



Terms and Conditions of Matching Grant Award and Acceptance

YOU MUST AGREE TO THE FOLLOWING TRUSTEE REQUIREMENTS PRIOR TO IMPLEMENTING YOUR MATCHING GRANT PROJECT:

I. Rotarian Involvement:

Rotarians from both sponsoring clubs/districts must be actively involved in each Matching Grant project. Therefore,

- A. The members of the Matching Grant project committee in each sponsoring Rotary club/district must serve for the entire length of the project, even if it extends into future Rotary years;
- B. The Matching Grant Program Coordinator must be informed of any changes to committee membership;
- C. The committee members must ensure that each of the required Rotarian activities outlined in the *Guide to Matching Grants for International Humanitarian Projects* and any additional activities as listed on the original Matching Grant application form are adhered to and;
- D. Rotarian activities in relation to the grant project must be reported to The Rotary Foundation upon completion of the grant project.

II. Stewardship of Rotary Foundation Funds:

Matching Grants are funded by the voluntary contributions made to The Rotary Foundation by Rotarians and others around the world. The Rotary Foundation is entrusted with these contributions with the understanding that the funds will be used effectively and for the purpose for which they were given. The Trustees of The Rotary Foundation rely on the integrity of the clubs and the Rotarians engaged in project implementation to ensure that funds are used properly. Therefore, Matching Grant awardees must:

- A. Treat Rotary Foundation grant funds as a sacred trust to be constantly safeguarded from loss, misuse, or diversion;
- B. Assure competent and thorough oversight of the project with clear delineation of responsibility;
- C. Establish a separate project account for the grant funds, with at least two signatories – Matching Grant funds may not be co-mingled with other accounts;
- D. Use Rotary Foundation grant funds only as approved by the Trustees for the purposes stated in the Matching Grant application and as described in the award letter, which shall be strictly interpreted:
 1. Any deviation from the agreed terms or changes in the implementation of the project must receive prior written authorization from The Rotary Foundation;
 2. Under no circumstances may grant funds be used for construction (except for approved Low Cost Shelter projects), renovation, project recognition, salaries, administrative or overhead expenses, or expenses for another organization;
 3. Funds expended on unapproved items and/or for unapproved purposes must be refunded to The Rotary Foundation.
- E. Conduct all financial transactions and project activity relating to the grant at least at the level of standard business practices and always in consonance with the “Declaration of Rotarians in Business and Professions” and in the full spirit of The Four Way Test. This requires:
 1. maintaining regular accounts of all transactions, retaining original receipts and invoices for a minimum of three years; and
 2. establishing an inventory system for the control of equipment purchased with grant funds.
- F. Exercise the highest attention to the prevention of even the appearance that Rotary Foundation grant funds are being used in an improper manner, whether such appearance may be in the eyes of

- Rotarians or the general public. Such attention is expected to go beyond that afforded to the use of private or corporate funds;
- G. Report immediately any irregularity in grant related activity to The Rotary Foundation;
 - H. Return any unused funds or interest earned at the completion of the project to The Rotary Foundation.

III. Matching Grant Rotary Name and Emblem Use Guidelines:

The following guidelines on the use of the "Rotary" name and emblem are RI policy. Please follow them when naming your project and in any literature you may develop.

A. ROTARY NAME:

- The RI Board has determined that any use of the "Rotary" name without a further qualifier, such as the name of a Rotary club or a Rotary district, refers to the international association, RI.
- New project names or programs not under the exclusive control of RI, when using the name, "Rotary," must include the name of the participating Rotary club(s) or district(s) and should not use the name, "International."
- If using the words, "Rotary," and "Foundation," these words must not appear together, but must be separated by additional identifying information, such as the name of the participating Rotary club(s) or district(s).
- Ongoing programs not under the exclusive control of RI and not conforming to these guidelines should be renamed to provide this additional identifying information (i.e. the name of the participating Rotary club(s) or district(s) must be included when using the name "Rotary").
- The naming of any project that does not conform to the guidelines must receive specific RI Board approval.

