original pilot application proposal—are to return to the standard weekly meeting. Noting that the participating clubs have become accustomed to their reduced meeting schedule, the general secretary recommended establishing a transition plan for these clubs.

DECISION: The Board

1. thanks the participating clubs of the Meeting Frequency Pilot project;

2. notes that the 2013 Council on Legislation did not adopt legislation to allow flexibility in meeting frequency;

3. approves the establishment of a transition plan from 1 July 2013 to 30 June 2015 for clubs in the Meeting Frequency Pilot project;

4. requests the general secretary to monitor the impact this transition has on the clubs' performance, for report at the October 2015 Board meeting.

240. Rotary Club of Union City

Statement: In decision 221, January 2012, the Board agreed to hold a hearing to address the allegation that the Rotary Club of Union City, Tennessee, USA is limiting its membership based on gender, in violation of the RI Bylaws. In decision 289, May 2012, the Board found insufficient evidence to determine that this was the case, reaffirmed that diversity is a core value of RI, and requested the Rotary Club of Union City to take affirmative steps to identify qualified women in its locality for membership. The Board also requested the general secretary to report on the status of this request at this meeting. The Rotary Club of Union City reported forming a Diversity Committee and that it has clearly communicated RI policy prohibiting discrimination in soliciting new members. The general secretary noted, however, that the club gave no specific details for admitting qualified women to its membership.

DECISION: The Board receives the general secretary's report.

241. Communications Committee Report

Statement: The Communications Committee met on 4–6 February 2013 in Evanston, Illinois, USA and discussed the overall communications plan, the strengthening Rotary's brand initiative, the RI website redesign, PolioPlus communications, and Public Image grants, among other communications-related topics. The committee made two recommendations to the Board regarding Rotary coordinators and a potential new Rotary anthem.

DECISION: The Board thanks the Communications Committee for its report.

242. Committee to Strengthen Rotary's Brand Report

Statement: The Committee to Strengthen Rotary's Brand met on 18–19 March 2013 in Evanston, Illinois, USA and discussed progress on the committee's objectives, the RI essence statement, final aspects of new Rotary visual identity, and plan implementation steps, among other branding issues.

DECISION: The Board

1. adopts a return to the pre-2007 official RI Gold (yellow) of PMS 129U | PMS 130C Gold (yellow) or the equivalent color in other coloring systems, depending on the media in which it is employed;

2. to accommodate digital media and enhance an accurate reproduction of the Rotary emblem, allows for the use of a specially modified emblem for replications smaller than 0.5 inches (1.27 cm), such modified emblem to be used only together with "Rotary" as part of the "digital and small space signature lock-up" as shown in Appendix J, filed only with the official copy of these minutes;

3. requests the general secretary to amend the Rotary Code of Policies accordingly to reflect these changes.

243. Funding Model and Projected Costs for 2015 Expo Milano Host Organization

Statement: Milan, Italy will host a World's Fair in 2015. In decision 101, October 2012, the Board authorized the general secretary to continue discussions with the Expo Milano leadership to develop a partnership proposal with RI for the event. In decision 174, January 2013, the Board received the report on the funding model and projected costs for the event, and requested a final report at this meeting. Past RI Treasurer Elio Cerini presented the Host Organization/Italian Foundation report on budget and operations for the expo.

DECISION: The Board

1. receives the report from the Expo Milano Working Group;

2. agrees that governance of this project should continue until the conclusion of Rotary's participation in the event in 2015;

3. requests the president to work with the president-elect and president-nominee to appoint a five member Expo Milano 2015 Committee composed of current and incoming directors by 30 June 2013;

4. receives the report on the Expo Milano Host Organization/Italian Foundation and supports the proposed funding and operations.

DECISIONS 244–249
Finance Committee Report

The RI Finance Committee met on 6–8 May 2013 in Evanston, Illinois, USA and made several recommendations to the Board.

244. Adoption of 2013–14 Budget

Statement: The RI Bylaws provide for the Board to annually adopt a budget for the succeeding fiscal year, subject to review by the Board at any time. The Finance Committee considered detailed budgeting estimates submitted by the general secretary.

DECISION: The Board

1. adopts the 2013–14 RI budget, reflecting revenues of US$98,797,000, use of general surplus funds of $9,585,000, use of convention reserves of $301,000 and expenses of $108,647,000, resulting in an excess of revenues, general surplus funds and convention reserve over expenditures of $36,000, and the unallocated general surplus funds available under point 4 below;

2. in accordance with RI Bylaws section 17.050.6. and by three-quarters vote of all directors, agrees that $78,000 of additional general surplus fund is approved to supplement the Expo Milano expenses of $1,400,000 through 2015-16, as shown in Appendix K, filed only with the official copy of these minutes;

3. reaffirms, as shown in Appendix K,

   a. the 2013–14 expenditure of $9,585,000 from the general surplus fund;

   b. the implementation of regional membership plans approved in decision 298, May 2012, and

amends that decision by extending the funding period through 2015–16;

c. the funding of operational and strategic items approved in decision 298, May 2012 and amends that decision by extending the funding period through 2015–16;

d. the funding from convention reserves of expenses associated with events management technology approved in decision 298, May 2012, in an amount not to exceed $161,000 in 2013–14;

4. in accordance with RI Bylaws section 17.050.6. and by three-quarters vote of all directors, authorizes the use of US$2 million from the general surplus fund for operational and other strategic initiatives in 2013–14 as specifically approved by the Board;

5. authorizes the expenditure of convention reserves in 2013–14 in an amount not to exceed $140,000 in 2013–14;

6. adopts the 2013–14 RI capital expenditures budget of $7,679,000.

245. Five-Year Financial Forecast

Statement: The RI Bylaws requires the Board to annually consider a five-year financial forecast and further requires Rotary institute conveners to present the forecast for discussion at the institutes. The Finance Committee recommended a five-year forecast through 2018 for the Board's approval.

DECISION: The Board

1. approves the five-year financial forecast for fiscal years 2013–14 through 2017–18;

2. in accordance with RI Bylaws section 17.060.4., agrees that the five-year financial forecast should be presented for discussion at each 2013–14 Rotary institute.

246. Term of Appointment of Fiscal Agents

Statement: To help reduce administrative work, and to provide RI fiscal agents a longer planning horizon, the Finance Committee suggested amending the Rotary Code of Policies to extend a fiscal agent's term by one year for up to a total of six years.

DECISION: The Board agrees to change the term of office for the fiscal agents from one year to two years and amends Rotary Code of Policies section 66.040.2. as follows:

> 66.040.2. Term of Appointment of Fiscal Agents
> The office of a fiscal agent shall be for a period of ~~one~~ two Rotary years with the provision that the fiscal agent may be reappointed on a~~n~~ ~~annual~~ biennial basis for a period not to exceed ~~five~~ six years, unless the Board for practical reasons specifically approves otherwise. The fiscal agent shall countersign a copy of the letter of appointment specifying his term.

247. RI Employee Retirement Plan Options Study

Statement: To reduce potential expense to RI associated with RI's employee retirement plan, the Finance Committee recommended that the Board fund a study to analyze the impact and cost of freezing or terminating the plan, and to develop options for addressing changes to the plan that will affect vested employees.

DECISION: The Board

1. requests the 2013–14 president to appoint a committee to work with the general secretary and Rotary's pension actuary to undertake a study to identify the type and impact of a pension plan freeze, the cost of terminating the plan at this time, and to develop options for addressing changes to the retirement benefits for employees currently in the RI Retirement Plan, for report back to the Board at its January 2014 meeting;

2. in accordance with RI Bylaws section 17.050.6., and by a three quarters vote of all directors, authorizes the expenditure of general surplus funds in 2013–14 for up to $80,000 for this study;

3. requests the president to notify all RI officers within 60 days, and to further notify the next convention of the planned expenditures from the general surplus fund and the circumstance leading to this decision.

248. Club Dues and Reinstatement Cycle

Statement: To help improve accuracy of semiannual reports and to receive dues payments earlier, the Finance Committee recommended amendments to the Rotary Code of Policies that would shorten the time clubs have to pay their dues from 180 to 120 days and

further shorten the reinstatement cycle from 365 to 150 days, among other changes to policy.

DECISION: The Board amends the Rotary Code of Policies section 9.020., as shown in Appendix L, effective for the January 2015 semiannual report period.

249. General Fund Investment Policy

Statement: The Finance Committee recommended amendments to the RI General Surplus Fund policy benchmarks to better align the policy with the new asset strategies implemented in recent years. The committee also noted that due to funding requirements for RI's strategic initiatives, cash holdings will temporarily exceed the General Fund's investment policy limit of 5 percent.

DECISION: The Board

1. amends the policy benchmark for the RI General Surplus Fund as follows:

   "The Policy Index is defined by the following indices and allocated based on the target allocation:

   - ~~DJ U.S. Total Stock Market Index~~
   - ~~MSCI ACWI ex. U.S. Index~~
   - ~~Barclays Capital Aggregate Bond Index~~
   - ~~HFRI Fund of Fund Index~~
   - ~~Hybrid index for real assets: 50% Barclay's Capital TIPS Index, 30% DJ UBS Commodities Index, 20% MSCI ACWI Index~~

Index	Asset Class/Strategy
MSCI ACWI IMI	Global Equities
Dow Jones US Total Stock Market	US Equities
MSCI ACWI IMI ex US	Non-US Equities
BC Aggregate	Core Fixed Income
50% BC Global Agg/25% BC HY/25% JPM EMBI+	Non-Core Fixed Income
60% MSCI World/40% BC Global Aggregate	Global Asset Allocation
50% BC TIPS; 30% DJ UBS Commodities Index; 20% MSCI ACWI IMI	Real Assets
HFRI Fund of Funds Composite Index	Hedge Funds

2. adds the following language to the RI General Fund's Investment Policy Statement:

   "Global Equity Investment Mandates

   The intent of these strategies is to give managers the flexibility to invest across global equity markets based on the manager's view of opportunities. Managers should invest within the context of controlled risk and added return.

