

Minutes of November 26, 2005
District 5580 Rotary Foundation Grants Subcommittee

A meeting of District 5580 Rotary Foundation Grants Subcommittee (RFGS) was held November 26, 2005 at the Northern Lights Hotel and Conference Center in Walker, Minnesota beginning at 8:00 am. Those in attendance were as follows:

Terry Holly	District Chair – Walker, MN RC
Roly Turner	Past District Chair – Thunder Bay (Port Arthur)
Paula Timmins	District Governor – Nipigon, ON RC
David Vose	District Governor Elect (06/07)– Duluth Club 25
Jack Ruttger	PDG & TRF Chair – The Brainerd RC
Mike Cochran	Vice Chair - Duluth Harbor Town RC
Keith Brokke	Fargo/Moorhead AM RC
John Sagsveen	Bismarck Far-West RC
Jerry Larson	Nipigon, ON RC

Jim Ozbun District Governor Elect (07/08) – Dickinson, ND and Linda Paulsen (Superior AM Rotary) were unable to attend this meeting.

The agenda for the meeting was approved.

David Vose **motioned** to ***approve the minutes*** of August 13, 2005, Mike Cochran **seconded** the motion and it **carried**.

Business Arising from Minutes:

Roly Turner requested permission to speak at the end of the meeting and asked that this action be added to the minutes.

Financial Report:

David Vose simplified the detail of a 28 page financial report into two pages (attached). Dave said it appeared by reviewing the statement, that there was a deposit missing in the amount of \$24,000 for 2005. Roly indicated that in Paula's year, nothing had been spent to date. After all disbursements, there should have been a balance of \$3,300.

Jack Ruttger mentioned that he would check with Larissa regarding the \$24,000 missing to see what the holdup is. Roly cautioned that we must designate where the funds will come from today before granting funds for the projects applying for District match. David Vose mentioned that District Designated Funds are cash basis and some are paid as invoices are submitted . . . it's very confusing.

Roly said the only monies that flow automatically are District Simplified Grant Funds (the \$24,000) and Chairman Jack Ruttger reconciles this account. Roly suggested that District Treasurer, Dan Pressler add the project number to the P & L detail on the financial report.

The World Community Service account has a current balance of \$76,047 according to Roly. The bottom line is that the committee has plenty of funding money to do what is necessary at this meeting.

David Vose explained the four sources comprising the \$76,047:

- 1) Any of the WCS funds
- 2) Any District Simplified Grants allocated
- 3) Any DSG allocated, but not spent
- 4) Interest earnings

David Vose said that it is critical that the WCS Committee manages funds properly – WCS funds matched \$0.50 per \$1.00 while DDS funds are dollar for dollar.

Roly suggested that the WCS committee encourage clubs to use share funds, meaning that they should think long range and go to the RI Foundation.

Jack Ruttger explained that District Treasurer, Dan Pressler maintains the World Community Service and the Simplified Grant Fund accounts. The DDF accounting falls into the lap of the Foundation Chair (Jack Ruttger).

David Vose suggested that this being his fourth meeting of the WCSGS, he still has a certain amount of confusion as to the various funding mechanisms . . . he would like if the funds coming from District 5580 were to have another name other than WCS. Roly suggested District Generated Grants (DGG).

Terry Holly suggested a separate meeting at the District Conference in Williston with Dan Pressler to review accounting procedures.

Roly gave an update on unfinished projects in which he noted that Al Watrel's year as District Governor have no unfinished projects, but beginning with Claudette's year is where there is some cleanup to be done. Roly suggested that the WCSGS committee be more diligent in demanding that projects and the paperwork be done on a more timely basis henceforth and said that when clubs come asking for more money, the committee must look at submittal of final reports of any previous projects.

David Vose said a protocol should be followed when conditions or the scope of a project change. Dave further suggested that the committee seriously consider the limitation of per capita assessment ("District Generated Funds" as Roly calls it) to extend to CAP projects also. Roly said he tends to agree with David's suggestion, but first criteria should be written to assure that the most needy people are taken care of first.