B. THE ROTARY EMBLEM:

- The Rotary Emblem, like the Rotary Name, represents the international association, RI.
- Whenever the Rotary Emblem is used for a project, program or activity not under the exclusive control of RI, the name of the participating club(s) or district(s) should also be used in addition to the emblem; should appear directly adjacent to the emblem; and be of a size of equal prominence to the emblem.
- Any reproduction of the Rotary Emblem must meet RI's proper emblem specifications. (See *1998 Manual of Procedure* at Chapter 19. Camera ready art can be obtained through your Club and District Administration Supervisor.) No alterations, modifications or obstructions of the Rotary Emblem are permitted. The emblem must be faithfully reproduced and always appear in its entirety.
- The RI Bylaws discourage any joint use of the RI Emblem with the emblem or logo of another organization ("The use of such name, emblem, badge or other insignia in combination with any other name or emblem is not recognized by RI." *RI Bylaws, Article XVIII, 18.020.*)

IV. Sponsor Contributions:

The following information applies to all sponsor contributions:

- A. Matching Grant sponsor contributions are considered restricted giving to The Rotary Foundation and are not included in district contribution totals;
- B. Paul Harris Fellow Recognition Credit will only be granted for sponsor contributions sent to The Rotary Foundation, RI's international office(s) or fiscal agent(s);
- C. Paul Harris Fellow Recognition Credit will not be granted for sponsor contributions sent directly to the project;
- D. Sponsor contributions above and beyond the amount specified in the Matching Grant Agreement and sent to The Rotary Foundation, RI's international office(s), or its fiscal agent(s) will be credited as Annual Giving and will not be forwarded to the project (such contributions will be included in district contribution totals);

- E. Contributions, which have been forwarded to The Rotary Foundation prior to Trustee approval, may not be available for this specific grant.

V. Matching Grant Payment:

Matching Grant funds will not be released until *all* of the following conditions are met:

- A. The Matching Grants Program Coordinator must receive a signed Matching Grants Agreement form from the primary sponsoring Rotary clubs and/or districts (signed by the club president/district governor);
- B. The Matching Grants coordinator must receive formal notification that all sponsor contributions have been received either by The Rotary Foundation, RI's international office(s), its fiscal agent(s) or deposited into a specific account opened for the project (documentation verifying this must be provided);
- C. The Matching Grants coordinator must receive information regarding an appropriate payee for the grant:
 - Matching Grants must be paid to a Rotary controlled account, provided the account has at least two signatories
 - Matching Grants will not be paid to an individual, cooperating organization or beneficiary.

Upon satisfaction of the above conditions, receipt of payment by the project sponsors may be expected within four to six weeks.

VI. Matching Grant Deadlines:

The Rotary Foundation Trustees have established deadlines for the payment and implementation of Matching Grants. Therefore,

- A. If an approved Matching Grant project file remains unpaid for more than fifteen months, the grant is cancelled.
- B. If a paid Matching Grant project file is not implemented within fifteen months, the grant is cancelled and sponsors will be required to return the funds.

VII. Matching Grant Reporting Requirements and Independent Financial Reviews:

The Rotary Foundation Trustees expect Matching Grant awardees to:

- A. Adhere to all Reporting Requirements:
 - Submit interim reports at least every six months during the project's implementation, detailing the project's progress, financial activities, including copies of receipts and invoices, and the estimated completion date;
 - Submit the final report and financial accounting within two months of the project's completion. The report must include information regarding the project's effectiveness, Rotarian involvement in the implementation of the project, and a detailed financial statement which includes copies of receipts and invoices;

New applications will be returned without processing if project sponsors have not provided interim reports for a current Matching Grant or have overdue final reports. This will affect both the international sponsor and the co-sponsor in the project country.

In addition, all grantees of Humanitarian Program Grants from The Rotary Foundation are encouraged to:

- B. Provide an Independent Financial Review:

An annual independent financial review is required for those grants in the amount of US\$25,001 or more. The financial review must be submitted to The Rotary Foundation no later than 15 months after

the first grant payment is received, and every twelve months thereafter until the project sponsors are notified that the grant file has been officially closed.

Independent financial reviews must be made by an appropriately licensed, chartered, or certified “accountant” or “accounting firm” which has no direct linkages with the project to be examined. The Governor of the district in which the project is located must make the appointment of such an independent accounting firm or accountant. The Rotary Foundation reserves the right to appoint the independent financial reviewer as necessary.

The scope of work for the independent financial review must include the following:

- An examination and certification of the opening and closing balances of all project funds;
- A determination of whether the funds received for the project were expended for the intended purpose and, if not, why not;
- An examination of the accounts for all funds received and expended to determine if they were maintained according to standard business practices, including a standard set of accounts which records all receipts and disbursements by date, amounts, and purpose;
- A determination of whether an inventory of all assets has been maintained;
- An examination to determine if there is a system of control for all funds received and disbursed: i.e., whether there are at least two signatories on each account; receipts are maintained for all expenditures over US\$25; there is a standard purchasing procedure (competitive bidding is encouraged where appropriate); and that all project activities, including the conversion of funds, are in accordance with local laws and regulations;
- A determination of whether the accounts were reconciled in a timely manner.

The Rotary Foundation reserves the right to conduct an audit of any grant, regardless of size, at any time.