

***Minutes of April 22, 2007***  
***District 5580 Rotary Foundation Grants Subcommittee***

A meeting of District 5580 Rotary Foundation Grants Subcommittee (RFGS) was held **April 22, 2007 at Cragun's Resort in Brainerd, MN beginning at 12:30 pm.** Those in attendance were as follows:

Mike Cochran	District RFGS Chair – Duluth Harbortown RC
Terry Holly	Past District RFGS Chair – Walker RC
David Vose	District Governor – Duluth Club 25
Claudette Holly	PDG & TRF Chair – Walker RC
Jim Ozbun	DG Elect – Dickinson RC
Tully Chambers	DG Nominee – Wahpeton RC
Keith Brokke	District RFGS Assistant Chair Fgo/Mhd AM RC
John Sagsveen	Bismarck Far-West RC
Jerry Larson	Nipigon, ON RC
Janet Green	Detroit Lakes (Noon) RC
Clyde Frank	Dickinson RC
Roly Turner	Past District RFGS Chair – Thunder Bay P.A. RC
Paula Timmons	Past District Governor – Nipigon RC
Chris Keenan	Bemidji RC
Mel & Lourdes Tangen	Breckenridge RC
Dave Michaelson	Duluth Skyline RC

***The agenda for the meeting was discussed and approved.***

A few members of the RFGS were not present, but Past DG Paula Timmons mentioned that she needed to catch a bus for Nipigon. She asked to address the Grants Subcommittee and Chairman Mike Cochran allowed her to do so. Paula Timmons expressed her concern mentioned that she was disappointed that Mel Tangen's application for a grant (Project 06.1.08 in the amount of \$5,000) wasn't handled in a timely manner. Paula stated that a simple yes or no should have been forthcoming much sooner. PDG Timmons went further to say that if clubs are told that they are to receive monetary funds, the Grants Subcommittee must follow through to make sure that all I's are dotted and T's are crossed.

***The minutes for the meeting held on November 18, 2006 were discussed and approved.***

### ***Financial Report:***

Mike Cochran reported that he had received the following information from District Treasurer William (Bill) Gravelle (Duluth Club 25 RC):

Balance as of June 30, 2006	54,309.06
Interest earned to March 31, 2007	2,166.93
Dues Income to March 31, 2007	<u>32,360.00</u>

***Total Available:*** **88,835.99**

#### Disbursements made:

Grant No. 06.2.01 (Thunder Bay P.A.)	4,413.00
Grant No. 06.2.02 (Nipigon RC)	2,935.00
Grant No. 59325 (Duluth Club 25 RC)	6,000.00
Grant No. 06.1.09 (Brainerd RC)	2,000.00
Grant No. 07.1.03 (Nipigon RC)	480.00
Grant No. 07.1.09 (Fargo Moorhead AM)	4,500.00
Grant No. 07.1.10 (Fargo Moorhead AM)	750.00
Grant No. 07.1.12 (Fargo Moorhead AM)	4,825.00
Grant No. 07.1.13 (Fargo Moorhead AM)	<u>7,000.00</u>

**Total Grants:** **32,903.00**

#### Expenses:

Terry Holly	718.60
Northern Lights Hotel	756.15
John Sagsveen	<u>324.51</u>

**Total Expenses:** **1,800.26**

**Cash Balance March 31, 2007:** **54,132.73**

#### Grants paid in April:

Grant No. 07.1.18 Dickinson (CAP)	2,000.00
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### ***Review of Interim & Final Reports:***

Chairman Mike Cochran mentioned that there is one unresolved project from Larry Riley's year (2004/2005) . . . that being **05.2.09 – Jamestown Soccer**

**Field (Jamestown RC) a Community Assistance Project (CAP) – an Interim Report was submitted on November 6, 2006.**

DG Dave Vose commented that future CAP Projects should not be funded if tied to another project that also relies on funding (i.e. the Staples Hwy 10 MN DOT project in coordination with District 5580 CAP funding for a flagpole). DG Vose mentioned having the Jamestown RC return the funds allocated for the soccer field if the soccer field is not yet ready.