(Note) The following information was a part of the August minutes, but your minute taker felt this information is valuable in keeping the WWSGS committee focused and on track:

The subcommittee has availability to three different purses when considering where to take monies to fund projects:

- 1) The RFGS account generated by tariff on District members of \$10/member/year . . . with roughly 3,400 members in District 5580, this equates to \$34,000 each year! This program was started three years ago and has built a healthy surplus.
- 2) District Simplified Grants – 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 5580 will receive \$24,900 in Paula Timmins' year as DG.
- 3) Share money for Humanitarian Grants – District 5580 monies at R.I. (Share Program). 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, \$1,000 from a RC would get \$1,000 from the District and R.I. would match the \$1,000 District Match at 100% and the \$1,000 RC funds at 50% (\$500) for a total of \$3,500. Unused funds in the Share Program carry over to following years.

Roly Turner reviewed the criteria for awarding grants if "push comes to shove":

- 1) The RFGS looks at record of giving to R.I. from RC(s) involved.
- 2) History on previous projects (i.e. paperwork).

Roly mentioned that he constantly has to defend the surplus funding carried forward and explained that sometimes clubs get discouraged and often argue that \$10/member is too much if not granting ALL funds each year.

Project Activity Report Update – Roly Turner:

Roly reviewed the numbering system with committee members and reviewed how the funding works. He then went over ALL projects 2003 through 2005 and

informed committee members how important it is that RC's who do International projects, have a separate International account for these projects.

Roly explained that the WCS projects for 2004 including the hospital in Cameroon (Duluth 25) and the Santa Barbara school project (Walker & partners) have submitted interim reports as they are not complete as of this date.

Roly asked for discussion in finaling 04.2.04 a CAP project (Two Harbors RC signage) – it was proposed to be a flashing neon sign, but was modified to a painted rock. Terry Holly noted that when an original design is not followed, the Rotary Club should inform the RFGS Chairman to get approval of the change order prior to completing the project. Roly said he was informed on the L.E.D. ordinance and other problems so he feels the project should be approved.

Mike Cochran congratulated Two Harbors for completing the project and for keeping Chair Roly Turner informed. On the other hand, David Vose mentioned that Two Harbors hadn't done sufficient homework prior to making grant application. David Vose **moved that we accept the final report** from Two Harbors. John Sagsveen **seconded** the motion and it **carried**.

Roly next spoke on 2005 projects beginning with the well project at Nsbane, Swaziland (Bemidji noon RC). The well project turned out to be a dry well. These types of set backs DO occur . . . Bemidji noon RC is reapplying for funds under 06.1.10.

David Vose **motioned to approve the final report** of the FM AM Rotary Club for project 05.1.02 (Trapichitos, Guatemala school project) for the project. Paula Timmins **seconded** the motion and the motion **carried**.

Roly reviewed 05.1.04 (Thunder Bay RC), 05.1.05 Cameroon Hospital burn unit (Duluth 25 & partners) and 05.1.06 plus many needing updating.

Terry Holly commented that RI requires a one-year report and District 5580 should be consistent with RI. Mike Cochran agreed saying a progress report isn't too much to ask. David Vose said a narrative report in the form of an email and/or photos would be helpful. These requirements are spelled out in the application, but perhaps we should modify wordage so we DO get progress reports until a final report is submitted.

Roly Turner suggested that the wordage should be forwarded to RCs when District 5580 awards funding for projects. David Vose said district semi-annual progress reports will be necessary and suggested that the wordage be modified to read, ". . . not withstanding RI regulations requiring annual reporting, District 5580 will henceforth require semi-annual reporting."

The WCSGS committee discussed Diane Collins (District 5580 secretary) duties, pay, etc. Terry Holly asked David Vose to check with Diane to see if she would be willing to do bookkeeping for WCS and CAP projects. Terry Holly also suggested that future WCS and CAP project applications should be submitted electronically . . . if RCs submitting applications do not have the means, the applications could be submitted to Diane and she could forward electronically to committee members.

