
MINUTES

of the

APRIL 2007 MEETING

of

THE TRUSTEES

of

THE ROTARY FOUNDATION

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DATE AND PLACE

The Trustees of The Rotary Foundation of Rotary International met on 13-18 April 2007 in Evanston, Illinois, USA.

ATTENDANCE

Present were Chairman Luis Vicente Giay, Chairman-elect Bhichai Rattakul, Vice-Chairman Mark Daniel Maloney, other Trustees Michael W. Abdalla, Peter Bundgaard, Ron D. Burton, Jayantilal K. Chande, Glenn E. Estess, Sr., Rudolf Hörndler, Carolyn E. Jones, Dong Kurn Lee, Jonathan B. Majiyagbe, K.R. Ravindran, Robert S. Scott, Sakuji Tanaka, and General Secretary Ed Futa.

At the invitation of the Chairman, there were present as observers: Incoming Trustees David D. Morgan, Louis Piconi, José Antonio Salazar-Cruz, and Carl-Wilhelm Stenhammar.

Also present were Director Robert A. Stuart, Jr.; Chief Financial Officer Peter DeBerge; Rotary Foundation General Manager John Osterlund; Corporate Services Manager Andrew G. McDonald; Corporate Services Associate Manager Alice Baehler, who served as secretary of the meeting; Educational Programs Manager Harvey Newcomb; Planning and Administration Manager Jon Stillman; Humanitarian Grants Program Manager James Robinson; PolioPlus Manager Carol Pandak; Fund Development Manager Donald R. Balcom; Communications Services General Manager Kathleen A. Kessenich; Administrative Services General Manager Peter Markos; Membership Services General Manager Theresa Nissen; General Counsel Steven Z. Routburg; Controller Geoff Woie; Strategic Planning Manager Joseph Brownlee.

On 18 April a presentation on the Future Vision plan was made by Beth Michaels of Primer, Michaels & Associates, and Sanjay Patel of Jefferson Wells.

AGENDA

The General Secretary had prepared a memorandum of items for consideration at this meeting. Items from that memorandum, as well as other items considered during the meeting that were acted upon, constituted the meeting's agenda as follows:

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*Filed only with the official copy of these minutes.

98. Minutes of the January 2007 Meeting

Statement: Copies of the minutes of the January 2007 meeting were provided to each trustee in advance of the meeting.

DECISION: The Trustees approve the minutes of the January 2007 meeting and request the chairman to sign the official copy of these minutes.

99. Decisions Taken on Behalf of the Trustees

Statement: Section 5.9 of The Rotary Foundation by-laws states that any officer acting on behalf of the Trustees shall report such action to the Trustees at their next scheduled meeting.

DECISION: The Trustees ratify the decisions as summarized in Appendix A, the complete copy of which is filed only with the official copy of these minutes, taken on their behalf prior to 15 March 2007 by those authorized to do so.

100. Report of the General Secretary

Statement: The general secretary presented a report to the Trustees on the work at the Secretariat during the third quarter of 2006-07.

DECISION: The Trustees receive the report of the general secretary on the activities of the Secretariat.

101. Report of The Rotary Foundation General Manager

Statement: The general manager presented a report to the Trustees on recent activities of The Rotary Foundation.

DECISION: The Trustees receive the report of the general manager on the activities of The Rotary Foundation.

102. Communications from the RI Directors

Statement: At its February 2007 meeting, the RI Board of Directors made a number of decisions of interest to the Trustees.