Jerry Larson questioned why the WCSGS allows two open projects per club in the District over a two-year time span; this practice has cost the District the new District Simplified Grant funds (pending closure of previous DSG reports). Jerry suggested that the WCSGS request clubs that do not file a timely final report return the money or the subcommittee pay back the DSG with WCS funds and bill the clubs so the DSG process can continue. DG Dave Vose explained that R.I is watching projects closer than ever before . . . and further explained that the unspent DSG funds are not lost, but merely roll back into DDF Funds.

Mike Cochran then discussed projects of **Paula Timmin's year (2005/2006) as District Governor**. The projects to be finalized are:

**06.1.01 – A Final Report was submitted for tools for the auto-mechanics program in Sansare, Guatemala** (sponsored by FM AM RC - \$4,500). **A motion was made by John Sagsveen to accept the Final Report**. The motion was seconded by Janet Green and motion carried (Keith Brokke abstained).

**06.1.02 – A Final Report was submitted for the erosion control project at Trapichitos, Guatemala** (sponsored by FM AM RC - \$2,500). Chairman Mike Cochran read the report and noted that \$403.10 was unspent from the original budget set forth. Keith Brokke noted that a check in the amount of \$201.60 (1/2 of the unspent amount) would be returned to the District. Jerry Larson motioned to approve the final report, John Sagsveen seconded the motion and it carried (Keith Brokke abstained). John Sagsveen & Clyde Frank vouched that the project had been audited by each of them personally.

**06.1.03 – A Final Report was submitted for the school project at Pasojoc, Guatemala** (sponsored by FM AM RC - \$8,250). Jerry Larson motioned to approve the final report, Terry Holly seconded the motion and it carried (Keith Brokke abstained).

**06.1.04 – A Final Report was submitted for the water project at Santo Tomas Purahub, Guatemala** (sponsored by FM AM RC - \$4,500). Keith Brokke explained that there was over \$1,000 in excess funding due to material

delivery provided by a member of the community. Keith had contacted Mike Cochran in August 2006 to ask that the excess funds be used through a change order to purchase sinks (pilas) and roofs for the community center and the women's weaving center.

Dave Vose brought up a scenario that if a project with an \$8,000 budget came in \$3,000 under budget should a percentage figure be adhered to?

Claudette warned that the RFGS must be careful to comply with TRF stewardship guidelines. DG Dave Vose then suggested that if TRF wouldn't allow . . . could the \$1,000 in excess funds be taken from WCS funds. Tully Chambers agreed that the excess \$1,000 should have come from WCS funds and said that a policy is needed for the RFGS to address this for any future projects.

**Jerry Larson motioned that the WCSGS use WCS Funds to pay down the DDF monies outside the original scope (\$3,500), the remaining \$1,000 will be paid with WCS funds and FM AM RC will resubmit the Final report to reflect why the original budget was off by \$1,000.** John Sagsveen seconded the motion and it carried (Keith Brokke abstained).

**06.1.05 – Funds were received on October 25, 2006 for the water project at Izamal, Mexico** (sponsored by Duluth 25 RC - \$6,000). DG Dave Vose said that other than DSG funds, the balance was held at TRF . . . he questioned whether R.I. just sent one check or one from DDF and one from the World Fund. DG Vose suggested that future balance sheets will reflect WCS funds versus District 5580 general account information.

The Rotary Clubs contribution with District 5580 match and R.I. match was matched by municipality money and the Yucatan government in funding this project.

Terry Holly suggested making the accounting error within District 5580 books to straighten out the misappropriation of funds between the two accounts correct and move on . . . **Janet Green motioned to adopt Terry Holly's suggestion, Jerry Larson seconded the motion** and it carried (Dave Vose abstained).

**06.1.06 – A Final Report was submitted for the literacy and nutrition project at Liphining, Lesotho** (sponsored by Bismarck RC - \$16,100). The poultry egg project didn't have invoices submitted, so Roly Turner **suggested handling the final report as an Interim Report.** Terry Holly made that motion, John Sagsveen seconded the motion and it carried.

**06.1.07** – The **Final Report** was submitted and approved at the **April 28, 2006 meeting for the Mulege, Mexico project** (sponsored by Detroit Lakes Noon RC - \$2,000).

