

Rotary District 5580 Grants Subcommittee (RDGS)

The Rotary District 5580 Grants Subcommittee (RDGS) has availability to three different purses when considering where to take monies to fund projects:

- 1) **The WCS account** generated by tariff on District 5580 members (included in District dues) of \$10/member/year . . . with roughly 3,350 members in District 5580, this equates to \$33,500 each year! This program was initiated in 1996 by District 5580 to fund projects of the “bricks and mortar” variety (schools, clinics, hospitals as well as water projects where the total project cost is less than \$12,000 and does not qualify for TRF funding). Not all of these funds have been spend from year to year, so a surplus has developed from this annual carry over. This surplus represents a great opportunity for clubs to leverage their own funds for use in International projects.
- 2) **District Simplified Grants (DSG)** – Our District 5580 Share Fund from Humanitarian Grants at R.I. (must meet with R.I. criteria). These funds are given directly to our District from R.I. each year in the form of a check. **District Simplified Grant** funds are applied for each year by District 5580 . . . this fund balance cannot exceed \$25,000, or it will be subject to an intense audit by Rotary International. Therefore, if an unspent balance of \$1,000 exists, the District Foundation Chair cannot apply for more than \$24,000. The RDGS can authorize DSG funds to be used for matching grant requests.
- 3) **District Designated Funds (DDF) for Humanitarian Grants** – District 5580 monies at R.I. (District Designated Funds). Rotary Districts in a variety of ways can use District Designated Funds (DDF). They are used to fund the Group Study Exchange program (GSE) and the Ambassadorial Scholarship program for our District. A portion of these funds are also set aside for matching grants. These funds need to be requested from the Rotary Foundation on an individual project basis. There is a tight criterion for how Rotary Foundation Funds can be used and there are also detailed reporting criteria for projects that receive DDF funds. The way this program works is if a Rotary Club were to ask R.I. for matching funds, R.I. would match 100% of District Match and 50% of Rotary Club(s) match . . . therefore, \$5,000 from a RC would get \$5,000 from the District and R.I. would match the \$5,000 District Match at 100% and the \$5,000 RC funds at 50% (\$2,500) for a total of \$17,500. Unused DDF funds carry over to following years. ***The minimum amount that TRF will match is \$5,000.*** The RDGS encourages Rotary clubs to use share funds, as it fosters long-range thinking and promotes use of funds from the RI Foundation.

Rotary District 5580 Foundation Chair (Claudette Holly) reconciles the District Simplified Grant (DSG) Funds (the only monies that flow automatically) while the District Treasurer (Bill Gravelle) reconciles the DDF Funds and the World Community Service (WCS) Funds.

The five-year service rule is in place for RDGS members, but after one year off the committee, a member will be allowed to return for another five-year term.

Past Chairs of the RDGS:

Jon Helstrom	Rotary Club of Duluth (#25)
Roly Turner	Thunder Bay Port Arthur RC
Terry Holly	Walker, MN RC
Mike Cochran	Duluth Harbortown RC

Present Chair: Keith Brokke FM AM RC

It is critical that Rotary District 5580 Grants Subcommittee (RDGS) manages funds properly – WCS funds & DSG funds (District 5580 only) matched \$1.00 per \$1.00 while DDF funds (TRF) are dollar for dollar on the District matching funds and \$0.50 per \$1.00 on Rotary Club funds.

The RDGS will not approve grant requests for clubs that have overdue reports from previous projects that have received District Funds. This does not mean that the projects need to be totally complete. Interim reports must be completed at least every six months and are acceptable as long as the project is active and progressing. A Final report is due two months after completion of a project.

A protocol should be followed when conditions or the scope of a project change. The sponsoring Rotary Club must make a request to the RDGS Chair requesting a ***change order*** before assuming changes can be made automatically. In most cases, TRF is not very lenient of ANY changes to the budget or the original plan.

Policy and Procedure:

Deadlines for applications:

A District 5580 deadline for submission of grant applications is now designated as the 30th of the month preceding a bimonthly meeting (see District Website for dates). The RI deadlines are March 31st for July 1st funding of TRF projects and August 1st for January 1st funding of TRF projects.