Terry Holly mentioned that a District 5580 project in Turkey (from Hans Peder's year as DG) is past due. The project was completed in February 1996 and the final has been submitted three times, but RI claims they've not received it. Dave Vose suggested that Terry Holly call and ask if they've physically received it; if not, resend with Return Receipt Request (Edna McCormick, RI coordinator).

Consideration of Funding for 10 WCS and 2 CAP Projects:

06.1.01 This WCS Project consisted of furnishing tools for an auto-mechanics course in Sansare, Guatemala. The FM AM RC and partners are looking to extend their relationship with former peace corps workers who initially setup the auto-mechanics course three years ago. Interest has blossomed and so the need for more tools. In addition this program affords students to further their education through grades seven, eight and nine while learning a trade. Cost of tools was \$4,500 of which \$2,250 was sought from the District through the grant application. **David Vose motioned to use DSG funds (administered by District 5580). Roly Turner seconded the motion and it carried.**

06.1.02 This WCS Project proposed by the FM AM RC (and partners) is an erosion control project at the new school built in 2005 near Trapichitos. After hurricane Stan hit Guatemala in October, the inslope near the school suffered terrific erosion problems. NDSU's student chapter of Engineers without Borders will draft a plan and follow it through to halt the erosion before further damage is done. Price tag is \$2,500 of which they are seeking \$1,250 from the District. **John Sagsveen motioned to use DSG funds (administered by District 5580). Jerry Larson seconded the motion and it carried.**

06.1.03 This WCS Project proposed by the FM AM RC (and partners) is a funding request to build a three room school similar to the school built in 2005 at Trapichitos (working with Vista Hermosa Rotary Club in Guate and the NGO known as APRODEZA). Currently the 125 students are using a building formerly used to store farm chemicals and carcinogenic toxins . . . the goal is to remove the students from this unhealthy environment and provide a classroom with plenty of light and air movement for the children. Price tag is \$8,250 of which the district is asked to fund \$4,125. **David Vose motioned to use WCS funds. Mike Cochran seconded the motion and it carried.**

06.1.04 This WCS Project proposed by the FM AM RC (and partners) is a funding request to provide a water cistern for the village of Santo Tomas in the Coban region of Guatemala. The price tag for this project is \$4,500 of which the district is asked to fund \$2,250. **Jerry Larson motioned to use DSG funds. John Sagsveen seconded the motion and it carried.**

06.1.05 This WCS Project proposed by the Duluth 25 RC is a water project near Izamal, Mexico. After David Vose explained the project, Roly suggested leveraging the funding further as another \$3,000 would be available. Cost of the project was shown as \$72,000, but the request for District match was for \$6,000. Mike Cochran suggested approval of the project as is and notify the applicant of availability of further funding . . . Dave said he would do so. Roly said pending a final report for Cameroon (05.1.05), he would recommend the District fund this project. **Keith Brokke motioned to fund the project using the Share account (DDF & TRF). Paula Timmins seconded the motion and it carried.**

06.1.06 This WCS Project proposed by the Bismarck RC is a literacy and nutrition project at the Maletsema school in the village of Liphiring, Lesotho (bordering South Africa). Mike Cochran brought up the fact that supporting the lunch program doesn't fit our criteria; however, after three years, it will be self-sustaining. It is the first project for the Bismarck noon RC and does all the things RI

encourages and fosters . . . it is a well written proposal. Roly added that the proposal initially involved a Discovery Grant, but that portion has since been withdrawn. Cost of the project was shown as \$16,100 and the request was for \$8,000. This is something that would go to the TRF, but is much needed now, so suggested to approve using DSG funds. **The motion to approve was made by Jack Ruttger and seconded by John Sagsveen.** In discussion, Dave asked if it would be problematic to go to RI, Terry Holly responded that it would have to be refined somewhat, but Terry said he would ask. **Upon a vote, the motion to approve using DSG funds carried.**