**06.1.08** – A project at **San Luis near Santa Barbara Honduras** (sponsored by Breckenridge RC - \$5,000). Application for funding was granted at the April 29, 2006 meeting pending further information . . . upon receipt of that information, a motion was made by Keith Brokke via email in July to fund the project, seconded by Jerry Larson and carried. **The project was ultimately cancelled by the Breckenridge RC** as Delores Williams (former Peace Corps worker and resident of Santa Barbara) found an alternate source for funding the project.

Mel & Lourdes Tangen and Chris Keenan were present to discuss this project and stated that they felt projects they had proposed in Santa Barbara were being black balled by the WCSGS.

Roly Turner said that he felt the misunderstanding occurred during his watch as District Grants Subcommittee Chair and that it stemmed from a note in the application that stated that land ownership was in question.

DG Dave Vose stated that he expressly wishes to have a clear criterion for grant applications in order to avoid delays such as what has occurred to the Breckenridge RC in making application for 06.1.08.

Chris Keenan (Bemidji RC) commented that in partnering with the Fosston RC, they felt their applications were not being considered. He went further to say that it's difficult for small clubs to apply if they feel they are being mistreated.

Chris Keenan asked if the committee is uncomfortable with medical type projects. Roly Turner said that a medical type grant application came in while he was Chair of the Grants subcommittee, but many subcommittee members believed that outdated medications came into question. Tully Chambers informed those present that outdated medications cannot happen.

Jim Ozbun commented that a big problem that the WCSGS has is that in actuality, there is but one meeting each year . . . as the spring meeting held in conjunction with the District Conference doesn't always get much accomplished.

Mel Tangen left a list of requested materials with Terry Holly including applications, maps and general information submitted by other Rotary Clubs of the District. Terry said he would do what he could to see that Mel received the information requested.

**06.1.10 – A Final Report was submitted for the Drilling of a well at Nsbane, Swaziland** (sponsored by the Bemidji RC - \$2,820). David Vose informed the group that the new well is working . . . the first well drilled was dry. **Jerry Larson motioned to accept the Final Report, John Sagsveen seconded the motion which then carried unanimously.**

**06.2.01 – An Interim Report was submitted for the WCS school project at El Escarbado, Guatemala** (sponsored by Thunder Bay Port Arthur RC - \$8,827).

**06.2.02 – An Interim Report was submitted for the scholarship project in Antigua, Guatemala** (sponsored by the Nipigon RC - \$5,870). Jerry Larson stated that the Nipigon RC received funds from WCS but, in fact, it should be money from the DSG as this is where it had at first (at the time of the grants application) been identified where the funding would originate and be advanced from. David Vose and Tully Chambers reminded Jerry that funding would not be a problem as it could be changed, so it would be reflected against the DSG funds even though it may come from WCS rather than DSG.

**06.2.03 – An Interim Report was submitted for the WCS eye clinic and care project at Port Antonio, Jamaica** (sponsored by the Detroit Lakes Noon RC - \$14,000).

**06.2.04 – A Final Report was submitted for the 25 computers and work stations project at Rajapalayam, India** (sponsored by FM AM RC - \$14,640). This project has received final approval from TRF.

**06.2.05 – The irrigation reservoir water project at Choquechampi, Bolivia** (sponsored by Duluth Harbortown RC - \$189,000) **has not yet been started due to District suspension and past due reports of partnering Bolivian RC.** Mike Cochran said he expects to hear from TRF in the immediate future regarding release of the project funds.

**06.1.09 – Brainerd literacy project WCS Funds (Brainerd RC) is a Community Assistance Project (CAP) – the project will be completed in May 2007.**

**06.1.10 – Fargo Moorhead Centennial Rotary playground project in Lindenwood Park to furnish a Rotary cast bronze drinking fountain –** water project WCS Funds (the four FM area RCs) is a **Community Assistance Project (CAP)**. The \$3,950 in District 5580 matching funds has been released and the fountain has been purchased. It will be installed in April or May 2007 and the playground dedication will be held on May 17, 2007. Interim Report submitted.