DECISION: The Trustees

1. note the following decisions from the February 2007 meeting of the RI Board of Directors:

137. Communications from the Trustees
152. Resolution from Zone 10 Institute on Challenges in Zone 10
158. Current Status of Cooperative Relationships
159. Amendment to the *Rotary Code of Policies* regarding Rotarian Action Groups and Other Organizations
196. Discussion Topics for Rotary Zone Institutes in 2007-08
208. Appointment and Evaluation of Independent Auditor
209. Possible Extension of Deloitte & Touche Audit Services for FY 2008, 2009, and 2010
214. RI World Headquarters Retirement Benefits

2. agree to review the role and responsibilities of the district governor in regard to administration and stewardship of The Rotary Foundation's interests within the district and request their 2007-08 chairman to appoint a committee to conduct such a review, for report to the Trustees at their October 2007 meeting;

3. request future Foundation chairmen and future RI presidents to consider organizing global peace symposiums for conflict resolution in Zone 10;

4. amend section 21.020. of *The Rotary Foundation Code of Policies* as follows:

21.020. Independent Audits

The trustee chairman and TRF Finance Committee should be consulted regarding decisions of the RI Board relating to an independent auditor for the Foundation. ~~Such discussions also should be reviewed in advance by the Joint Committee of Directors and Trustees.~~

5. authorize a variance to the 2007-08 budget in an amount not to exceed US\$15,000 with respect to point 2 above.

Note: Subsequent to this meeting, the chairman-elect appointed Trustee Glenn E. Estess, Sr. as chairman, Vice-Chairman Mark Daniel Maloney, Past District Governor Jiichiro Frank Nakajima, and Regional Rotary Foundation Coordinators Gulam A. Vahanvaty and Gedson Junqueira Bersanete as members of the committee referenced in point 2 above.

103. Tentative Future Agenda

Statement: Trustee procedures require at each meeting the submission of a tentative agenda for the next Trustee meeting.

DECISION: The Trustees receive the tentative agenda for their June 2007 meeting.

104. Review of Delegation of Authority

Statement: The Trustees, in decision 153, March 1997, adopted a comprehensive delegation of authority summary for program and some administrative matters. As part of that decision, the Trustees requested their Executive Committee to review the delegation of authority each year at their third meeting.

DECISION: The Trustees amend the delegation of authority to the chairman and general secretary as shown in Appendix B.

DECISIONS 105-108

Report of the Future Vision Committee

The Future Vision Committee met in San Diego, California, USA, on 1 February 2007 and in Evanston, Illinois, USA, on 26-29 March, and made several recommendations to the Trustees.

105. Implementation Process

Statement: The Trustees received the recommendations from the Future Vision Committee with regard to the 2006-07 Implementation Plan approved in June 2006. The Trustees also reviewed the goal implementation process, and reviewed the progress made on items referred to the Future Vision Committee by the Trustees.

DECISION: The Trustees

1. thank the Future Vision Committee for its report and the timely progression on the 2006-07 Future Vision Implementation Plan approved in June 2006;
2. approve revisions to the 2006-07 Future Vision Implementation Plan as shown in Appendix C;
3. approve the goal implementation process as shown in Appendix D;

4. receive an update from the Future Vision Committee on the status of items referred to the committee as shown in Appendix E;

5. express their appreciation to RI Vice-President Jerry Hall for the update to the Future Vision Committee on the strategic planning efforts of Rotary International.

106. Grant Thornton Report

Statement: In decision 191, June 2006, the Trustees authorized the general secretary, in consultation with the chairman, to initiate a comprehensive and unbiased evaluation of TRF's present programs, and approved the Criteria for Evaluation of Programs, for report to the Trustees at this meeting. In decision 22, October 2006, the Trustees acknowledged the employment of the Grant Thornton firm to evaluate the current programs in accordance with the criteria approved in decision 191. The Grant Thornton firm presented its report, including interviews with volunteers and staff, during the March 2007 meeting of the Future Vision Committee. The committee shared this report with the Trustees at this meeting.

DECISION: The Trustees

1. receive the report from Grant Thornton titled "An Evaluation of Programs and Recommendations";
2. receive the "Highlights from the Future Vision Committee's Discussion of Grant Thornton's Program Evaluation Report and Recommendations" and request the committee to further refine the consensus points based on feedback received from the Trustees, for report to their June 2007 meeting;
3. request the general secretary to further study the Grant Thornton recommendations and present a preliminary high-level report to the Future Vision Committee at its May 2007 meeting.