   Equity holdings consist of equity securities of companies that are listed on registered local exchanges or actively traded in the over-the counter market. The manager may hedge currency exposure through the use of derivative instruments. Emerging markets equity is permitted with a pre-approved benchmark."

3. notes that US$22.5 million has been liquidated from the RI General Fund in anticipation of funding Board-approved strategic initiatives, the $5 million PolioPlus contribution, and for working capital needs, and further notes that the allocation to cash may exceed the policy limit of 5 percent during the time between when the funds are liquidated and when they are used for the various identified purposes.

* * * * * *

250. Additional Funds for 2012–13 Matching Grants

Statement: The Rotary Foundation received a significant increase in Matching Grant applications in 2012–13, the final year of the program. Additionally, the project budgets for many of these grants were considerably larger than in prior years, resulting in a budget shortfall of approximately $2.8 million. Noting sufficient surplus funds in the 2012–13 World Fund, the general secretary recommended that the Board approve a variance to cover the shortfall from the World Fund, subject to Trustee approval at their June meeting.

DECISION: The Board approves a 2012–13 budget variance of US$3 million for program award expenditures from unrestricted contributions in the Annual Fund (WF) for 2012–13 matching grants, contingent upon approval by the Trustees at their June 2013 meeting.

DECISIONS 251–253
Audit Committee Report

The Audit Committee met on 20–21 February and 22–24 May 2013 in Evanston, Illinois, USA and made three recommendations to the Board.

251. Extension of Agreement with Grant Thornton

Statement: The public accounting firm Grant Thornton has audited RI's financial statements since 2011. In accordance with Rotary Code of Policies section 67.020., the Audit Committee annually evaluates the performance of RI's independent auditor. The committee reported that survey results from Rotary senior leaders and senior staff working with the auditor indicate satisfaction with Grant Thornton.

DECISION: The Board agrees to extend its agreement with Grant Thornton for fiscal years 2013–14, 2014–15, and 2015–16, at the fees presented.

252. Composition of RI Audit Committee

Statement: The Audit Committee discussed the benefit of increasing its membership from seven to eight by adding another non-director/non-trustee member to the committee and requested the Board to consider submitting legislation to the 2016 Council accordingly.

DECISION: The Board requests the Joint Committee to Review Committee structure to consider the composition of the RI Audit Committee in its deliberations.

253. Risk Advisory Committee Participation

Statement: In recent years the Board has appointed a director as Board liaison to the Secretariat Risk Advisory Committee. To help ensure senior leader input on risk policy issues, the Audit Committee recommended continuing this practice.

DECISION: The Board requests President-elect Burton to appoint a director to work with the Secretariat Risk Advisory Committee in 2013–14.

* * * * * *

254. Director Allocation Equity Committee Report

Statement: Per Rotary Code of Polices section 69.040.1., each director may annually submit for reimbursement of expenses up to US$20,000. In decision 147, January 2013, the Board requested the president to appoint a committee of directors to review the equity of the director allocation and to recommend any changes to the Board at this meeting. The committee met on 27 April 2013 in Chicago, Illinois, USA.

DECISION: The Board thanks the Director Allocation Equity Committee for its report.

255. New Member Administrative Fee

Statement: To help reduce future projected budget deficits, Treasurer Boyd suggested the Board consider implementing a new member fee.

DECISION: The Board agrees not to assess a new member administrative fee.

256. Indian Service Tax

Statement: Directors Das and Mehta brought to the Board's attention new challenges facing clubs and districts in India resulting from changes to the country's service tax laws that broadened the applicability of the service tax to include most RI revenue sources within India, including per capita dues.

DECISION: The Board requests the general secretary to assist the clubs and districts in India to seek an exemption from the Indian service tax.

257. Compensation Paid to "Disqualified Persons"

Statement: In accordance with Rotary Code of Polices section 32.030.19., the Board's Executive Committee annually reviews RI's compensation to "disqualified persons" to determine whether such compensation is reasonable under US tax laws regarding not-for-profit corporations. "Disqualified persons" is defined to include certain officers and senior staff. US tax law penalizes tax-exempt corporations that provide "excess benefits," including unreasonable compensation, to their senior officers and decision makers.

DECISION: The Board

1. notes that its Executive Committee has determined that the possible amounts to be paid in 2013–14 to or on behalf of the president, president-elect, general secretary, and certain senior staff will not exceed the amounts that would ordinarily be paid for like services by like enterprises under like circumstances;

2. notes that the actual amounts to be paid to these individuals are not known at this time.

258. Amendment of Executive Committee Terms of Reference

Statement: The Executive Committee recommended an amendment to its terms of reference to grant it the authority to approve compensation to be paid to all general managers.

DECISION: The Board amends the Executive Committee's terms of reference shown in Rotary Code of Policies section 30.060.5. g) 4., as follows:

[text omitted]

4. ~~determine~~ approved, on the recommendation of the general secretary, the ~~salary range of~~ compensation to be paid to all general managers.

259. Modifications to the Budget in 2012–13 and 2013–14

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

DECISION: The Board

1. notes no modifications to the 2012–13 budget as approved through January 2013:

2012–13 Budget	
Revenues:	US$95,511,000
Expenses:	(106,522,000)
Change in net assets:	(11,011,000)
Convention reserves:	583,000
GSF funded expenses:	12,110,000
Total change in net assets net GSF:	1,682,000

2. approves budget variances for 2012–13 as indicated below:

Expenses	
July 2012 Board meeting approved variances:	91,000
October 2012 Board meeting approved variances:	133,000
January 2013 Board meeting approved variances:	244,000
Total 2012–13 change in net assets, including variances:	**US$1,214,000**

3. notes no modifications to the 2013–14 budget as approved in decision 244:

2013–14 Budget:	
Revenues:	US$98,797,000
Expenses:	(108,647,000)
Change in net assets:	**(9,850,000)**
Convention reserves:	301,000
GSF funded expenses:	9,585,000
Additional GSF funding 2013–14	2,000,000
Total net of GSF & Convention Reserves approved spending:	**US$2,036,000**

4. approves budget variances for 2013–14 as indicated below:

Expenses	
Dec. 227 Potential Partnership with Thunderbird School of Global Management:	750
Dec. 233 Request for Convention Reserve Fund for the 2014 RI (Sydney) Convention:	300,000*
Dec. 235 Software Implementation for Events Management:	30,000*
Dec. 247 RI Employee Retirement Plan Options Study:	80,000
Total June 2013 Board meeting variances to the 2013–14 budget:	410,750
Variances Funded by Convention Reserves:	330,000*
June 2013 Board meeting approved Variances:	80,750
Total 2013–14 change in net assets including variances net of GSF and Convention Reserves:	**US$1,955,250**

**funding from convention reserves*

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

	2015	**2016**	**2017**
Dec. 200 Director-Nominee training plan:	5,000		
Dec. 235 Software Implementation for Events Management:	30,000	30,000	30,000
Total Financial Impact on Future Years:	**$35,000**	**$30,000**	**$30,000**

Adjournment

The foregoing is a true record of the proceedings at the June 2013 Rotary International Board of Directors meeting.

_____
Sakuji Tanaka
President

_____
Alice A. Baehler
Secretary of the Meeting

Attest:

_____
John Hewko
General Secretary

APPENDIX A

RATIFICATION OF DECISIONS MADE BY THE PRESIDENT (Decision 184)

1. Vacancy in the Office of Governor-elect, District 4835 (Argentina)

Statement: District 4835 was unable to select its 2013–14 governor at least three months before the International Assembly because the Board did not authorize the selection process when the district had fewer than 1,200 members. Since the Board recently merged the district, effective 1 July 2014, it was necessary to fill the vacancy for 2013–14. The Council of Past Governors of District 4835 recommended that current Governor Juan José Rodriguez, a member of the Rotary Club of Yerba Buena, Tuc., Argentina, be appointed as acting governor-elect. Director Antiório concurred with this appointment and Rotarian Rodriguez indicated that he was willing to perform the duty.

DECISION: The Board, the president acting on its behalf, in accordance with RI Bylaws sections 6.120.1. and 13.070., appoints current Governor Juan José Rodriguez, a member of the Rotary Club of Yerba Buena, Tuc., Argentina to serve as acting governor-elect of District 4835, assuming all the powers and privileges of the office.

2. Vacancy in the Office of Governor-elect, District 5280 (CA, USA)

Statement: District 5280 reported that Governor-elect James Dyer passed away. The District governor recommended that Doug Baker, a member of the Rotary Club of Downey be appointed as a replacement. Director Boyd concurred with this appointment, and Rotarian Baker indicated that he was willing to perform this duty.

DECISION: The Board, the president acting on its behalf, in accordance with Rotary Code of Policies section 27.030.3., appoints Rotarian Doug Baker, a member of the Rotary Club of Downey, California, USA, to serve as governor-elect in District 5280, assuming all the powers and privileges of the office.

