



DISTRICT GRANT PROCESS & PROCEDURES REFERENCE - Rotary International District 7690 (D7690)

1. GENERAL

a. Rotary Foundation District Grants are block grants made to districts for up to 50% of their annual District Designated Funding (DDF). District Grant funds are managed by the district, and are used to fund small-scale, short-term projects that address humanitarian needs in local and international communities or activities that relate to the Rotary Foundation's goals including service projects, scholarships, youth programs, and vocational training. District Grant projects do not require a partner club or district, but they do require active Rotarian participation.

b. All activities funded with Rotary Foundation grant funds must adhere to the eligibility requirements set forth in the *Terms and Conditions for The Rotary Foundation District Grants and Global Grants*.

c. As a District-managed activity, it is the District that determines available funding, eligibility to receive funding, application forms and guidelines, deadlines, and any other requirements for its Rotary Clubs to follow. This reference serves as the central document that outlines the processes and procedures for administration of District Grants within Rotary International District 7690 (D7690)

2. DISTRICT GRANTS OVERVIEW

a. District and Club Database (DACdb) Grant Module. D7690's District Grant program has fully transitioned from its previous form-based system transmitted via email or paper copy to the District's DACdb Grant Module. The District's DACdb Grant Module can be accessed on the District website, www.rotary7690.org, through the District and Club Database (DACdb) tab. The DACdb Grant Module is designed to manage the entire life cycle of the district grant process online and electronically. This module is for district grants only (ie. not for Global Grants), and can be viewed by all members of the District. However, only certain members assigned by the club as signatories will have access, edit, and approval rights for a created district grant request.

b. How District Grants are Funded.

(1) Each Rotary Year, District 7690 may request up to 50% of its District Designated Fund (DDF) in one annual block grant called a Block District Grant. This represents 50 percent of the District's Annual Fund – SHARE giving from the previous three years plus any Endowment Fund - SHARE earnings. The remaining amount of DDF is allocated to the Global Grants portion of our DDF. District 7690 is responsible for administering the activities undertaken with district grant funds. The District disperses these grant funds at its discretion for district or club -sponsored activities. The District Governor (DG) approves all DDF expenditures

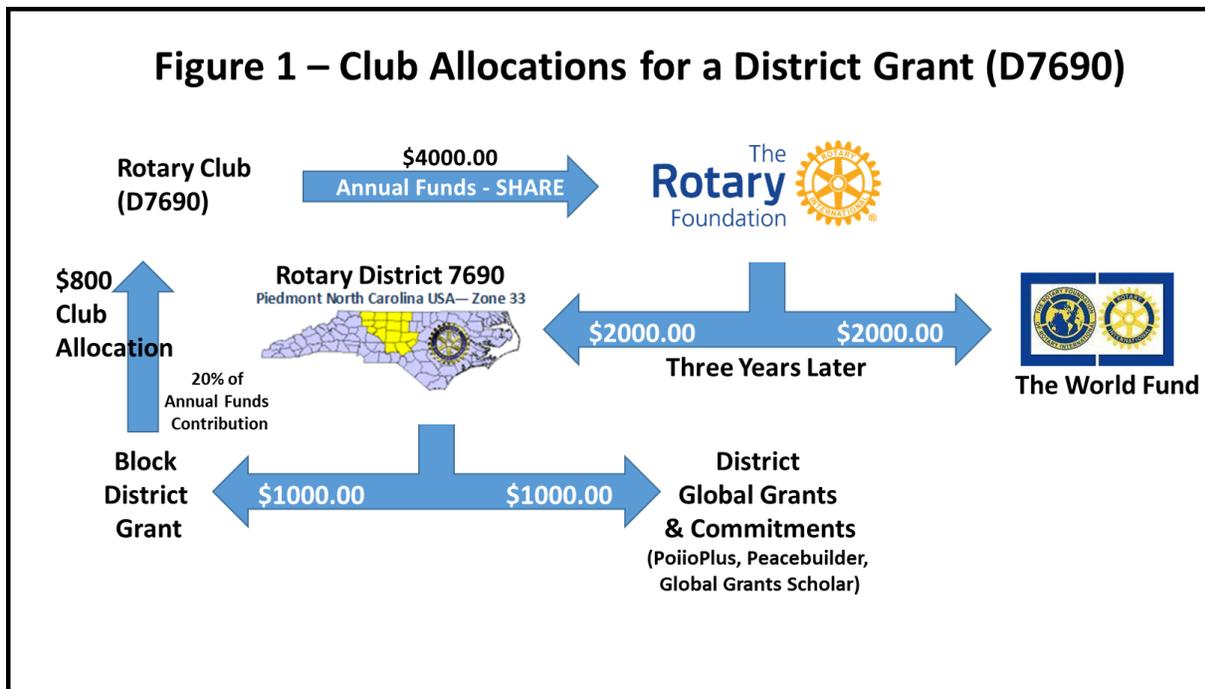
(2) The Block District Grant. After receiving grant project requests submitted in the DaCdb grant module from the clubs, the District Grant Committee will review all submissions, approve the project requests, and recommend funding to the District Governor (DG) and the District Rotary Foundation Committee (DRFC) Chair as a Block District Grant for District Designated Funds (DDF). The Block District Grant is initially developed by the District Grants Chair, jointly reviewed by the District Rotary Foundation Chair