107. Jefferson Wells Report

Statement: In decision 22, October 2006, the Trustees authorized the general secretary, in consultation with the chairman, to employ a consultant or consulting firm to evaluate the business operations and the information systems of The Rotary Foundation, for report to the Trustees at this meeting. In decision 81, January 2007, the Trustees acknowledged the employment of the Jefferson Wells firm to conduct the evaluations of

current business operations and technology utilization in accordance with the criteria approved in decision 22. The Jefferson Wells firm presented its report, including interviews with volunteers and staff, during the March 2007 meeting of the Future Vision Committee. The committee shared this report with the Trustees at this meeting.

DECISION: The Trustees

1. receive the report from Jefferson Wells titled "Information Services and Business Operations Assessment and Recommendations;
2. request the general secretary to further study the Jefferson Wells' recommendations and long-term opportunities and present a preliminary high-level report to the Future Vision Committee at its May 2007 meeting.

108. Recognition Subcommittee Report

Statement: In decision 22, October 2006, the Trustees recognized that the Future Vision Committee had assigned a subcommittee to establish criteria and processes for a recognition plan. At its 1 February 2007 meeting, the Future Vision Committee received a summary report from the Recognition Subcommittee, which was presented to the Trustees at this meeting.

DECISION: The Trustees support in concept the summary report of the Future Vision Committee's Recognition Subcommittee, as shown in Appendix F, outlining the suggested criteria for a future recognition program of The Rotary Foundation.

109. Selection of Assistant Moderator for 2008 Regional Rotary Foundation Coordinator Training Institute

Statement: The Rotary Foundation Code of Policies section 5.060.1. requires the Trustees to approve the moderator for future Regional Rotary Foundation Coordinator Training Institutes at their April meeting.

DECISION: The Trustees agree to the selection of Mark Daniel Maloney to serve as the moderator for the 2009 Regional Rotary Foundation Coordinator (RRFC) Training Institute and to serve as the assistant moderator for the 2008 RRFC Training Institute.

110. Trustee Evaluations of Rotary Institutes and Multi-District PETS

Statement: In decision 16, October 2005, the Trustees approved evaluation forms for use by trustee representatives to Rotary Institutes and by trustees attending multi-district PETS. The Trustees also requested the vice-chairman to review annually these evaluation forms for presentation to the Trustees at their April meeting.

DECISION: The Trustees

1. thank their vice-chairman for his review of the trustee representatives' reports of Rotary Institutes and Multi-District PETS;
2. agree to discontinue these annual reports to the Trustees.

111. Associate Foundation Appointments

Statement: The associate foundations have varying requirements for the appointment of their trustees. At this meeting the Trustees approved the appointments for associate foundations in accordance with their individual requirements.

DECISION: The Trustees

1. appoint Past District Governor William H.C. Dethlefs, Past District Governor Peter Paul Street and Past District Governor Peter McKerracher as trustees of the Australia Rotary Foundation Trust for a term commencing 1 July 2007 and terminating 30 June 2010;
2. appoint Terence G. Davies as the Honorary Secretary of the Australia Rotary Foundation Trust, in the terms of Article 4.9 of the Trust's Deed, for a term commencing immediately and terminating 30 June 2010;
3. acknowledge Ashok Mahajan, Director-elect of Rotary International, as a Resident Member of the General Body of Rotary Foundation (India) as well as a member of the Executive Committee of the Rotary Foundation (India), as of 1 July 2007;
4. appoint Trustee Glenn E. Estess, Sr. and Trustee K.R. Ravindran as trustee members of the General Body and the Executive Committee of Rotary

Foundation (India) for a term starting 1 July 2007 and terminating 30 June 2009;