3. Vacancy in the Office of Governor, District 6860 (FL, USA)

Statement: District 6860 reported that Governor Phillip W. Williams passed away. The Council of Governors of District 6860 recommended that Past District Governor Martin E. Uptain, a member of the Rotary Club of Gardendale Area, Alabama, USA, be appointed as a replacement. Vice President Schuppert concurred with this appointment, and Rotarian Uptain indicated that he was willing to perform this duty.

DECISION: The Board, the president acting on its behalf, in accordance with Rotary Code of Policies section 27.030.3., appoints Rotarian Martin E. Uptain, a member of the Rotary Club of of Gardendale Area, Alabama, USA, to serve as governor in District 6860, assuming all the powers and privileges of the office.

4. Temporary Vacancy in the Office of Governor, District 1910 (Austria, Bosnia-Herzegovina)

Statement: District 1910 reported that Governor Herbert Ederer was unable to perform the duties of office because he had fallen ill. The Council of Past Governors of District 1910 recommended that immediate Past Governor Paul Jankowitsch, a member of the Rotary Club of Baden bei Wien, Austria be appointed as acting governor in Governor Ederer's absence.

DECISION: The Board, the president acting on its behalf, appoints Past Governor Paul Jankowitsch, a member of the Rotary Club of Baden bei Wien, Austria to serve as governor in District 5280, assuming all the powers and privileges of the office until such time as Governor Ederer is able to resume office or until his term expires.

5. Waiver of Qualifications for Governor-nominee, District 1450 (Denmark)

Statement: District 1450 requested that the Board grant a waiver to Rotarian Helge Hess, a member of the Rotary Club of Ry, Denmark, from the qualifications for governor-nominee set forth in RI Bylaws section 15.070.3. At the time of his selection, Rotarian Hess had not served a full term as club president but was otherwise fully qualified to service as governor-nominee.

DECISION: The Board, the president acting on its behalf, in accordance with RI Bylaws section 15.070., excuses Rotarian Helge Hess, a member of the Rotary

Club of Ry, Denmark, from the qualifications for governor-nominee set forth in RI Bylaws section 15.070.3.

6. Waiver of Qualifications for Governor-nominee, District 1580 (The Netherlands)

Statement: District 1580 requested that the Board grant a waiver to Rotarian Anne Legeland, a member of the Rotary Club of Amsterdam-Nieuwendam, Netherlands, from the qualifications for governor-nominee set forth in RI Bylaws section 15.070.3. At the time of her selection, Rotarian Legeland had not served a full term as club president but was otherwise fully qualified to service as governor-nominee.

DECISION: The Board, the president acting on its behalf, in accordance with RI Bylaws section 15.070., excuses Rotarian Anne Legeland, a member of the Rotary Club of Amsterdam-Nieuwendam, Netherlands, from the qualifications for governor-nominee set forth in RI Bylaws section 15.070.3.

7. Waiver of Qualifications for Governor-nominee, District 1820 (Germany)

Statement: District 1820 requested that the Board grant a waiver to Rotarian Bernhard Maisch, a member of the Rotary Club of Marburg, Germany, from the qualifications for governor-nominee set forth in RI Bylaws section 15.070.3. At the time of his selection, Rotarian Maisch had not served a full term as club president but was otherwise fully qualified to service as governor-nominee.

DECISION: The Board, the president acting on its behalf, in accordance with RI Bylaws section 15.070., excuses Rotarian Bernhard Maisch, a member of the Rotary Club of Marburg, Germany, from the qualifications for governor-nominee set forth in RI Bylaws section 15.070.3.

8. Appointment of Members to the 2013-14 Nominating Committee for President from Zones 3, 7, and 13

Statement: RI Bylaws section 11.030.1. requires that those past directors who wish to be considered for membership on the Nominating Committee for President must advise the general secretary by 15 April. As of that date in 2013, the general secretary had not been notified of any potential candidates from Zones 3, 7, and 13. Past Directors Masaomi Kondo and Stuart B. Heal, the most recent past directors from Zones 3 and 7 respectively, indicated that they did not wish to serve on the committee. No other past directors from those zones responded to the general secretary's invitation letter. Past Director Julio Sorjus, the only past director from Zone 13, also indicated he did not wish to serve on the Nominating Committee.

RI Bylaws section 11.020.5. provides that where there is no past director available for election or appointment from a particular zone a past governor shall be eligible for such election or appointment provided that such past governor has served for at least one year as a member of a committee provided for in RI Bylaws sections 16.010., 16.020., and 16.030. or as a trustee of The Rotary Foundation.

DECISION: The Board, the president acting on its behalf, appoints Director Paul Knyff (Zone 13), and Past Governors Teruo Inoue (Zone 3) and Ross Craig (Zone 7) to serve on the 2013–14 Nominating Committee for President.

9. Disposition of Ballots Relating to Selection of Directors-nominee

Statement: A ballot-by-mail was conducted in 2012–13 in Zone 9 for the selection of director-nominee to be elected by the 2012–13 Board at its June 2013 meeting. The president appointed a Balloting Committee to examine and count the ballots returned by clubs to the general secretary. The committee met on 19 March 2013 in Evanston, Illinois, USA and submitted a report to the general secretary, including a recommendation regarding the outcome of the examination and count of ballots from Zone 9. Rotary Code of Policies section 27.030.6. authorizes the president to act on the Board's behalf upon the Balloting Committee's recommendation.

DECISION: The Board, the president acting on its behalf, agrees that

1. all ballots received from clubs in Zone 9 for the selection of the director-nominee from that zone will be held by the general secretary;
2. in the event of a formal objection being filed by a club in the zone concerning the results of the balloting and the report of the Balloting Committee, the matter be referred to the president for determination of the procedure to be followed;
3. in the absence of any formal objection being filed by a club in the zones as of 30 June 2013, the general secretary be authorized to destroy all ballots received from clubs in the zone.

APPENDIX B

RATIFICATION OF DECISIONS MADE BY THE GENERAL SECRETARY (Decision 185)

Statement: The general secretary reported that, in accordance with instruction and authorization from the Board, he had made the following decisions on behalf of the Board during the period 7 December 2012 through 19 April 2013.

1. Admission of Clubs

Statement: Under the terms of the delegation of authority by the Board, the general secretary may approve provisional clubs' applications for membership in RI in accordance with established procedure and policy.

DECISION: The Board, the general secretary acting on its behalf, approves admission of the following Rotary clubs to membership in RI:

Zone 3
Rotary E-club of D2710 Fukuyama, Japan
Osaka Miotukushi, Osaka, Japan

Zone 4
Adampur City, Punjab, India
Alwar Aravali, Rajasthan, India
Bawani Khera, Haryana, India
Betwa Vidisha, Madhya Pradesh, India
Dombivli Saudamini, Maharashtra, India
Dombivli Sun City, Maharashtra, India
Mumbai Sea Link, Maharashtra, India
Muzaffarnagar Samriddhi, Uttar Pradesh, India
Panvel Khandeshwar, Maharashtra, India
Satpura Chhindawara, Madhya Pradesh, India
Sunam City, Punjab, India
Thane Paradise, Maharashtra, India
Tosham, Punjab, India

Zone 5
Bidadi Central, Karnataka, India
Chennai Silk City, Tamil Nadu, India
Cheyyar Temple City, Tamil Nadu, India
Cochin Technopolis, Kerala, India
Coimbatore Cyber City, Tamil Nadu India
Golden Nagercoil, Tamil Nadu, India
Golden R. S. Mangalam, Tamil Nadu, India
Male`, Maldives
Marudur, Tamil Nadu, India
Nallur, Northern Province, Sri Lanka
Omalur Midtown, Tamil Nadu, India
Trichirapalli North, Tamil Nadu, India
Vellore Green City, Tamil Nadu, India

Zone 6
Aerocity Durgapur, West Bengal, India
Allahabad Pride, Uttar Pradesh, India
Buddhachinaraj, Phitsanulok, Thailand
Chittagong Mahanagar, Bangladesh
Cox's Bazar City, Bangladesh
Dhaka City, Bangladesh
Dhaka One, Bangladesh
Gour Banga, West Bengal, India
Greater Bhubaneswar, Odisha, India
Haji Ghulam Nabi Rind Sakrand, Sind, Pakistan
Jalalpur Pirwala, Punjab, Pakistan
Kanpur Gaurav, Uttar Pradesh, India
Karnjanavanit-Hatyai, Thailand
Khannayao, Bangkok, Thailand
Khulna Royals, Bangladesh
Ko Chang, Trat, Thailand
Langkawi, Malaysia
Lukkae-Kanchanaburi, Thailand
Maireang-Nakhon Si, Thailand
Moulvibazar Midtown, Bangladesh
Munshiganj City, Bangladesh
Padampur, Orissa, India
Pangsha-Rajbari, Bangladesh
Rajdhani Dhaka, Bangladesh
Ratchathewi, Bangkok, Thailand
Rotary E-club of District 3330, Thailand
Ruposhi Khulna, Bangladesh
Siem Reap, Cambodia
Srikshetra Puri, Orisa, India
Thatta, Sind, Pakistan

Zone 7
Acropolis, Philippines
Bustos Town, Bulacan, Philippines
Franklin, New Zealand
Highbrook, New Zealand
Pulilan Diamonds, Bulacan, Philippines
San Jose Samarica, Occidental Mindoro, Philippines
Semarang Bukit Sari, Indonesia
Solo Sriwedari, Indonesia