(DRFC) and District Governor-Elect (DGE), and ultimately approved by the DG and DRFC after the beginning of the new Rotary Year. The District Block Grant has essentially four components: Club and multi-Club District Grant project/activities based on Rotary Club allocations, District-sponsored project/activities, a Contingency amount for unforecasted projects/activities (not to exceed 3% of the District Block Grant amount), and an Administrative amount for administrative expenses associated with the District Grants Program.

The Block District Grant may be submitted to RI Grants Team for approval after the start of the new Rotary Year, but it will not be approved by Rotary International until the previous Rotary Year’s Block District Grant Final Report has been submitted and approved.

Funds within the Contingency line item in the Block District Grant are used at the sole discretion of the District Governor. The DG or District Grants Subcommittee Chair must receive written approval from the RI Grants Team prior to funds being expended from the Contingency line. When funding is approved, the RI Grants Team will amend the Block District Grant to document the request, and documentation of expenditure of these funds will need to be provided as part of the Final Report for the Block District Grant. Rotary Clubs may make special requests for use of a portion of the funds from Contingency line to the DG. If approved, the special request will be submitted in the same manner as any other district grant request through the DACdb Grant Module.

(3) Club District Grant Allocations. Based on availability of funds, each qualified Rotary Club will be eligible to apply for and receive up to 20% of the amount the club contributed to the Annual Fund three years prior. All clubs, inclusive of satellite clubs, will be eligible to receive a minimum of \$400 from the District Grant Funds. Figure 1 represents an example how club allocations are determined.