06.1.07 This WCS Project proposed by the Detroit Lakes RC (Dave Fihn applicant) is a dental hygiene project in Mulege, Mexico. This is not only an eye opener for the American students to see Rotary in action, but provide people of the Mulege village with dental hygiene. Cost of the project was shown as \$2,000 and the District grant request was for \$1,000. Roly noted the application is hard to read as it was typed with an old typewriter. **David Vose motioned to approve the application using WCS funds, Keith Brokke seconded the motion and it carried.** *(Note: Travel grants @ TRF are not eligible, so this must be accomplished with WCS funds).*

06.1.08 This WCS Project proposed by the Breckenridge RC (Mel Tangen, applicant) to build a school at San Luis, an aldea of Santa Barbara, Honduras. David Vose noted that the application was almost entirely in Spanish. Terry and Roly noted that the application did not specify how many children would benefit from a new school. A map was not attached showing exactly where the San Luis, Hijala, Totoca villages are located in relation to Santa Barbara. Paula Timmins suggested that all applications MUST be in English. Dave said there is no provision for furnishings or equipment shown . . . the proposal should explain how it is to be used. Cost of the project was shown as \$5,000 and the request from the District was for \$2,500. Dave said he would motion approval only if further information is received within two weeks outlining answers to all the questions raised: 1) Application in English, 2) Clarification of where furnishings

come from (how used and equipped), 3) How many children will be affected and 4) a map of the area in relation to Santa Barbara.

Roly suggested that Terry Holly contact Mel Tangen with these questions and once answered satisfactorily, the committee can then vote electronically to approve or deny.

06.1.09 (CAP) This CAP Project proposed by the Brainerd RC is a literacy project in Brainerd, MN. It is a wonderful program with a goal to educate the Brainerd Lakes Area on the importance of reading aloud to young children. Cost of books is \$3,500 and stickers is \$500, so the request for District funding was for \$2,000. David Vose stated that this addresses Rotary in the community and said this program should be moved across District 5580. **Dave asked permission to broadcast this program across the District and motioned for approval using DSG funds. JerrSpokane, Washingtony Larson seconded the motion and it carried.**

06.1.10 This WCS Project proposed by the Bemidji noon RC is a well drilling project in Swaziland. Roly explained that when they attempted to drill a well in 2005, the well was dry and suggested that if we were to do this project, we could use shared funds at TRF. **Dave motioned approval stating it was a "no brainer", Mike Cochran seconded the motion and it carried.** Jack will write a letter to Katherine Moore (applicant for Bemidji RC) notifying her of the \$1,320 grant request approval.

06.1.11 (CAP) This CAP Project proposed by the Fargo Moorhead RCs (all four) is to purchase and install a Rotary handicap water fountain as displayed at the Int'l convention in Chicago and built by a Rotarian from Spokane, Washington (for more information go to www.benjoyceart.com). This fountain is to compliment the \$300,000 Universal park project meant to bring handicap children together with other children in play. Cost of the water fountain is \$7,900 of which \$3,950 is requested in the grant application. **David Vose moved to approve from DSG funds. John Sagsveen seconded the**

motion. In discussion, Mike, Paula and Terry all suggested consolidating the four applications into one. Motion carried.

David Vose suggested that at the District conference in Williston, the WCSGS committee host a roundtable discussion for clubs to talk about International projects. Dave said he is considering the theme, "every club every year" to promote involvement of every District 5580 RC in International and/or Community projects.

Roly Turner mentioned an education program in Guatemala that Alex and Gail Zahradnitzk have organized through Rotary Clubs of Antigua, Del Este RC and Vista Hermosa RC (Guatemala City). The programs consist of scholarships, uniforms and construction. Roly explained that the goal is to make the program sustaining. Roly suggested that the Zahradnitzky's speak at the annual District conference in Williston. This is a charitable foundation, so donations would be tax deductible and good for RCs to partner with.

Roly suggested that the District could pay for the Zahradnitzky's travel (from Winnipeg) and lodging in exchange for their presentation as keynote speakers for the luncheon. Roly and Paula will work together to arrange speakers.

The next WCSGS meeting will be in Williston (in conjunction with the District Conference) on Friday April 28th at 1:00 pm.

Meeting **adjourned** at 1:45 pm.

Minutes by Keith Brokke