Zone 8
Albury Wodonga Sunrise, N.S.W., Australia
Brisbane Rocks Riverside, Queensland, Australia
Lara District, Victoria, Australia
New Farm, Queensland, Australia
Rotary E-club of Melbourne, Victoria, Australia
Townsville Saints, Queensland, Australia

Zone 9
Cheongju Nanum, Chungcheongbug , Korea

Zone 9 (cont'd)
Goyang Eoulrim, Gyeonggi, Korea
Gumi-Hyeonwol, Gyeongsangbug, Korea
Gunwi-Gaenari, Gyeongsangbug, Korea
Gyeongju-Queens, Gyeongsangbug, Korea
Gyeongju-West, Gyeongsangbug, Korea
Incheon Green, Incheon, Korea
Punggi-Sobackmountain, Gyeongsangbug, Korea
Rotary E-club of Andong Hanuri, Korea
Seoul Apgujeong, Seoul, Korea
Seoul Tennis, Seoul, Korea

Zone 10
Amizade, Macau
Busan Chungnuree Young, Busan, Korea
Busan Clover, Busan, Korea
Busan ROTC Young, Busan, Korea
Busan-Cheongsol, Busan, Korea
Geoje Rose, Gyeongsangnam, Korea
Hsinchu Sunrise, Taiwan
Jeju Doldam, Jeju, Korea
Jeju Mirae Young, Jeju, Korea
Jeju-Areum, Jeju, Korea
Jeju-Seobu Young, Jeju, Korea
Kaohsiung Harbour, Taiwan
New Metro Taipei, Taiwan
New Taipei City Peace, Taiwan
Tainan Eternity, Taiwan
Taipei Fong Hwang, Taiwan
Taipei Glory, Taiwan
Taipei Guandu, Taiwan
Taipei Luck-Queen, Taiwan
Taipei NanBei, Taiwan
Taoyuan Siangyang, Taiwan
Ulsan-Gaon, Ulsan, Korea

Zone 11
Saint-Jean-de-Luz Vallée de la Nivelle, Pyrénées-Atlantiques, France
La Seyne-sur-Mer - Cap Sicié, Var, France
Lyon Saint Exupéry, Rhône, France
Saint-Cyprien Côte Radieuse, Pyrénées-Orientales, France

Zone 12
Grottaglie, Italy
Morimondo Abbazia, Italy
Sibari Magna Grecia - Cassano all'Ionio, Italy

Zone 13
Sandim, Portugal

Zone 14
Münster International, Germany
Paderborn - Bürener Land, Germany
Rotary E-club of D-1950, Germany
Wetter in Hessen, Germany

Zone 15
Pushkin - Tsarskoe Selo, Russian Federation

Zone 16
Grenaa Go'Morgen, Denmark
Kharkiv Multinational, Ukraine
Kyiv-Sophia, Ukraine

Zone 17
Welland Valley, Leics., England

Zone 18
Gent-Portus Ganda, Belgium
Rotary E-club of Belgium 1, Belgium

Zone 19
Bad Krozingen, Germany
Banská Bystrica Classic, Slovakia
Bat Hefer, Israel
Bruchsal-Rhein, Germany
Bucharest-Octo, Romania
Lindau-Dreiländereck, Germany
München-Lehel, Germany
Nasaud, Romania
Pfullendorf-Meßkirch, Germany
Trebisov, Slovakia

Zone 20
Abuja City, Fed. Cap. Territory, Nigeria
Abuja New Dawn, Fed. Cap. Territory, Nigeria
Accra Dansoman, Ghana
Ankara Çayyolu, Turkey
Bukavu Mwangaza, Democratic Republic of the Congo
Casablanca Amani, Morocco
Cotonou Citou, Benin
Cotonou Phare, Benin
Dubai Cosmopolitan DIFC, United Arab Emirates
Eskisehir Yazilikaya, Turkey
Festac Central, Lagos State, Nigeria
Ilaro-Oronna, Ogun State, Nigeria
Kaduna Metropolitan, Kaduna State, Nigeria
Kaltungo, Gombe State, Nigeria
Kampala Muyenga Breeze, Uganda
Kampala-Nsambya, Uganda
Kankan, Guinea
Kikuyu, Kenya
Koulikoro, Mali
Libreville-Mondah, Gabon
Lomé-Étoile, Togo
Natitingou-Tanguiéta, Benin
New Owerri, Imo State, Nigeria
Oju, Benue State, Nigeria
Port Harcourt Downtown, Rivers State, Nigeria
Port Harcourt Garden City, Rivers State, Nigeria
Saint-Denis Florebo, Reunion
Sunyani East, Ghana
Tampon-Mahavel, Reunion

Zone 20 (cont'd)
Techiman, Ghana
Tema-Sakumono, Ghana

Zone 21
Boerne-Moontime, Texas, USA
Cabo San Lucas del Mar, B.C.S., Mexico
Chihuahua Emprende, Chihuahua. Mexico
Ciudad Sandino, Nicaragua
Ensenada Todos Santos, B.C., Mexico
Guadalupe Ejecutivo, Zacatecas, Mexico
Ojocaliente Cuitzillique, Zacatecas, Mexico
Palenque, Chiapas, Mexico
Pamplona Fundadora de Ciudades, Norte de Santander, Colombia
Parral, Chihuahua, Mexico
Puerto Morelos, Quintana Roo, Mexico
Puruándiro Alfa, Michoacán. Mexico
Tegucicalpa Metropolitano, Honduras
Valladolid Pueblo Mágico, Yucatán, Mexico
Zacapu, Michoacán, Mexico

Zone 22
Guarulhos-Leste, São Paulo, Brazil
São Roque-Estância, São Paulo, Brazil

Zone 23
Buena Vista-Surutú, S.C., Bolivia
Cochabamba-Concordia, Coch., Bolivia
Coroico, L.P., Bolivia
Curitiba-Imigrantes, Paraná, Brazil
Daireaux Huinca loo, Bs.As., Argentina
Del Centro, Bs.As., Argentina
Jaguariaíva-Cidade Alta, Paraná, Brazil

Zone 24
Rotary E-club of Canada One, Alberta, Canada
L'est de Montréal, Québec, Canada

Zone 25
Rotary E-club of Hawaii, Hawaii, USA
Rotary E-club of the State of Jefferson (D5110), Oregon and California, USA
Glen Ellen-Kenwood, California, USA

Zone 26
Rotary E-club of Arizona, Arizona, USA
North County San Diego- Route 78, California, USA
Solana Beach, California, USA
The Five Cities, California, USA

Zone 27
West Boise, Idaho, USA

Zone 29
Ann Arbor West, Michigan, USA

Zone 30
Cincinnati Eastside, Ohio, USA
Clarksville Sunset, Tennessee, USA
Greater Harrison, Ohio, USA

Zone 31
Bloomington-Normal Daybreak, Illinois, USA
Coweta, Oklahoma, USA
Forest Park (St. Louis), Missouri, USA

Zone 32
Ossipee Valley, New Hampshire, USA

Zone 34
Johns Creek-North Fulton, Georgia, USA
Milot, Haiti

2. Amendment of Club Constitution – Change in Name of Clubs

Statement: Under the terms of the delegation of authority by the Board, the general secretary may amend a club constitution to change the name of the club.

DECISION: The Board, the general secretary acting on its behalf, approves an amendment to the following clubs' constitution whereby the names of the clubs are changed as follows:

From	To
Auxonne-Cité Pasteur, Côte d'Or, France	Auxonne-Val-de-Saône, Côte d'Or, France
Bangalore Whitefield, Karnataka, India	Bangalore Ulsoor, Karnataka, India
Berry-Gerringong, N.S.W., Australia	Berry, N.S.W., Australia
Best, Netherlands	Best-Oirschot, Netherlands
Breakwater Daybreak South Portland-Cape Elizabeth, Maine, USA	South Portland Sunrise, Maine, USA
Brumath Strasbourg-Campagne, Bas-Rhin, France	Brumath-Truchtersheim-Kochersberg, Bas-Rhin, France
Bupyeong-Jungang, Incheon, Korea, Rep. of	Incheon Baekma, Incheon, Korea, Rep. of
Canberra Fyshwick, A.C.T., Australia	Rotary E-club of Brindabella, A.C.T., Australia
Cheju-Nohyung, Cheju, Korea, Rep. of	Jeju-Nohyung, Jeju, Korea, Rep. of
Daegu-Haedong, Daegu, Korea, Rep. of	Daegu Daekyung, Daegu, Korea, Rep. of
Daejeon-Sae Cheonnyeon, Daejeon, Korea, Rep. of	Daejeon Doan, Daejeon, Korea, Rep. of
Dedemsvaart, Netherlands	Ommen-Dedemsvaart, Netherlands
Flagler/Palm Coast Sunrise, Florida, USA	Palm Coast, Florida, USA
Frederiksværk, Denmark	Halsnæs, Denmark