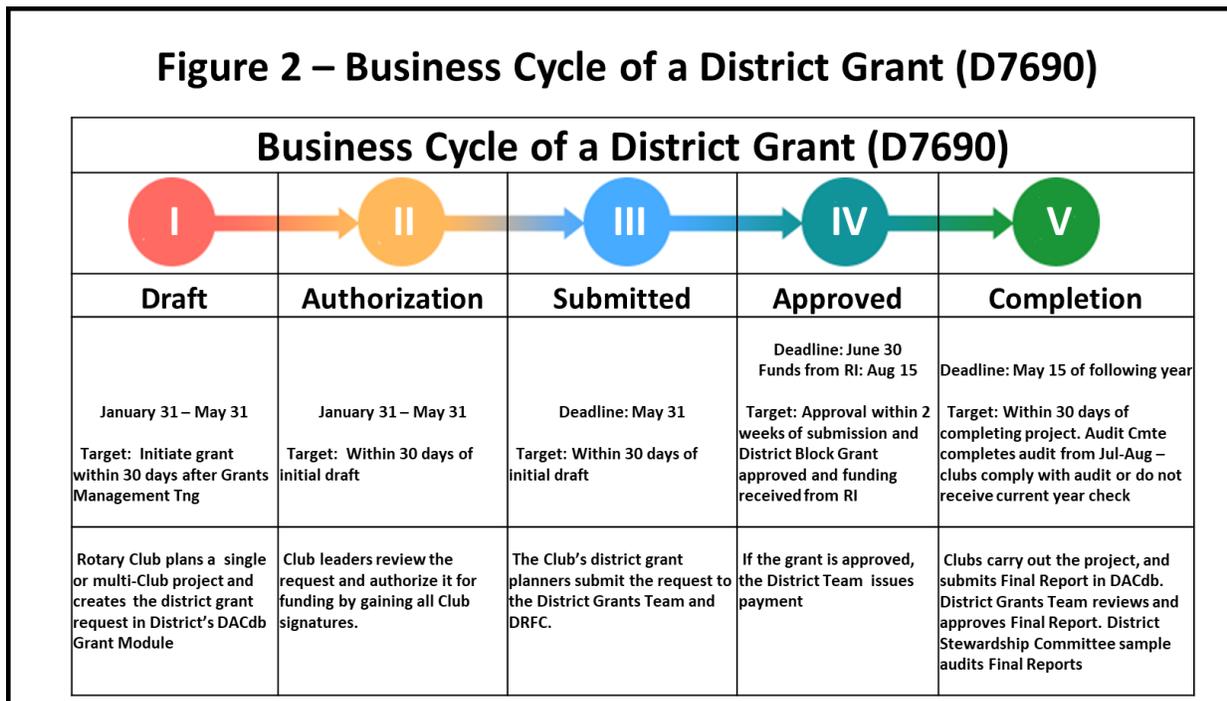


c. Club Eligibility to receive District Grant Project Funds. District 7690 requires that a Rotary Club be eligible by the district to receive District Grant funds. Eligibility is determined by the following criteria:

- The club must be qualified to apply for District or Global grant funds. Qualification is established by a club representative attending Grants Management Training and the club properly submitting the club’s Memorandum of Understanding (MOU) in the District’s grant module of DACdb. Qualification is valid for one year and must be re-established annually.
- The Club must submit completed project final reports with appropriate documentation of previously received district grant funds by the established due date (May 15) into the District’s DACdb grant module, thus maintaining established stewardship practices.
- The club must submit complete district grant project requests and upload the Club MOU into the District’s DaCdb grant module by established due date (May 31).
- The club must not be in arrears for District or RI dues in order to receive the District Grant check funds dispersed from the DRFC and District Treasurer.
- The club must match a cash contribution to the proposed project, equal to or greater than the allocation amount received from district designated funds (DDF).

d. Business Cycle of a District Grant

(1) A District Grant within D7690 goes through five distinct phases from creation to completion. Figure 2 depicts the business Cycle of a District Grant.



(a) *Phase I – Draft* is initiated when the Rotary Club plans a single or multi-Club project and creates the district grant request in District’s DACdb grant module. Rotary Clubs are encouraged to do this within 30 days after Grants Management Training has been conducted.

(b) *Phase II – Authorization* begins with the Club’s leaders reviewing the request and authorize it for funding by obtaining all Club signatures. Every District Grant must have at least two signatories from each club participating in the grant.

(c) *Phase III – Submitted* is characterized by the club’s district grant planners submitting the request to the District Grants Team and DRFC for review and approval.

(d) *Phase IV – Approved* occurs when the District Team of the DRFC and District Grants Chair have approved the District Grant request and the DRFC and District Treasurer has issued and mailed the check funds to the Rotary Club. The target goal is to have this phase done within two weeks of approval and the District Block Grant funds received from RI Grants Team.

(e) *Phase V – Completion* is designed to be accomplished within 30 days of completing the district grant project. Clubs are encouraged not to wait until the deadline to submit the Final Report in the District’s DACdb grant module. When the Final Report with appropriate documentation is signed by the club signatories and submitted to the District Grants Team, the Final Report is reviewed and either returned for further documentation or approved. Appropriate documentation required includes: 1) all valid receipts for funds expended that total to an amount equal to or greater than the District allocation funds plus the club matching funds amount, (2) a copy of the cancelled checks expended for the project, and 3) acknowledgement letters or other records that show the funds were provide to the intended recipient of the district grant project. Photos are not required, but can be used to show that the project was completed, and a copy of the cancelled District Funds check deposited into the club account is helpful. In this phase, the District Stewardship & Audit Committee will conduct sample audits of Final Reports from Jul-Aug. Rotary Clubs are required to correct audit discrepancies for compliance or the club will not receive the current year District Grant allocation funds check.