5. note that Chairman-elect Bhichai Rattakul shall become a trustee member of the General Body of Rotary Foundation (India) for a term starting 1 July 2007 and terminating 30 June 2008;
6. note that Incoming Trustees David D. Morgan, Louis Piconi, José Antonio Salazar-Cruz and Carl-Wilhelm Stenhammar shall become Members of the Company of the Rotary Foundation United Kingdom for a term commencing 1 July 2007 and terminating 30 June 2011;
7. note that Chairman-elect Bhichai Rattakul shall become a member of the Committee of Management of the Rotary Foundation United Kingdom for a term commencing 1 July 2007 and terminating 30 June 2008;
8. note that Incoming Trustee David D. Morgan, by virtue of being a TRF Trustee resident of the United Kingdom, shall become a member of the Committee of Management of the Rotary Foundation United Kingdom, as of 1 July 2007 for a term that will end 30 June 2011;
9. in their role as members of the Rotary Foundation United Kingdom, appoint Past District Governor David C.J. Liddiatt as a member of the Committee of Management of the Rotary Foundation United Kingdom for a term commencing 1 July 2007 and terminating 30 June 2008;
10. acknowledge 2007-08 Chairman-elect of The Rotary Foundation Jonathan B. Majiyagbe as an active member of the NPO Rotary Foundation Japan and as a member of its Board of Directors for a term commencing 1 July 2007 and terminating 30 June 2009;
11. note that the entirety of the Trustees of The Rotary Foundation are ex officio members of Rotary Foundation (Canada);
12. appoint RI Director Horst Heiner Hellge to serve as a member of the Advisory Council of RDG for a term commencing 1 July 2007 and terminating 30 June 2010.

112. Annual Update on Associate Foundations

Statement: In decision 19, October 2005, the Trustees requested the general secretary to provide an annual update on the activities and financial status of each associate foundation at the April Trustees' meeting.

DECISION: The Trustees thank the general secretary for the annual update on the associate foundations.

113. The Australian Rotary Foundation

Statement: In decision 18, October 2006, the Trustees authorized the establishment of The Australian Rotary Foundation ("TARF"), and reviewed the nature of this associate foundation that would eventually replace the existing associate foundation in Australia. Just prior to this meeting of the Trustees, the federal treasurer's office in Canberra, Australia, requested that TARF revise Article 6.3(a)(ii) of the TARF Deed of Trust. The change was not considered substantive, and, in light of the ongoing discussion between TARF and the Australian federal government, the Trustees were requested to authorize the general secretary to negotiate any other similar non-material changes requested to the Deed of Trust.

DECISION: The Trustees

1. thank the general secretary for his report regarding the progress of establishing The Australian Rotary Foundation ("TARF") as a "charity" under Australian law;
2. authorize the general secretary to negotiate any non-material changes to the Deed of Trust as requested by the relevant governmental officials and Australian Rotarians to finalize the agreement.

114. Brazilian Associate Foundation Income Opportunities

Statement: The Trustees established the Associação Brasileira da The Rotary Foundation (ABTRF) in 2004, with the goal of stimulating donations from Brazilian corporations. In Brazil, fiscal incentives exist for charitable donations by qualifying corporations, while no tax incentives accompany individual contributions. Since the establishment of ABTRF, limited contributions have been received. In order to generate further income for this associate foundation, the Director President of ABTRF requested the Trustees to approve

a series of initiatives that would result in increased revenue for ABTRF.

DECISION: The Trustees

1. thank Past Trustee José Alfredo Pretoni, the Director President of the Associação Brasileira da The Rotary Foundation (ABTRF) and its Board, for presenting the income opportunities for ABTRF;
2. considering the current policies for associate foundations, do not authorize ABTRF to participate in the fundraising initiatives as discussed at this meeting;
3. through this decision, do not wish to discourage Brazilian districts and clubs from exploring fundraising strategies to support The Rotary Foundation, but note that ABTRF does not provide tax benefits for donors as indicated in *The Rotary Foundation Code of Policies* section 3.010.1., Guidelines for Ongoing Operations of Associate Foundations;
4. request the general secretary to advise the Director President and the ABTRF General Meeting of the reasons for this decision.