Gilroy-South County Sunrise, California, USA	Gilroy Sunrise, California, USA
Gimhae Sineo, Gyeongsangnam, Korea, Rep. of	Dong Gimhae, Gyeongsangnam, Korea, Rep. of
Granville, Illinois, USA	Granville/Putnam County, Illinois, USA
Haileybury, Ontario, Canada	Temiskaming Shores and Area, Ontario, Canada
Horst-Sevenum-Maasdorpen, Netherlands	Horst aan de Maas, Netherlands
Isawa, Yamanashi, Japan	Fuefuki, Yamanashi, Japan
Langinkoski, Finland	Kotka-Langinkoski, Finland
Long Grove, Illinois, USA	Long Grove/Kildeer/Hawthorn Woods, Illinois, USA
Mazamet, Tarn, France	Mazamet Montagne Noire, Tarn, France
Nogent sur Marne, Val-de-Marne, France	Nogent sur Marne-Le Perreux sur Marne, Val-de-Marne, France
Plattsburgh A.M., New York, USA	Plattsburgh Sunrise, NewYork, USA
Poway, California, USA	Poway-Scripps, California, USA
Saint-Cyprien Centenaire, Pyrénées-Orientales, France	Canet en Roussillon Centenaire, Pyrénées-Orientales, France
Sant Feliu de Codines-Cingles de Berti, Spain	Caldes de Montbui Cingles de Berti, Spain
Sherman Oaks Sunset, California, USA	Rotary E-club of The Greater San Fernando Valley, California, USA
Sioux Falls, South Dakota, USA	Downtown Sioux Falls, South Dakota, USA
Tangail Central, Bangladesh	Tangail, Bangladesh
Top-O-Pocono (Blakeslee), Pennsylvania, USA	Blakeslee, Pennsylvania, USA
Tunis Méditerranée New Generation, Tunisia	Tunis Méditerranée, Tunisia
West Woodspring, Somerset, England	Worle, Somerset, England
Whakatu Nelson, New Zealand	Whakatu, New Zealand
Yangsan-Saesaem, Gyeongsangnam, Korea, Rep. of	Yangsan-Misong, Gyeongsangnam, Korea, Rep. of

3. Amendment of Club Constitution – Change in Locality

Statement: Under the terms of the delegation of authority by the Board, the general secretary may approve requests from clubs to amend Article III of the club constitution to revise club locality.

DECISION: The Board, the general secretary acting on its behalf, approves amendments to the constitution of the following Rotary clubs, thereby revising their localities:

Club

Berry, N.S.W., Australia
Brisbane, Queensland, Australia
Brumath Strasbourg-Campagne, Bas-Rhin, France
Lehrte, Germany
Rotary E-club of Brindabella, A.C.T., Australia
Saint-Cyprien Centenaire, Pyrénées-Orientales, France

4. Ballot-by-Mail for Selection of District Governor-Nominee (District 2483)

Statement: Under the terms of delegation of authority by the Board, the general secretary acting on its behalf, may authorize a district governor to hold a ballot-by-mail within his district instead of convening a nominating committee to select a nominee to serve as district governor.

DECISION: The Board, the general secretary acting on its behalf, authorizes District 2483 to conduct a ballot-by-mail to select a nominee to serve as district governor.

5. Incorporation of Rotary Clubs

Statement: Under the terms of the delegation of authority by the Board, the general secretary may approve all applications for incorporation that are in conformity with the general provisions for articles of incorporation.

DECISION: The Board, the general secretary acting on its behalf, offers no objection to the incorporation of the following Rotary clubs under the proposed articles of incorporation as submitted by those clubs:

Club Name

Franklin, New Zealand
Holbrook, N.S.W., Australia
Kansas City South, Missouri, USA

6. Incorporation of Rotary Districts

Statement: Under the terms of the delegation of authority by the Board, the general secretary may approve all applications for incorporation that are in conformity with the general provisions for articles of incorporation.

DECISION: The Board, the general secretary acting on its behalf, offers no objection to the incorporation of Districts 9675 and 9685 (Australia) under the proposed articles of incorporation as submitted by those districts.

7. Merger of Clubs

Statement: Under the terms of the delegation of authority by the Board, the general secretary may approve the application of two or more Rotary clubs to merge into a single new club, in accordance with established procedure and policy.

DECISION: The Board, the general secretary acting on its behalf, approves the merging of the following Rotary clubs in RI:

Zone	Clubs	New Club	New Charter Date
8	Lismore, New South Wales, Australia and Lismore Central, New South Wales, Australia	Lismore, New South Wales, Australia	31 Nov. 1931
9	Seoul-Pukak, Korea, Rep. of, and Seoul Jongro-Ehwa, Korea, Rep. of	Seoul-Pukak, Korea, Rep. of	2 Jan. 2013
14	Buchholz, Germany and Hanstedt-Nordheide, Germany	Buchholz i.d.Nordheide, Germany	16 Apr. 1999
21	Anáhuac D.F., Mexico Tacubaya, D.F., Mexico	Anáhuac Tacubaya, D.F., Mexico	10 June 1955
25	Eugene Mid-Valley, Oregon, USA and Eugene Emerald, Oregon, USA	Eugene Emerald Valley, Oregon, USA	14 June 1967
26	Fresno Sunrise, California, USA and Fresno Airport, California, USA	Fresno Sunrise, California, USA	12 Dec. 1983
26	Fillmore Sun Risers, California, USA and Fillmore, California, USA	Fillmore, California, USA	19 May 1924
34	North Port, Florida, USA and North Point Central, Florida, USA	North Port Central, Florida, USA	27 May 1987

8. Reinstatement of Membership in Rotary International

Statement: Under the terms of the delegation of authority by the Board, the general secretary may reinstate the membership of a club that was terminated for non-payment of financial obligations to RI, if such obligations have been met.

DECISION: In accordance with Rotary Code of Policies section 31.030.05. and in view of the fact that the former Rotary clubs listed below have met the conditions of that policy, the Board, the general secretary acting on its behalf, reinstates the following clubs.

District	Club	Country
3110	Kanpur North, Uttar Pradesh	India
3120	Jaunpur, Uttar Pradesh	India
3180	Hassan Sunrise, Karnataka	India
3190	Bangalore Mahalakshmi, Karnataka	India
3272	Lahore Mian Mir, Punjab	Pakistan
3280	Dhaka Pioneer	Bangladesh
3280	Sylhet Valley	Bangladesh
3640	Seoul Dogok	Korea, Rep. of

9. Resignation of Membership in Rotary International

Statement: Under the terms of the delegation of authority by the Board, the general secretary may cancel a club's charter under the recommendation of the governor if the club has ceased to exist.

DECISION: The Board, the general secretary acting on its behalf, accepts the resignation of the following clubs and declares the charters issued to these clubs to be null and void:

District	Club	Country
1360	Olafsvik	Iceland
1410	Uusikaupunki-Ruokola	Finland
1912	Lenart-Slovenske Gorice	Slovenia
2275	Fosna	Norway
2320	Umeå Norra	Sweden
2330	Älvkarleby-Skutskär	Sweden
2420	Istanbul-Tesvikiye	Turkey
2600	Kita-Shinano	Japan
4340	Lo Espejo	Chile
4610	São Paulo-Perdizes	Brazil
4835	Salta, Salta	Argentina
5030	Redmond Rousers	USA
5300	High Desert-Apple Valley	USA
5810	Mesquite Sunrise	USA
5970	Odebolt	USA
9600	Strathpine	Australia
9630	Moreton Bay	Australia

10. Suspension of Services in Rotary International

Statement: Under the terms of the delegation of authority by the Board, the general secretary may suspend services of Rotary International and The Rotary Foundation to a club that has not paid its district per capita dues or levy for more than six months until such time as the club has satisfied all of its past due indebtedness to the district for per capita dues and/or levies.

DECISION: The Board, the general secretary acting on its behalf, in accordance with RI Bylaws section 15.060.3. suspends all services of Rotary International and The Rotary Foundation to the following clubs until such time as they have satisfied all of their past indebtedness for per capita district dues and/or levies.

District	Club	Admitted	Terminated
2110	Lampedusa e Linosa	20 Mar. 2009	15 Feb. 2013
3520	Taipei Tien Chen, Taiwan	5 Mar. 2010	8 Mar. 2013

11. Termination of Membership in RI – Disbanded

Statement: Under the terms of the delegation of authority by the Board, the general secretary may terminate the charters of clubs where further effort to rehabilitate the club is futile.

DECISION: The Board, the general secretary action on its behalf, terminates the membership in RI of the following Rotary clubs:

District	Club	Admitted	Terminated
2201	Madrid Nuevo, Spain	02 Sep. 2008	12 Mar. 2013
2250	Kvinnherad, Norway	23 Mar. 1967	11 Dec. 2012
3070	Phillaur, Punjab	19 Sep. 2001	1 Jan. 2013
3640	Seoul-Riviera	20 Feb. 2002	12 Apr. 2013
4180	Tlaltizapán, Morelia, Mexico	14 Oct. 2009	5 Apr. 2013
4420	Santo André-Novo Século	16 Aug. 2005	24 Jan. 2013
4450	San José de Jesús María, Lima, Peru	18 Mar. 2004	31 Dec. 2012
4570	Rio de Janeiro-Vila Valqueire	25 June 1980	7 Feb. 2013
4590	Santa Gertrudes, São Paulo	9 May 2001	24 Jan. 2013
4865	Eduardo Castex, L.P., Argentina	24 Apr. 2008	21 Dec. 2012
4865	San Rafael del Diamante, Mend., Argentina	15 Mar. 2006	21 Dec. 2012
5180	Sutter Buttes Sunrise-Yuba City, California, USA	17 Mar. 1992	31 Dec. 2012
5220	Dos Palos, California, USA	14 Jan. 1941	30 June 2012
5390	Chester, Montana, USA	16 Jan. 1953	30 June 2012
5420	North Davis County, Utah, USA	13 Sep. 1991	31 Dec. 2012
5470	La Veta, Colorado, USA	23 July 1937	1 Apr. 2013
5500	Tucson Foothills, Arizona, USA	8 Feb. 2008	20 Dec. 2012
5630	Oxford, Nebraska, USA	20 Dec. 1937	6 Dec. 2012
5750	Capitol (Oklahoma City) Oklahoma, USA	28 June 1971	1 Apr. 2013
6450	Elmhurst Morning, Illinois, USA	22 Mar. 1985	30 June 2012
7030	Nevis, Saint Kitts and Nevis	27 July 2007	11 Jan. 2013
7570	Galax, Virginia, USA	24 May 1924	15 Jan. 2013
9350	Caledon, South Africa	19 Mar. 1960	31 Dec. 2012

12. Termination of Membership in RI – Failure to Function

Statement: Under the terms of the delegation of authority by the Board, the general secretary may terminate the charters of clubs where further effort to rehabilitate the club is futile.