## ***Status of Project Applications made in November 2006:***

Chairman Mike Cochran presented the WCSGS with the list of applications for consideration for **Dave Vose's Rotary year 2006/2007:**

**Project 07.1.01** is a **potable water system at Huaricanga, Peru** proposed by the Virginia, MN RC at a total cost of \$38,697. The Virginia RC received a District 5580 grant for \$5,010. This project is in limbo currently as Peru is currently a suspended District by R.I.

**Project 07.1.02** is a project to **provide schoolbooks to schools in Guatemala** by the Wahpeton RC. Total cost is \$1,000 and the matching funds granted are \$500. **The Wahpeton RC filed an Interim Report.**

**Project 07.1.03** is to provide **school desks in Latur, India** by the Nipigon RC. Total cost is projected to be \$960 and the matching funds granted are \$480. **The Nipigon RC filed an Interim Report.**

**Project 07.1.04** is to provide a **corn mill grinding machine (diesel powered) to the community of Tonzul Ucula in the Coban region of Guatemala** by the FM AM RC & Partners. Total cost is projected to be \$1,618 and the matching funds granted are \$809. **The FM AM RC filed an Interim Report.**

**Project 07.1.05, .06, .07 & .14** is to provide **Rotoplast tanks (for potable water) to schools in the communities of Chajxucuh, Chinimlajom, Rosario & Aldea Siguanha in the Coban region of Guatemala** by the FM AM RC & Partners. Total cost is projected to be \$1,056 per each and the matching funds granted are \$528 per each. **The FM AM RC filed an Interim Report.**

**Project 07.1.09** is to **construct a school in the Aldea of Los Chetes near Jalapa, Guatemala** by the FM AM RC & Partners. Total cost is projected to be \$9,000 and the matching funds granted are \$4,500. **The FM AM RC filed an Interim Report.**

**Project 07.1.10** is to **construct a kitchen at the Pasojoc School near Zacualpa, Guatemala** by the FM AM RC & Partners. Total cost is projected to be \$1,500 and the matching funds granted are \$750. **The FM AM RC filed an Interim Report.**

**Project 07.1.11** is to **provide desks and 2 computers for the newly constructed trade school in Sansare, Guatemala** by the FM AM RC & Partners. Total cost is projected to be \$5,000 and the matching funds granted are \$2,500. **The FM AM RC filed an Interim Report.**

**Project 07.1.12** is to **construct a computer lab building, pour concrete in the low laying area of the playground and paint the various buildings at the school in Zacualpa, Guatemala** by the FM AM RC & Partners. Total cost is projected to be \$9,650 and the matching funds granted are \$4,825. **The FM AM RC filed an Interim Report.**

**Project 07.1.13** is to **construct a 2-story 4-classroom school in the Aldea of Chixocol near Zacualpa, Guatemala** by the FM AM RC & Partners. Total cost is projected to be \$14,000 and the matching funds granted are \$7,000. **The FM AM RC filed an Interim Report.**

**Project 07.1.15** is to provide a **corn mill grinding machine (diesel powered) to the community of Nuevo Aquil in the Coban region of Guatemala** by the FM AM RC & Partners. Total cost is projected to be \$1,618 and the matching funds granted are \$809. **The FM AM RC filed an Interim Report.**

**Project 07.1.16** is for **school improvements in La Candelaria, Mexico** by the Detroit Lakes Breakfast RC. Total cost is projected to be \$21,085 and the matching funds granted are \$6,000. This project is on hold by TRF as the Los Cabos District is on suspension.

**Project 07.1.18** – Tree replacement in Dickinson as a result of a huge storm in 2005 (Dickinson RC) is a **Community Assistance Project (CAP)** – **Jim Ozbun informed the RFGS that this project is currently being completed as funds were just sent from the District and the planting season just began. Final Report to be submitted in June 2007.**

### ***Consideration of NEW Project Applications:***

Chairman Cochran mentioned that he has been presented with eight project applications to consider for this meeting and with that began with the first of the applications:

**Project 07.2.01** – is for **18 scholarships in rural Guatemala** (sponsored by the Nipigon RC - \$6,581). The amount requested of the District 5580 RFGS was

\$3,290. John Sagsveen motioned to approve using WCS funds, Keith Brokke seconded the motion and it carried (Jerry Larson abstained).