(2) There are DACdb Grants Module reference guides (pdf and ppt) published on the District Website for detailed step-by-step instructions on drafting, authorizing, submitting, approving, and reporting of district grants in the DACdb grant module.

(3) At the end of this reference, there is a Checklist for District Grants that outlines the specific milestones and key actions associated with the business cycle of a district grant.

3. DISTRICT GRANT SUBCOMMITTEE DUTIES

The District Grants Subcommittee is comprised of the District Grants Subcommittee Chair, District Rotary Foundation Chair, and District Governor. Additional members should be added to assist with District Grants administration, club qualification, and assistance for clubs with district grants throughout the grant’s business cycle.

The District Grants Subcommittee is responsible for managing, promoting and encouraging implementation of District Grants and for providing training and oversight of the club qualification process. Along with the Area Foundation Advocates, the District Grants Subcommittee helps clubs participate in educational, vocational, and humanitarian activities using Rotary Foundation funds.

Specific duties include:

- Oversee the qualification of clubs which includes annual renewal of Club MOUs and conducting the Grants Management Training
- Serve as district experts and resources on all Rotary District Grants
- Ensure implementation of stewardship practices, including reports to The Rotary Foundation on all District Grants
- Create and implement a district policy that outlines the distribution of district grant funds for clubs and the district
- Develop, create, and provide for approval to the DRFC and DG the District's Block District Grant
- Follow and enforce the terms and conditions of grant awards for district grants; disseminate and conduct club education on the terms and conditions for district grants
- Work with the District Rotary Foundation Committee Chair (DRFC) and District Treasurer to disburse grants funds and to ensure that proper records of grant are maintained for reporting purposes
- Provide input on District Designated Fund distribution, focusing on the Block District Grant
- Report any potential misuse or irregularities in grant-relative activity to the DG and The Rotary Foundation and conduct the initial local investigation of any report of misuse