DECISION: The Board, the general secretary acting on its behalf, in accordance with RI Bylaws section 3.030.2., terminates the membership in RI of the Rotary Club of Cainta Brookside Hills (District 3800).

13. Modification of District Boundaries – Transfer of Clubs (Rotary Club of Newburyport, MA, USA)

Statement: The Rotary Club of Newburyport was the only Rotary club in District 7780 that was located in Massachusetts, USA. The two districts involved agreed that it made sense for the state line to serve as the district boundary. As a result of this transfer, the new boundary descriptions are as follows:

District 7780
USA—Maine, the counties of Cumberland, Lincoln, Oxford, Sagadahoc and York; and New Hampshire - that portion east of longitude 71º.

District 7930
USA—Massachusetts, that portion including Essex County, Middlesex County east of the western boundaries of the towns of Wilmington, Burlington, Lexington and Belmont and the city of Cambridge and Suffolk County; and New Hampshire – the town of Salem.

DECISION: The Board, the general secretary acting on its behalf in accordance Rotary Code of Policies section 17.010.4., approves the transfer of the Rotary Club of Newburyport, MA, USA from District 7780 to District 7930, effective 1 July 2013.

14. Modification of District Boundaries – Transfer of Clubs (Three Clubs in Hertfordshire, England)

Statement: The Rotary Club of Letchworth Garden City, the Rotary Club of Letchworth Howard, and the Rotary Club of Baldock, all within the county of Hertfordshire, England, have requested a transfer from District 1080 to District 1260. The clubs are geographically closer to clubs in District 1260 and they have built strong, collaborative relationships with the clubs in District 1260. Due to distance, it is difficult for club members to attend District 1080 meetings and events. Governor Trevor Sayer of District 1080 and Governor Debbie Hodge of District 1260 have both given their consent to the transfer of these three clubs.

DECISION: The Board, the general secretary acting on its behalf, in accordance with Rotary Code of Policies section 17.010.4.(10) approves the transfer of the Rotary Club of Letchworth Garden City, the Rotary Club of Letchworth Howard, and the Rotary Club of Baldock from District 1080 to District 1260, effective 1 July 2013.

15. Clarification of District Boundaries

Statement: In Salem, New Hampshire, USA there are two Rotary clubs: Greater Salem and Methuen MA-Salem, both in District 7930. The district boundary description for neighboring District 7870 did not properly exclude the town of Salem. District governors from both Districts 7870 and 7930 are in agreement that the district boundary of District 7870 should be changed to clarify in which district Salem, NH is located.

DECISION: The Board, the general secretary acting on its behalf in accordance with Rotary Code of Policies section 17.0.010.4.(10), clarifies the boundaries in District 7870, effective 1 July 2013 as follows:

District 7870
USA—New Hampshire, that portion west of longitude 71º and south of the southern boundaries of the counties of Carroll and Grafton, except the town of Salem; and Vermont, that portion south of the southern boundaries of the counties of Orange and Addison.

16. Excusing Club Indebtedness

Statement: Under the terms of delegation of authority by the Board, the general secretary may, in duly justified cases, excuse clubs from payment of all indebtedness to RI when, in the general secretary's judgment, the recommendation of the governor and other circumstances in the case warrant such action.

DECISION: The Board, the general secretary acting on its behalf, in accordance with Rotary Code Policies section 31.030.4. excuses the following Rotary clubs from their indebtedness to RI:

District	Club
3271	Badin, Sind, Pakistan
3271	Bhandi, Sind, Pakistan
3271	Dadu, Sind, Pakistan
3271	Daur, Sind, Pakistan
3271	Gambat, Sind, Pakistan
3271	Jacobabad, Sind, Pakistan
3271	Kazi Ahmed, Sind, Pakistan
3271	Khairpur Green, Sind, Pakistan
3271	Khairpur, Sind, Pakistan
3271	Kotri, Sind, Pakistan
3271	Kumb, Sind, Pakistan
3271	Quetta Bolan, Baluchistan, Pakistan
3271	Quetta Cosmopolitan, Baluchistan, Pakistan
3271	Quetta, Baluchistan, Pakistan

District	Club
3271	Sakrand, Sind, Pakistan
3271	Shikarpur, Sind, Pakistan
3870	Carmen Valley West, Cagayan de Oro City, Philippines
3870	Golden East, Cagayan East, Misamis Oriental, Philippines
3870	Metro Ranao, Lanao del Sur, Philippines

17. Termination of Rotary Fellowship—Voluntary

Statement: In accordance with Rotary Code of Policies section 31.090.4., the general secretary may, acting on behalf of the Board, terminate a Rotary Fellowship in cases where the group has decided to voluntarily disband. Since the Board's January 2013 meeting, the following Rotary Fellowships notified the general secretary that they were disbanding effective immediately due to lack of activity.

- International Fellowship of Bridge Playing Rotarians
- Fine Arts and Antiques Fellowship

DECISION: The Board, the general secretary acting on its behalf, authorizes the voluntary termination of the International Fellowship of Bridge Playing Rotarians and the Fine Arts and Antiques Fellowship.

18. Request to Join Multidistrict Youth Exchange—District 2305

Statement: In accordance with Rotary Code of Polices section 41.060.21., the governor for new District 2305 requested the Board's approval to participate in Youth Exchange activities on a multidistrict level.

DECISION: The Board, the general secretary acting on its behalf, in accordance with Rotary Code of Policies section 31.090.12., authorizes the governor and clubs in District 2305 to participate in activities with the Norwegian International Youth Exchange program.

19. Request to Join a Rotaract Multidistrict Information Organization—District 9500

Statement: In accordance with the policy established by the Board with respect to multidistrict activities, the governor and Rotaract representative of District 9500 requested the Board's approval to participate in Rotaract activities on a multidistrict level.

DECISION: The Board, the general secretary acting on its behalf, in accordance with established policy concerning multidistrict activities, authorizes the governor and Rotaract clubs in District 9500 to participate in the Rotaract Australia Multidistrict Information Organization Representing Districts 9455, 9465, 9520, 9550, 9570, 9640, 9670, 9680, 9690, 9710, 9750, 9790, 9800, 9810 and 9830, subject to the activities being organized and conducted in accordance with RI policy.

APPENDIX C

AMENDMENTS TO THE ROTARY CODE OF POLICIES REGARDING EXECUTIVE COMMITTEE TERMS OF REFERENCE (Decision 193)

30.060.5. Terms of Reference for the Executive Committee

The Board, in accordance with the RI Bylaws, has prescribed the following terms of reference under which the Executive Committee shall function:

[text omitted]

f) evaluate the performance of the general secretary annually and report its findings to the board;

The Executive Committee will conduct its annual evaluation of the general secretary at an in-person meeting before the last Board meeting of the year. The following steps will be taken in the evaluation process:

1. No later than 30 days prior to the last Board meeting of the Rotary year, the general secretary will present to the RI president and chair of the Executive Committee a written summary of the key performance indicators (KPIs) that were established for the year and an analysis of the progress that has been made on each of the KPIs.

2. The chair of the Executive Committee will provide a copy of the general secretary's report to all members of the Executive Committee and to the chair of The Rotary Foundation. The chair of the Executive Committee will request that any comments be sent to him or her no later than 15 days prior to the Board meeting.

3. At its meeting before the last Board meeting, the Executive Committee will meet with the general secretary to conduct its annual review. Following this meeting, a written report of the Committee's findings will be submitted to the full Board, the Trustee chair, and to the general secretary. The members of the following year's Executive Committee and the Trustee chair, or another trustee designated by the chair, ~~may~~ should be invited to attend this meeting as observers. As part of its annual review, the Executive Committee will review and evaluate the compensation of the general secretary, and will approve any adjustments, including any bonuses, that it is authorized to make under general secretary's employment contract. Any adjustments or modifications to compensation or benefits for the general secretary outside of the employment contract must be approved by the Board.

4. After the meeting of the current year's Executive Committee, the following year's Executive Committee shall meet with the general secretary to review proposed KPIs for the succeeding year. The following year's Trustee chair, or another trustee designated by the chair, should be invited to this meeting.

5. After the meeting of the following year's Executive Committee, the incoming chair of the Executive Committee should provide a copy of the proposed general secretary KPIs to the Board for review and approval at the first Board meeting of the succeeding year. A copy of the KPIs should also be provided to the incoming Trustee chair.

APPENDIX F

RI TRAVEL POLICY AIRLINE CLASS OF SERVICE
(Decision 212)

Funded Travelers will make use of the lowest reasonable economy airfare which will serve the RI or The Rotary Foundation purposes of the journey.

Rotary Senior Leaders may make use of upgrades to the class of service for which they are eligible and may always elect to travel at a less expensive class of service.