115. Possible Registration of TRF as a Legal Entity in Russia

Statement: Neither The Rotary Foundation nor Rotary International maintain a formal legal status or registration in Russia. From time to time Rotarians involved with humanitarian projects involving Russian clubs indicated that these clubs faced challenges in receiving TRF grants because they were not properly registered with Russian authorities. Requests had been made that RI or TRF obtain registration in some capacity in Russia. Trustee Jones requested that the Trustees consider this matter at this meeting.

DECISION: The Trustees request the general secretary to discuss with Rotarian leaders in both western and eastern Russia issues regarding registration of NGOs in Russia, for report to the Trustees at their October 2007 meeting.

116. Report of the Joint Cooperative Relationships Committee

Statement: At the request of the RI Board at its November 2006 meeting, the president and the Trustee

chairman appointed a joint committee to look into recommendations presented by a committee of the Trustees to combine the RI and TRF policies on cooperative relationships. The committee, comprised of two Trustees, two Board members and an advisor, met in February 2007 in San Diego, California, USA, and again in March 2007 in Evanston, Illinois, USA, to refine the proposed joint policy on cooperative relationships.

DECISION: The Trustees

1. thank the Joint Cooperative Relationships Committee for its work;
2. adopt the Joint RI and TRF Policy on Relationships with Other Organizations as shown in Appendix G.

117. Report on Council on Legislation

Statement: The 2007 Council on Legislation was to be held on 22-27 April 2007 in Chicago, Illinois, USA. Vice-Chairman Maloney served as trustee liaison to the Constitution and Bylaws Committee and as the trustee representative for the Council. He presented an oral report on proposed legislation that might affect the Foundation to the Trustees at this meeting.

DECISION: The Trustees thank Vice-Chairman Maloney for his report on legislation of interest to the Trustees proposed to the 2007 Council on Legislation.

118. Wearable Recognition for Citation for Meritorious Service and Distinguished Service Award Recipients

Statement: Trustee Jones requested a review of the possibility of presenting wearable recognition for Rotarians who receive the Citation for Meritorious Service and the Distinguished Service Award. In decision 79, January 2007, the Trustees deferred consideration of this matter to this meeting, pending a complete financial analysis of the proposal.

DECISION: The Trustees do not agree to provide wearable recognition for Citation for Meritorious Service and Distinguished Service Award recipients at this time.

Note: Trustees Burton and Jones requested their negative votes be recorded.

119. Progress Report on Paul Harris Society

Statement: In decision 35, October 2005, the Trustees endorsed the Paul Harris Society as the first district administered Foundation program to recognize donors who contribute US\$1,000 or more to the Foundation annually. In decision 138, April 2006, the Trustees requested a report on this program at this meeting.

DECISION: The Trustees receive the general secretary's report on the Paul Harris Society recognition program.

120. Recognition of One Millionth Paul Harris Fellow

Statement: In decision 26, October 2006, the Trustees received the report on the selection of 34 first-time new Paul Harris Fellows to represent the one millionth Paul Harris Fellow in each of the 34 zones, and requested a follow-up report at this meeting.

DECISION: The Trustees

1. receive the report on the recognition of the one millionth Paul Harris Fellow;
2. support the general secretary's continued efforts to promote the one millionth Paul Harris Fellow.

121. Unrestricted Estate Gift

Statement: *The Rotary Foundation Code of Policies* section 15.050.2. states that when gifts are received without donor instructions, outright gifts of US\$10,000 or more from individuals will be placed in the Permanent Fund with future annual earnings directed to the World Fund. In decision 27, October 2004, the Trustees requested the general secretary to inform the Trustees of all unrestricted gifts of US\$250,000 or more at the next meeting of the Trustees after the receipt of such a gift, so that the Trustees can determine the most appropriate use of the gift.