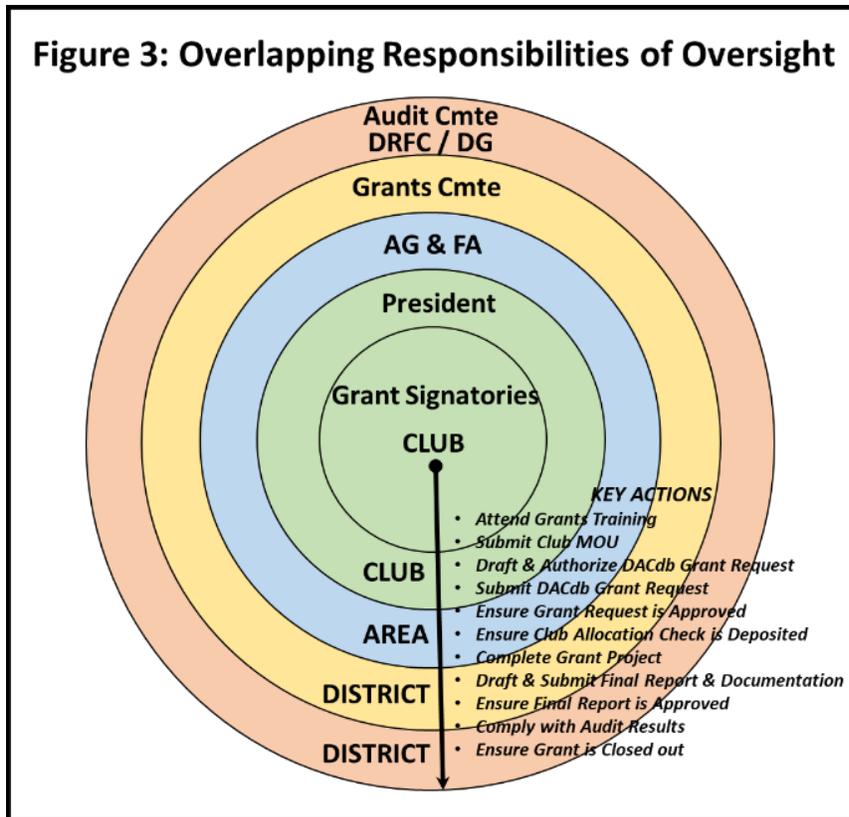
4. STEWARDSHIP & AUDITS

a. Rotary District 7690 subscribes to the high standard of financial stewardship that underscores The Rotary Foundation's reputation as a Four-Star rating from Charity Navigator. Ultimately, it is the Rotary Club's responsibility to ensure a proper accountability and sound financial stewardship for funds provided by the District for their district grant project. In turn, it is the District's primary responsibility to ensure proper accountability and sound financial stewardship for funds provided by The Rotary Foundation through the Block District Grant. Consequently, D7690 employs a total team approach of overlapping responsibility for oversight of District Grant funds and projects.

b. Figure 3 visually depicts this relationship of overlapping responsibility of oversight. Key actions included in this oversight are:

- Attend Grants Training
- Submit Club MOU
- Draft & Authorize DACdb Grant Request
- Submit DACdb Grant Request
- Ensure Grant Request is Approved
- Ensure Club Allocation Check is Deposited
- Complete Grant Project
- Draft & Submit Final Report & Documentation
- Ensure Final Report is Approved
- Comply with Audit Results
- Ensure Grant is Closed out

Figure 3: Overlapping Responsibilities of Oversight



c. At the Club level, the Rotarians involved in the project, the signatories designated to draft, authorize, submit, and approve the district grant request, and the Club President work together to conduct the key actions of the district grant during its business cycle. The Rotary Club is facilitated by the Area’s Assistant Governor and Foundation Advocate who may assist the club by informing and monitoring the clubs meeting important target deadlines or informally spot check documentation and quality control of Final Reports to complete the district grant. Lastly, at the District level, the District Grants Subcommittee, enable the clubs to carry out their club level actions through conducting training, timely reminders, monitoring and reporting of club progress, prescreening club Final Reports to ensure they are prepared for an internal audit, and providing expertise and advisory throughout the grant business cycle. Also, the Stewardship and Audit Subcommittee sample audits club Final Reports and advises the District Grants Subcommittee, DRFC, and DG on corrective actions required to ensure sound stewardship and accurate reporting of the District’s Final Report for the Block District Grant.

d. An integral part of stewardship oversight involves the disbursement of the District Grant allocation checks to the Rotary Clubs. Funds disbursed from District’s Grants Bank Account are required to have dual signatures from the DRFC and the District Treasurer on the cheques to be valid. Before the cheques are disbursed, usually in late August to early September, the DRFC, District Treasurer, District Grants Subcommittee Chair and District Administrator confer to ensure the Rotary Clubs meet eligibility requirements, the club allocation is accurate, and the district grant request has been properly submitted and approved in the DACdb Grants Module.

5. DISTRICT GRANTS FOR INTERNATIONAL PROJECTS

a. All D7690 district grant project requests to be conducted in another country are subject to special scrutiny by the RI Grants Team and may require additional information or specificity before approval is provided.

b. All D7690 district grant projects to be conducted in another country must include a local International Rotary club partner or recognized 501c3 organization to assist with oversight and local administration of the project.

c. Since TRF specifically states that Global Grant (GG) funds may not be used to cover the cost of completing the required Global Grant community needs assessment, a D7690 District Grant may be requested to accomplish this specific requirement. The request for district grant funding for a Global Grant community needs assessment will be submitted in the same manner as any other district grant request through the DACdb Grant Module using a portion or all of the club's allocation amount.

Checklist to Complete a District Grant (D7690)