First class if business class sleeper seats are not offered

- President
- President-elect
- Rotary Foundation trustee chairman
- Spouses of the above when traveling ~~with them~~ at Rotary's expense

Business class or premium cabin equivalent on flights longer than four hours

- Rotary International Board of Directors
- Rotary Foundation Trustees
- President-nominee
- Past presidents
- Past Trustee chairs
- General secretary
- Directors-elect in conjunction with the Rotary International convention and adjoining ~~subsequent~~ Board meetings
- Incoming Trustees in conjunction with their preparation as a Trustee
- Aides to the president, ~~and~~ president-elect, ~~president-nominee,~~ Trustee chair, and Trustee chair-elect
- Convention speakers at the invitation of RI president
- Major award recipients at the invitation of RI president
- Spouses of the above when traveling ~~with them~~ at Rotary's expense

Past Directors or Trustees ~~officers~~

- Upgradeable coach class on flights longer than four hours. Rotary will fund up to 175% of the lowest cost coach class ticket provided that the Past Director or Trustee pays at the time of booking the additional difference, if any to secure the next highest class of service.
  - Business class or premium cabin equivalent on flights longer than eight hours
  - Spouses of the above when traveling at Rotary's expense

Emergency Situations

The general secretary is permitted to authorize the purchase of any class of service to secure the safe evacuation of funded travelers during emergency situations.

For the purpose of this policy, the length of a flight shall be defined as the scheduled departure of first flight to scheduled arrival of last flight.

APPENDIX G

ROTARY SOUTH ASIAN CONFERENCE ON DEVELOPMENT AND COOPERATION (Decision 229)

1. Background

1.1 Arising from his strong desire for joint initiatives in regional development and co-operation, R.I. President Kalyan Banerjee set up in early 2010, a Core group of Rotarians to design a blue print for action. At President Banerjee's request, PP Madhav Mohan prepared a Concept Note that outlined in specific terms the common challenges the region faced and suggesting a basis for further discussions (Annexure I). Over a series of meetings, the Group worked on the Concept Note and noted that there was immense scope for co-operation among South Asian countries in solving common economic and social problems. The nine countries that constitute SAARC are home to one fourth of the world's population and form one of the largest economic blocs of the world. They also represent two thirds of the low income population of the world.

1.2 The efforts of governments in the region, while substantial, have been marred by political divisions and intermittent conflicts. President Kalyan believed that Rotary could make a difference in accelerating the pace of development in this region through joint, cross border Rotary projects and strategic partnerships with government agencies, business and voluntary organizations. Co- operation and peace in the region, it is recognized, will be a big step towards creating a more peaceful world.

1.3 It was against this background that members from Rotary clubs in five countries in the region organised a South Asia Conference on Development and Co-operation at Colombo, Sri Lanka on 4, 5 and 6 September.

2. Purpose of the Conference

2.1 The conference aimed at:

- Promoting better understanding, goodwill and trust among the people of the countries in the region;
- Enhancing tolerance by each country towards each other;
- Facilitating easier movement of people in this region to promote cultural exchange and
- Substantially increasing trade and investment in the region.

3. Organisation

3.1 The Conference was hosted by Rotary District 3220 (Sri Lanka).Past RI President agreed to be the Conference Chairman, at President Kalyan Banerjee's request. PRI K R Ravindran was the Co-Chairman.

The Conference was inaugurated by the President of Sri Lanka, Mr. Mahindra Rajapaksa. The speakers included ministers from Pakistan, Bangladesh and Sri Lanka, leading journalists from India, Pakistan, Sri Lanka and Bangladesh, captains of industry and representatives of chambers of commerce. Altogether 180 delegates attended. The countries represented, Bangladesh, India, Nepal, Pakistan, and Sri Lanka accounted for 94% of the population of the nine SAARC countries.

4. Outcome

At the end of the three day conference, the delegates unanimously adopted a Declaration committing them to collaborative action for cultural, economic and social development of the region. The Conference followed this by unanimously approving a 20 point Plan of action. (Annexure 2 & 3).

5. Mechanism to carry the Conference recommendations forward

5.1 It is necessary to devise a mechanism to implement the decisions of the Conference. The preparatory work for the conference was done by a Core Group consisting of Rotarians from the five participating countries and invitees from the media and the business communities. They were also active in designing the conference structure and ensuring active participation by all delegates.

5.2 It would be appropriate to use the strengths of this Core Group and expand the Group to set up a Rotary South Asia Council (R-SAC) consisting of a Panel of Advisors (POA) and a Collaborative Action Group (CAG).

5.3 The Council will aim at promoting world understanding and peace in the world by strengthening co-operation and development in South Asia, while upholding the principles and

philosophy of Rotary with the support of the Rotary clubs.
(*This is the essence of what the initiative aims for)*

6. Functions of the Panel of Advisors (POA)

6.1 The POA will be expected to advise the RI President and the CAG on the following:

- Establishing the Colombo Conference Declaration as a document of note with governments.
- Developing Rotary as a partner of choice in South South Asia leveraging its contacts and influence.
- Facilitating freer interaction of people in South Asia.
- Identifying opportunities for Rotary initiative arising out of political and economic trends in South Asia.
- Establishing Rotary as a peace promoter in South Asia.
- Building a financial model for Rotary South Asia Council.

7. Responsibility of Collaborative Action Group (CAG)

7.1 The responsibility of CAG shall be to implement the Action Plan arising from the Colombo Conference. CAG will also develop guidelines for the action plans.

8. Structure

8.1 President Kalyan will be the Chairman of the POA and CAG for a three year .He will nominate a maximum of 12 to 15 members from the Rotary and other collaborating agencies, including governments, members of the POA and CAG.

8.2 The tenure of **POA** and **CAG** will also be three years. At the end of the three year period, the highest RI Officer in the committee will take over as the Chairman. The outgoing Chairman shall continue to serve as the Immediate Past Chairman.

8.3 The RID/s in the region will be the chief officers responsible for coordination of the work of **POA** and **CAG**.
8.4 The POA shall meet at least once a year.
8.5 The CAG shall meet as often as decided by the Chairman but not less than twice a year.

9. Next Steps

- RI President's official announcement constituting the Panel of Advisors and the Conference Action Group outlining the responsibilities of each.
- RI President to invite members to serve on the panel and CAG.
- Of the 20 points listed in the Draft Action Plan, 12 may be taken up for immediate action. These may be officially listed as the 12 point Colombo Conference Action Plan and be the basis for joint projects among Rotary clubs in the region.
- Meeting of CAG, POA. to be convened latest by 28 February 2012.
- Setting up a communication mechanism for easier interaction among members in both POA and CAG
- The approximate cost of holding a meeting is $10000 and assuming two meetings of the CAG and one meeting of POA in a year the total cost of meetings will come to $30000 in a year. A budget of $30,000 per year for two years is recommended.

APPENDIX L

AMENDMENTS TO THE ROTARY CODE OF POLICIES REGARDING CLUBS IN ARREARS (Decision 248)

9.020. Clubs in Arrears to RI

The procedures outlined in the following subsections govern the payment by clubs of financial obligations to RI:

9.020.1. Notification of Non-Payment of Per Capita Dues

Notification to all clubs of the Board's policy relating to non-payment of per capita dues and other financial obligations to RI shall be included in the letter transmitting each semiannual report.

9.020.2. Procedures for Collection of Club Past Due Financial Obligations

RI has adopted Procedures for Collection of Club Past Due Financial Obligations, which include~~s~~ the following:

1) a reminder notice~~s~~ to clubs with unpaid financial obligations ~~in excess~~ of US$250 or more will be sent ~~90~~ 60 days (~~three~~ two months) from due date; another notice will be sent 90 days (three months) from the due date;

2) termination of clubs with unpaid financial obligations ~~in excess~~ of US$250 or more will occur ~~180~~ 120 days (~~six~~ four months) from due date;

~~3) any terminated club that has fully paid its financial obligations, which will include a US$10 per member reinstatement fee for a minimum of ten members, within 270 days (nine months) from the due date will be reinstated;~~

3) clubs with balances of less than US$250 will be contacted for payment, but termination will not be mentioned:

4) ~~unpaid financial obligations~~ balances of US$50 or less will be written off after ~~270~~ 180 days from the due date;

~~5) letters requesting payment will be sent to clubs with balances of US$250 or less, but termination will not be mentioned;~~

~~6) a record of clubs with consistent patterns of nonpayment under US$50 will be maintained. After two cycles of nonpayment, the general secretary has discretionary authority to suspend the services of RI to the club;~~

~~7)~~ 5) records of all write-offs of club financial obligations will be maintained for review by the Board at any time.

9.020.3. Notification to Clubs of Non-Payment and Termination

A ~~C~~club~~s~~ shall be notified at the end of the ~~first quarter~~ second month of ~~a club's~~ non-payment of its financial obligations and of its ~~forthcoming~~ possible termination unless payment is made ~~by the end of the current semiannual period~~ within 120 days of the due date, or unless arrangements acceptable to the Board are made to pay them. The termination notification shall be sent no less than 120 days from the due date. ~~by registered mail (return receipt, recorded delivery, et al.) at the end of the semiannual period of the club's termination due to unpaid financial obligations.~~

9.020.4. Clubs in Restricted Currency Countries

Clubs located in restricted currency countries which, despite their best efforts are unable to transmit payments due to RI, will not automatically be terminated. Such clubs are required to establish, to the satisfaction of the Board, that they have provided for an adequate financial reserve, holding the amounts due to RI with the understanding that such funds will be released to RI upon demand within the country in which the club is located, or transmitted to RI's bank account at the earliest possible date.