Submitting Interim & Final Reports:

Final Report forms can be obtained from the website and should include original budget with actual expenditures comparison on an Excel worksheet. Final reports should also include copies of all invoices for materials pertaining to the project.

Interim reports are required every six months until completion of the project and can be one or two paragraphs describing the progress on the project and whether the project is being completed in a timely manner.

The Interim and Final Reports should include pictures showing the progress of the project. Once completed, these reports should be sent to:
District Secretary Diane Collins (bigfish@uslink.net) and
District Grants Subcommittee Chair Keith Brokke (kbrokke@borderstatespaving.com).

What should be included with Grant Applications?

- ***Budget***
- ***Letter of invitation from the host Rotary Club or NGO (Non-Governmental Organization)***
- ***Letter of participation from any non-governmental (and non-Rotarian) organizations that are involved with the project***
- ***Floor Plan or drawings if applicable to the projects***
- ***Geographic map of the project location or GPS coordinates***
- ***Photographs (optional but encouraged)***

Projects subject to Audit

All District 5580 Grants made available for projects, shall be subject to personal onsite audit at the sole discretion of the RDGS. The ***Goals & Criteria for audit visits of international projects*** must answer the following questions:

1. Was project completed as described, on budget and on time?
2. Did the project meet the original goals and did it develop good will, friendships, etc.
3. How many residents of the area benefited from the project.
4. How did the budget compare to the actual expenditures . . . what over-ran and what under-ran from the budget established?
5. What lessons were learned in completing this project (good and bad)?
6. If you were to do the project again, what would you do differently?
7. What were the main obstacles in completing this project?
8. Attach current photo (where applicable).

District 5580 Policies on Discovery Grants:

District 5580 will not use grants to fund travel expense.

How are funds awarded to clubs who have members on the RDGS?

The members of the RDGS who have projects seeking matching funds can be present when the projects are discussed, but must abstain when the vote is taken to determine whether the project receives funding.

Can we apply for multiple projects on the application forms?

Project “bundling” is where two or more small projects are bundled together on one grant application request. The District Grants Subcommittee and to our knowledge The Rotary Foundation and the Canadian Rotary Committee for International Development (CRCID), do not approve funding of bundled projects. Each project must be financed by individual applications.

How are funds transferred once the Grant Application is awarded?

For WCS and DSG applicants, once the Rotary Club contact has been notified that their Grant Application has received approval from the Grants Subcommittee; the Rotary Club must set up a “Project” bank account. This account can be set up locally by the Sponsor Club, with the account name, and signing authority of at least two members of the Sponsor project committee. Once the Sponsor funds have been deposited into the account, an electronic copy of the bank account must be sent to the Grants Subcommittee Chair along with the name and address of the contact person for the Sponsor. The Chair will then contact the District Treasurer and authorize the release of funds from the appropriate account and direct the Treasurer as to where the funds should be sent.

In a project funded by the Sponsor, Host, District 5580 and The Rotary Foundation (TRF), the funds typically flow from the clubs and District 5580 to TRF, then to the project, thus earning Paul Harris credits for the club’s contributions.

Clubs choosing to “manage” the project may open a project bank account, at arm’s length from their general account. To receive the funds from clubs, District 5580 and TRF, and to be reconciled as required by Foundation Policy. This gives clubs hands on management, but they do not receive Paul Harris credits for their contributions. District 5580 Policy is to NOT deposit funds into a Rotary Club’s general account. If the project includes TRF as a funding partner and the Rotary Clubs channel their funds through The Foundation, District 5580 will do the same.

Upon completion of the project and complete reconciliation of all funds spent, any unspent funds will be returned to all parties on a pro rata basis.

Shipment of Materials and Goods:

The “lessons learned” from several sources regarding the shipment of materials and goods (i.e. hospital equipment, medical supplies, service vehicles, computers, books, clothing, etc) has made funding such projects a low priority for several agencies including the District 5580 Grants Subcommittee.

This area of activity is fraught with potential dangers, as extreme care must be taken in the identification of local needs, the appropriateness of the type of equipment, training needs and follow-up service and support. Experience has shown many well-intentioned efforts do not respond to the real needs of the communities they were intended to help.