DECISION: The Trustees

1. receive with appreciation the distribution of US\$675,000 from the estate of Charles and Ruth Hopping, District 5190, Reno-South, Nevada, USA;
2. affirm that this gift, and any subsequent distribution from this estate, shall be placed in the Permanent

Fund with future earnings directed to the World Fund.

122. Fund Development Plan for Rotary Centers Program

Statement: In decision 36, October 2005, the Trustees adopted a plan to raise a cumulative amount of US\$95 million in named and endowed support for the Rotary Centers Program by 30 June 2015. In October 2006, the Trustee chairman named Dr. Edward Blender as chairman, and Past RI Vice-President John F. Germ as vice-chairman of this fundraising initiative, which was formally named the Rotary Centers Major Gifts Initiative.

DECISION: The Trustees request the general secretary to submit a fund development plan and budget for the Rotary Centers Program, for report to their June 2007 meeting.

123. Marketing and Other Strategies for the Future of Fund Development

Statement: In February 2007, Trustee Chairman Giay requested the general secretary to prepare information on short, medium, and long-term strategies for enhancing TRF revenues to support the Foundation's programs, for presentation to the Trustees at this meeting.

DECISION: The Trustees

1. receive the general secretary's report on strategies for fund development;
2. suggest for consideration by the Future Vision Committee the strategies as shown in Appendix H.

124. Competitive Matching Grant Requests

Statement: Matching Grant requests of at least US\$25,001 are reviewed two times per year by the Trustees on a competitive basis.

DECISION: The Trustees

1. make Matching Grant #60510 in the amount of US\$34,883 to the Rotary Club of Chincha (District 4300, Peru) and the Rotary Club of Sonora Sunrise (District 5220, USA) to help provide a sanitation system in the community of El Guayabo, Peru, payment to be contingent upon receipt of a monthly

- usage fee schedule and confirmation that all residents will have access to the sanitation system regardless of their ability to pay the US\$75 fee;
2. make Matching Grant #60897 in the amount of US\$45,000 to the Rotary Club of Granada (District 4240, Nicaragua) and the Rotary Club of Woodstock (District 7870, USA) to help provide equipment for four operating rooms in the Gaspar García Laviana Hospital in Rivas, Nicaragua;
 3. make Matching Grant #60950 in the amount of US\$29,900 to the Rotary Club of Cochabamba-Tunari (District 4690, Bolivia) and to the Rotary Club of Duluth Harbortown (District 5580, USA) to help provide an irrigation reservoir levee for the Choquechampi community near Sacaba, Cochabamba, Bolivia;
 4. make Matching Grant #61855 in the amount of US\$30,491 to the Rotary Club of Arequipa Cayma (District 4300, Peru) and to the Rotary Club of Charlotte South Park (District 7680, USA) to help provide equipment for an eye care clinic in the Alto Cayma settlement near Arequipa, Peru;
 5. make Matching Grant #61837 in the amount of US\$64,847 to the Rotary Club of Choluteca (District 4250, Honduras) and to the Rotary Club of Nauset (Orleans) (District 7950, USA) to help provide over 2,300 bio-sand water filters to install in homes in villages near Choluteca, Honduras, plus an additional amount of US\$3,242 for project monitoring by The Rotary Foundation, for a total of US\$68,089;
 6. make Matching Grant #61723 in the amount of US\$38,750 to the Rotary Club of Gandevi (District 3060, India) and to the Rotary Club of Windsor (1918) (District 6400, Canada) to help provide a veterinary mobile laboratory and dispensary for servicing dairy cattle and livestock in Gandevi, India;
 7. make Matching Grant #61721 in the amount of US\$39,426 to the Rotary Club of Deonar (District 3140, India) and to the Rotary Club of Zoetermeer-Zegwaard (District 1600, The Netherlands) to help provide clean drinking water and toilet facilities to 17 villages in Karjat Taluka of Maharashtra State in India;
 8. do not make Matching Grant #60837 to the Rotary Club of Bandarawela (District 3220, Sri Lanka) and to the Rotary Club of Oberstdorf/Allgäu (District 1840, Germany);
 9. make Matching Grant #61660 in the amount of US\$45,658 to the Rotary Club of Chipata (District 9120, Zambia) and to the Rotary Club of Beveren--Waas (District 2170, Belgium) to help provide the drilling of 20 boreholes and the installation of 20 hand pumps in the Luangwa Valley, Eastern Province, Zambia;
 10. make Matching Grant #59037 in the amount of US\$27,114 to the Rotary Club of Antananarivo-Vovonana (District 9220, Madagascar) and to the Rotary Club of Nancy Majorelle (District 1790, France) to help construct water tanks in isolated villages in Antananarivo province, Madagascar;
 11. make Matching Grant #60958 in the amount of US\$48,100 to the Rotary Club of Kyambogo-Kampala (District 9200, Uganda) and to District 6920 (USA) to help provide latrines and water tanks to ten primary schools and a health center in Ivukula sub-county, Busiki County and the Iganga District, Uganda;
 12. make Matching Grant #60758 in the amount of US\$46,040 to the Rotary Club of Mindelo, S. Vicente (District 9100, Cape Verde) and to the Rotary Club of Metz (District 1790, France) to help provide sterilization of medical equipment to help a hospital surgical ward in Saint Vicente, Cape Verde;
 13. make Matching Grant #61069 in the amount of US\$30,897 to the Rotary Club of Cotonou-Marina (District 9100, Benin) and to the Rotary Club of Bitonto Terre dell'olio (District 2120, Italy) to build a stainless steel structure to house water sanitation equipment and to buy two electric generators for water filtration in Lokpo, Benin;
 14. make Matching Grant #61684 in the amount of US\$30,600 to the Rotary Club of Ho (District 9100, Ghana) and to the Rotary Club of Davis (District 5160, USA) to help provide clean drinking water to nine villages in the Volta Region, Ghana;
 15. defer consideration of Matching Grant #61531 to their October 2007 meeting.