9.020.5. Exceptions to Club Notification and Termination Procedures

The general secretary is authorized to make exceptions implementing these guidelines which in the general secretary's judgment are warranted, based on special or unique circumstances.

9.020.6. Notice of Termination to Governors and Directors

~~Copies of notifications of termination will be sent to the governor and to the director(s) in the area.~~ District governors will receive a listing of clubs terminated for non-payment within their districts, and RI directors will

receive a listing of clubs terminated for non-payment within their zones.

9.020.7. Reinstatement of Clubs Terminated Due to Non-Payment of Financial Obligations

A terminated club may only seek to be reinstated up to ~~one year~~ five months (~~365 days~~ 150 days) after its termination. When a club seeks to be reinstated within ~~90 days of termination~~ this time period, it must pay the full amount of its outstanding financial obligations ~~at the time of termination, all semiannual dues payments that have continued to accrue during the period between termination and reinstatement,~~ and a ~~US$10.00~~ US$15.00 per member reinstatement fee. Additionally, membership must be reported for the period for which the club was terminated. ~~When a club seeks to be reinstated more than 90 days but less than 365 days after termination, it must fulfill all the requirements of a club seeking to be reinstated within 90 days of termination and, in addition, it must complete an application for reinstatement and pay a US$15.00 per member application fee.~~ A club seeking to be reinstated may only revise its membership list within ~~one year~~ six months (~~365 days~~ 180 days) of the semiannual period due date. If only partial payment is made ~~by the 365th day following termination~~ within the five month reinstatement period, that amount will be applied to the terminated club's delinquent financial obligation. Terminated clubs that have not fulfilled ~~their entire financial responsibility~~ reinstatement requirements, which include~~s~~ the full amount of their outstanding financial obligations ~~at the time of termination, all semiannual dues payments that have continued to accrue during the period between termination and reinstatement, the application fee~~, ~~and~~ the reinstatement fee, and membership reporting within ~~365 days~~ five months (150 days) of termination~~,~~ shall lose their original charter and are not eligible for reinstatement. Reinstated clubs shall maintain their name, history, and charter, and are considered members in financial good standing eligible to receive the full services of the association. Clubs that have been terminated and reinstated three times within six consecutive semiannual periods will be considered as unable to function and will be ineligible for reinstatement after the third termination.

INDEX

All references are to decision numbers unless otherwise noted

-A-

Administrative fee, new member, 255
Agenda, tentative future, 186
Associate membership, to consider proposing legislation to introduce a new category of membership, 217
Audit committee
  composition of, 252
  report, 251-253
Awards, to consider changes to the eligibility guidelines for foundation, 221

-B-

Board meeting, minutes of January 2013,
Budget
  adoption of 2013-14, 244 (App. K*)
  modifications, 259
Business internship exchange, 223

-C-

Children under age 12, new program for, 225
China, update on extension activities in, 237
Club(s)
  admission of, 185 (App. B-1)
  change in name, 185 (App. B-2)
  change in locality, 185 (App. B-3)
  dues and reinstatement cycle, 248 (App. L)
  incorporation of, 185 (App. B-5)
  indebtedness, excusing, 185 (B-16)
  merger of, 185 (App. B-7)
Code of policies
  updates to the Rotary, 196 (App. D*)
Comely bank, report on, 210 (App. E*)
Committee report
  audit, 251-253
  communications, 241
  director allocation equity, 254
  districting, 236
  election review, 206
  finance, 244-249
  new generations, 223-225
  operations review, 205
  rotarian action groups, 226
  sergeant-at-arms, 234 (App. I*)
  strategic planning, 203
  strengthen Rotary's brand, 242 (App. J*)
  Sydney convention promotion, 232
Communications committee report, 241
Communications from the trustees, 192
Conveners and sites for director nominating committees, designation of, 198
Convention
  budget, 2014 RI (Sydney), 231 (App. H*)
  report of the general secretary to the, 189
  report of treasurer to the, 191
reserve fund, request for, 233
COL, to change the structure and operation of the, 222
COL proposed enactments and resolutions referred to the Board, 215-222

-D-

Decisions
  by communication, 187
  made by the general secretary, ratification of, 185 (App. B)
  made by the president, ratification of, 184 (App. A)
Director
  allocation equity committee report from zone 4, timetable for selection of, 199
Director nominating committees, designation of conveners and sites for, 198
Director-nominee
  disposition of ballots relating to the selection of, 184 (App. A-9)
  training plan, 200
District(s)
  1450, waiver of qualifications for governor-nominee, 184 (App. A-5)
  1580, waiver of qualifications for governor-nominee, 184 (App. A-6)
  1820, waiver of qualifications for governor-nominee, 184 (App. A-7)
  1910, temporary vacancy in the office of governor, 184 (App. A-4)
  2305, request to join multidistrict youth exchange, 185 (App. B-18)
  2483, ballot-by-mail for selection of governor-nominee, 185 (App. B-4)
  4835, vacancy in the office of governor-nominee, 184 (App. A-1)
  5280, vacancy in the office of governor-elect, 184 (App. A-2)
  6860, vacancy in the office of governor, 184 (App. A-3)
  9500, request to join a Rotaract multidistrict information organization, 185 (App. B-19)
  incorporation of, 185 (App. A-6)
District Boundaries
  clarification of, 185 (App. B-15)
  modification of, 185 (App. B-13, B-14)
Districting committee report, 236
Disqualified persons, compensation paid to, 257

-E-

Election complaint pilot project, regional, 207
Election disputes, litigation concerning, 209
Election review committee report, 206
Events management, software implementation for, 235
Executive committee
  selection process, 197
  terms of reference, 258
Expo Milano host organization, funding model and projected costs for, 243
Extension activities in China, update on, 237

-F-

Fellowship, termination of, 185 (App. B-17)
Finance committee report, 244-249
Financial forecast, five-year, 245
Fiscal agents, term of appointment for, 246
Foundation awards, to consider changes to the eligibility guidelines for, 221

-

G-

General fund investment policy, 249
General secretary
  annual review, trustee participation in the, 193 (App. C)
  ratification of decisions made by the, 185 (App. B)
  reelection of the, 190
  report of the, 189
Governor-nominee selection procedures in India pilot project, amendments to, 208
Grant Thorton, extension of agreement with, 251

-H-

H_2O collaboration phase 2 plan, RI/USAID international, 228

-I-

Indian service tax, 256
Information technology status report, 213
International service, to consider adding peace and conflict resolution activities to the areas of, 219
Internship exchange, business, 223
Interview questions for 2015–16 RI presidential candidates, 201

-L-

Lisbon peace declaration, 230
Litigation, status of, 214
Litigation concerning election disputes, 209

-M-

Matching grants, additional funds for, 250
Meeting frequency pilot clubs, transition plan for, 239
Minutes of the January 2013 Board meeting, 183
Member administrative fee, new, 255
Membership,
  plans, update on regional, 238
  reinstatement of, 185 (App. B-8)
  resignation of, 185 (App. B-9)
  termination of–disbanded, 185 (App. B-11)
  termination of–failure to function, 185 (App. B-12)

-N-

New generations
  committee report, 223-225
  service exchange, 224
New generations service day, to establish RI, 220
Nominating committee for president procedures, 202
Nominating committee for president from Zones 3, 7, and 13, appointments of members to, 184 (App. A-8)

-O-

Object of Rotary
  as a guiding principle for vocational service, 218
  involving youth services, to add a fifth part to the, 216
Operations review committee report, 205

-P-

Partnership with thunderbird school of global management, 227
Peace and conflict resolution activities to the areas of international service, to consider adding, 219
Peace declaration, Lisbon, 230
Petitions to the Board, 194-195
President
  ratification of decision made by the, 184 (App. A)
  report of the, 188
Presidential candidates, interview questions for 2015–16, 201
Privacy policy, RI, 211
Program for children under age 12, new, 225

-R-

Regional election complaint pilot project report, 207
Regional membership plans, update on, 238
Report
  of the general secretary, 189
  of the president, 188
  of the treasurer, 191
Retirement plan options study, RI employee, 247
RI/USAID international H_2O collaboration phase 2 plan, 228
Risk advisory committee participation, 253
Rotarian action groups committee report, 226
Rotary South Asia committee, formation of a, 229 (App. G)
Rotary code of policies, updates to the, 196 (App. D*)

-S-

Scholars to be active members, to allow certain former, 215
Sergeant-at-arms committee report, 234 (App. I*)
Service exchange, new generations, 224
Software implementation for events management, 235
South Asia committee, formation of a Rotary, 229 (App. G)
Strategic planning committee
  appointments in 2103-14, 204
  report, 203
Suspension of services in RI, 185 (App. B-10)
Sydney
  convention budget, 231 (App. H*)
  convention promotion committee report, 232
  request for use of convention reserve fund for, 233

-T-

Thunderbird school of global management, partnership with, 227
Travel policy, RI, 212 (App. F)
Treasurer, report of, 191
Trustee(s)
  communications from the, 192
  participation in the general secretary's annual review, 193 (App. C)

-U-

Union city, Rotary club of, 240

-V-

Vocational service, to encourage the adoption of the second object of Rotary as a guiding principle for, 218

-Y-

Youth services, to add a fifth part to the object of Rotary involving, 216

-Z-

Zone 4, timetable for selection of director from, 199

* *Filed only with the official copy of these minutes*