**Project 07.2.02** – is for **stoves to be placed in homes in the rural village of El Aguacate, Guatemala** (sponsored by the Nipigon RC - \$18,200). The amount requested of the District 5580 RFGS was \$5,100. John Sagsveen motioned to approve using DDF funds, Keith Brokke seconded the motion and it carried (Jerry Larson abstained).

**Project 07.2.03** – is for **supplying a newly built school with lights and a water system in rural Guatemala** (sponsored by the Thunder Bay Port Arthur RC - \$39,627). The amount requested of the District 5580 RFGS was \$5,100. Roly Turner was present to explain the project request and noted that this project would use CRCID Funds (Canadian Rotary Collaboration for International Development) in applying for matching DDF from District 5580 and another match from TRF . . . Thunder Bay Port Arthur RC is looking for submittal now before funding from CRCID is all used for 2007. Roly explained that he would like consideration in principle for the project, but it needs an updated budget. There was much discussion about timing issues between CRCID, District 5580 RFGS and TRF, to which Roly explained that November 2007 is too late!

The RFGS discussed the need for additional meetings annually so as to expedite the application process when using TRF monies and decided to hold another meeting in early July. Keith Brokke motioned to table the Thunder Bay Port Arthur request until the next meeting date, John Sagsveen seconded the motion and it carried.

**Project 07.2.04** – is for **books for schools in Guatemala** (sponsored by the Harbortown RC - \$1,200). The amount requested of the District 5580 RFGS was \$600. John Sagsveen motioned to approve using DSG funds, Jerry Larson seconded the motion and it carried (Mike Cochran abstained).

**Project 07.2.05** – is for **a mini-hospital (In-Patient) through Mano-Mano in Bolivia** (sponsored by the Duluth Skyline RC - \$59,447). The amount requested of the District 5580 RFGS was \$9,000. Dave Michaelson was present to explain the scope of the project and answer questions. Tully Chambers mentioned that the maternal mortality figure is important to know. Jerry Larson motioned to approve the project as proposed using WCS funds. Claudette Holly asked Dave Michaelson if he was confident that he could raise the additional \$30,000 needed and Dave responded yes, that he had previously done six other projects. Clyde Frank seconded the motion and asked if there were any questions as to land ownership. Dave Michaelson responded no, Mano Mano is very thorough in following through on this aspect and he said he was confident that the land ownership was not in question. The motion carried.

**Project 07.2.06** – was pulled for consideration by the RC making application for District grant funds. John Sagsveen motioned to deny funding, Clyde Frank seconded the motion and it carried.

**Project 07.2.07** – is a **Park Project in Bismarck, ND (CAP funding)** (sponsored by the Bismarck Far West RC - \$75,000). The amount requested of the District 5580 RFGS was \$5,000. John Sagsveen explained the project and said it was to be bid out as a package. Terry Holly asked John to explain what part of the project was Rotary related. Tully Chambers suggested tabling the request until all the specifics are outlined. Janet Green motioned to table the application, Clyde Frank seconded the motion and it carried.

**Project 07.2.08** – is for **Youth Hockey Uniforms** (sponsored by the East Range RC - \$12,000). The amount requested of the District 5580 RFGS was \$1,000. Discussion centered on whether uniforms fall into the realm of what Rotary wants to achieve with CAP funds. Keith Brokke motioned to table all CAP applications on this date until the RFGS has developed new guidelines for funding CAP Projects. John Sagsveen seconded the motion and it carried.

### ***Policy and Procedure:***

District Governor David Vose noted that each District Governor (past and present) should be responsible for projects funded by the WCSGS during the year of their auspices.

Due to the time, it was decided that Claudette Holly, Mike Cochran and Keith Brokke would work jointly to develop guidelines and policy prior to the **next meeting date, which was set as June 26<sup>th</sup>, 2007 beginning at 9 am at the Northern Lights Hotel and Conference Center in Walker, MN.**

Meeting **adjourned** at 5:11 pm.

Minutes by Keith Brokke, Vice Chair