125. Matching Grant Projects of the Rotary Club of Phnom Penh

Statement: In decision 41, October 2000, the Trustees sanctioned the Rotary Club of Phnom Penh (District 3350, Cambodia) due to delinquency in reporting on Matching Grants for which it served as the host sponsor. In April 2004, the Rotary Club of Phnom Penh submitted a proposal requesting the sanction to be lifted. In decision 31, October 2004, the Trustees lifted the ban on Matching Grants in Cambodia for a probationary period and agreed that each club in Cambodia could have three open grants at any one time. In decision 41, October 2005, the Trustees required the Rotary Club of Phnom Penh to provide an acceptable report on Matching Grant #54059 and agreed that no further grants could be awarded to this club until the report was received. In decision 31, October 2006, the Trustees suspended the Rotary Club of Phnom Penh from participation in the Foundation's Humanitarian Grants program until completion of a review by the general secretary, for report to the Trustees at this meeting.

DECISION: The Trustees maintain the suspension of the Rotary Club of Phnom Penh, Cambodia, from participation in the Humanitarian Grants program until completion of a review by the general secretary, for report to the Trustees at their October 2007 meeting.

126. Health, Hunger and Humanity Grant Requests

Statement: In decision 36, October 2004, the Trustees lifted the moratorium on new 3-H Grant applications effective 1 January 2005, with the first new grants awarded in April 2006. TRF received 34 applications by the 1 August 2006 application deadline for consideration at this meeting. One application was withdrawn at the request of the project sponsors, leaving 33 applications for consideration. In January 2007, the Programs Committee reviewed summaries of these 33 applications and selected nineteen to receive an advance site visit for further consideration at this meeting.