				
<p>Draft</p> <ul style="list-style-type: none"> <input type="checkbox"/> 1. Plan the Project <input type="checkbox"/> 2. Attend Grants Management Trng (Feb) and complete Club MOU (Apr 15). <input type="checkbox"/> 3. Using correct Org Year, build request in DACdb <input type="checkbox"/> 4. Ensure two Signatories named to authorize. <input type="checkbox"/> 5. Fill out info in the Details, Clubs Involved, Contacts, Application Tabs & SAVE <input type="checkbox"/> 6. Fill out the Budget Tab (ensure matching for Club allocation) <input type="checkbox"/> 7. Upload Club MOU under Documents Tab & SAVE <p>ACTION: AUTO EMAIL SENT TO ALL CLUB SIGNATORIES.</p>	<p>Authorization</p> <ul style="list-style-type: none"> <input type="checkbox"/> 1. Initiate Club Grant Signing Process by clicking Collect Club Signatures <input type="checkbox"/> 2. First Signatory Starts by Clicking Club: Sign Grant Application <input type="checkbox"/> 3. Each Signatory Accesses Grant & Clicks Sign Grant <input type="checkbox"/> 4. The Primary club rep responsible for the club's district grant request checks weekly to ensure all signatures are collected. 	<p>Submitted</p> <ul style="list-style-type: none"> <input type="checkbox"/> 1. Last Club Signatory must Click: Submit Grant For District Approval <input type="checkbox"/> 2. The Club President Elect checks to ensure District Grant request is submitted. (May 31) <input type="checkbox"/> 3. The Club President Elect reports to AG District Grant submitted in Presidents Meeting <p>ACTION: AUTO EMAIL RECEIVED BY ALL SIGNATORIES GRANT SUBMITTED TO DISTRICT</p> <p>ACTION: STATUS UPDATE SENT TO CLUB PEs & AGS TWICE MONTHLY AFTER PETS</p>	<p>Approved</p> <ul style="list-style-type: none"> <input type="checkbox"/> 1. District Grants Chair & DRFC reviews District Grant request in DACdb – each signs <input type="checkbox"/> 2. District Chair approves & SAVES OR Rejects to return back to club for correction (JUN) <p>ACTION: AUTO EMAIL SENT TO ALL CLUB SIGNATORIES THAT GRANT IS APPROVED</p> <p>ACTION: DISTRICT GRANTS CHAIR (ALONG WITH DG BUILDS DDF BLOCK DISTRICT GRANT (JUL-AUG). DG & DRFC SIGNS BLOCK DISTRICT GRANT (after Audit results); RI APPROVES BLOCK GRANT (after previous year Block District Grant Final Report is completed and approved)</p> <ul style="list-style-type: none"> <input type="checkbox"/> 3. District Treasurer issues check and sends to DRFC to co-sign check. <input type="checkbox"/> 4. DRFC sends check to Rotary Clubs for approved projects. <input type="checkbox"/> 5. Club deposits check into Club Grant account. 	<p>Completion</p> <ul style="list-style-type: none"> <input type="checkbox"/> 1. The primary club rep responsible for the club's district grant initiates Final Report by recording actual income and expenses in Budget Tab and uploading documentation in Documents Tab & SAVE <input type="checkbox"/> 2. Click Final Report Tab and enter requested information & SAVE <p>ACTION: AUTO EMAIL SENT TO CLUB SIGNATORIES TO SIGN FINAL REPORT</p> <ul style="list-style-type: none"> <input type="checkbox"/> 3. Initiate Club Grant Signing Process by clicking Club Collect Final Signatures <input type="checkbox"/> 4. First Signatory Starts by Clicking Club: Sign Final Report <input type="checkbox"/> 5. Each Signatory Accesses Grant & Clicks Sign Final Report and Sign Grant <input type="checkbox"/> 6. Last Club Signatory must Click: Submit Final Report (May 15, next year) <p>ACTION: AUTO EMAIL RECEIVED BY ALL SIGNATORIES FINAL REPORT SUBMITTED TO DISTRICT</p> <p>ACTION AUTO EMAIL RECEIVED FINAL REPORT APPROVED PENDING DISTRICT AUDIT RESULTS</p> <p>ACTION: STATUS UPDATE SENT TO CLUB PRES & AGS TWICE MONTHLY UNTIL ALL GRANT FINAL REPORTS APPROVED</p> <ul style="list-style-type: none"> <input type="checkbox"/> 7. District Grant Subcommittee prescreens Final Reports to prepare for audit. <input type="checkbox"/> 8. District Grants Chair & DRFC reviews Grant Final Report in DACdb – each signs & District Chair approves OR Rejects to return back to club for more documentation or corrections. <p>ACTION: DISTRICT GRANT AUDIT: JUL-AUG</p>