D5580 Grants Subcommittee limits its support of goods shipments to be directly related to a current or ongoing project of the Sponsor Club in the Project Country. The belief is that supplies including building materials, electrical and medical equipment and pharmaceutical supplies purchased within the Project Country best meet the needs of the project and local community. The RDGS may support the shipment of those goods that cannot be supplied locally but are crucial to or that enhance the project. RDGS also requires a complete inventory of goods shipped, a detailed budget of material and shipping cost(s) and a partner in the Project Country to ensure that goods are received and distributed according to project goals.

Where Rotarians are able to obtain free or highly discounted supplies or items essential to a project and otherwise expensive to obtain in the Project Country, it may be cost effective for the project to ship such supplies to the Project Country. However, the shipment of such supplies will be funded only when the supplies are needed for a particular project and it can be demonstrated that shipping the supplies to the Project Country is by far more economical and effective than obtaining the same supplies through normal channels in the Project Country.

Building Construction “Bricks and Mortar” using WCS funds:

The history of District 5580 Clubs in World Community Service illustrates a keen interest in Building Construction Projects including schools, clinics, and orphanages to name a few. This has encouraged a number of District Rotarians to experience “working vacations” at the grass roots culture of the developing world. These experiences have led many District Clubs to identify and adopt construction type projects. The Rotary Foundation Policy restricts the use of TRF generated funds for construction purposes. Therefore it is important, in particular with larger projects to combine funding sources using TRF and the Canadian Rotary Committee for International Development where their policy complies and Club and District WCS to complete the balance. Project Sponsors should correspond with TRF Matching Grant section to determine items specifically governed by TRF Policy.

Under the Humanitarian Grants programs, funding of construction is limited. Acceptable construction projects include service roads, wells, reservoirs, dams, latrines, toilet blocks, and water supplies. These projects are eligible as long as the construction is not a structure in which individuals live, work, or spend a substantial amount of time such as buildings, containers, and shelters or carry out any type of activity, such as schools, hospitals, and clinics, including any type of manufacturing, processing and/or storage.

Shelters for Underprivileged Family Units

As of May 2004 the Trustees of The Rotary Foundation have decided to no longer support Low Cost Shelters due to decreasing interest in the program and the additional administrative cost needed to support each grant.

Renovation - Since July 1, 2002 TRF no longer supports renovation projects.

It is suggested when planning a project involving construction you complete the project in phases as follows. Each phase will be a separate project and application.

- • **Phase 1** – Construct the building utilizing Partner Club, Dist. WCS, and other funds available.
- • **Phase 2** – Provide furnishings and equipment to complete the building services as required utilizing Partner Club and TRF funding.
- • **Phase 3** – Continued support as site grows and expands.

District Simplified Grants (DSG) replaces Community Aid Projects (CAP):

Grants for Community Aid Projects (CAP) have been discontinued (as of November 2007) in favor of the better-defined District Simplified Grant (DSG) . . . see the ***Best Practices Manual for District Simplified Grants***. The CAP had an annual funding of \$10,000 with a cap per project of \$2,000 while the DSG has a total annual funding of \$24,000 with a per project cap of \$10,000.

Criteria

The following criteria will be considered to determine the appropriateness of the project.

1. Sustainable development
2. Significant Rotary involvement
3. Gender equity
4. Friendship building between Sponsor and Host Club
5. Environment friendly
6. Preventive rather than curative
7. For large populations rather than individuals
8. Low preference for cars, trucks, and other vehicles.
9. Low preference for used books and medical equipment unless requested

RDGS members:

Tully Chambers (District Governor)	charob1@earthlink.net
Ajoy Chatterjee (DG Elect)	chatterjeea@shaw.ca
Roly Turner (DG Nominee)	rotaryroly@tbaytel.net
Claudette Holly (Foundation Chair)	cloudyh@hotmail.com
Keith Brokke (RDGS Chair)	kbrokke@borderstatespaving.com
Jerry Larson	jerjoalarson@yahoo.ca
Janet Green	janetgreen@ecumen.org
Clyde Frank	frankdix@fisherind.com
Mel Tangen	mtangen@702com.net
Doug Murphy	dougamurphy@yahoo.com
Suzanne Pehl	spehltp@qwest.net

For more information regarding District 5580 Grants, go to: www.clubrunner.ca/5580 or you can contact any of the above members for any specific questions you may have.