DECISION: The Trustees

1. make 3-H Grant #57557 in the amount of US\$300,000 to the Rotary Club of Tamale (District 9100, Ghana) and District 7850 (USA) to construct water and sanitation systems to facilitate the eradication of dracunculiasis (guinea worm) and other water-borne diseases in endemic regions near Tamale, Ghana, plus an additional amount of US\$21,000 for project monitoring by The Rotary Foundation, for a total of US\$321,000, payment to be contingent upon receipt of an acceptable final report for 3-H Grant #1109, and upon receipt of technical drawings and clear cost estimates for the work to be done prior to the start of construction, with closure of the grant contingent upon a comparison of baseline and final statistics for water quality and guinea worm infections in the project area;
2. make 3-H Grant #58000 in the amount of US\$200,000 to the Rotary Club of Delhi South Metropolitan (District 3010, India) and the Rotary Club of Calgary Heritage Park (District 5360, Canada) to increase living standards in 40 villages by implementing a shift from conventional crops to fruit and nut trees and herbal plants, and by developing waste lands in adjoining areas of the Kot, Kanatal, Sabli, and Pali areas in Uttaranchal, India, plus an additional amount of US\$14,000 for project monitoring by The Rotary Foundation, for a total of US\$214,000;
3. make 3-H Grant #59089 in the amount of US\$268,577 to the Rotary Club of Panamá Nordeste (District 4240, Panama) and the Rotary Club of Washington, DC (District 7620, USA), extending the COANIQUEM project of Santiago, Chile, to establish burn treatment centers in Panama, Bolivia, the Dominican Republic, and El Salvador, plus an additional amount of US\$18,000 for project monitoring by The Rotary Foundation, for a total of US\$287,377, and appoint Michael Barrington as the project monitor, payment to be contingent upon receipt of an acceptable final report for Matching Grant #55728;
4. make 3-H Grant #59121 in the amount of US\$270,000 to District 3800 (Philippines) and District 2680 (Japan) to provide a three-stage, grade 1-6 Concentrated Language Encounter (CLE) primary education program in Malabon, Navotas, Marikina and Mandaluyong Cities, Metro Manila, Philippines, plus an additional amount of US\$18,900 for project monitoring by The Rotary Foundation, for a total of US\$288,900;
5. make 3-H Grant #59348 in the amount of US\$270,000 to the Rotary Club of Phoenix (District 5490, USA) and the Rotary Club of Hermosillo Pitic (District 4100, Mexico) to provide furnishings and equipment for a new education and health

- center as part of an initiative to integrate Mexican immigrant students into the Murphy Public School District in Phoenix, Arizona, USA, plus an additional amount of US\$17,774 for project monitoring by The Rotary Foundation, for a total of US\$287,774;
6. make 3-H Grant #59465 in the amount of US\$300,000 to the Rotary Club of Colón (District 4970, Uruguay) and the Rotary Club of Winnipeg St. James (District 5550, Canada) to develop an integrated orchard and hydroponics garden to provide occupational therapy for the mentally disabled poor and to provide agricultural food supply, job creation and local employment in the community served by the G.S. Bois Hospital in Montevideo, Uruguay, plus an additional amount of US\$21,000 for project monitoring by The Rotary Foundation, for a total of US\$321,000;
 7. make 3-H Grant #59642 in the amount of US\$262,000 to the Rotary Club of Lautoka (District 9920, Fiji) and District 9830 (Australia) to provide water, sanitation, and road infrastructure, and to provide an education center in a model village housing development for relocated “squatters” in Lautoka City, Fiji, plus an additional amount of US\$18,340 for project monitoring by The Rotary Foundation, for a total of US\$280,340;
 8. make 3-H Grant #59779 in the amount of US\$255,000 to the Rotary Club of Rabat Chellah (District 9010, Morocco) and the Rotary Club of Genova-Nord (District 2030, Italy) to model and promote a national program of education, genetic screening and counseling for the prevention, diagnosis and treatment of thalassemia and to establish an excellence centre to provide therapy for people with thalassemia in Rabat, Morocco, plus an additional amount of US\$17,850 for project monitoring by The Rotary Foundation, for a total of US\$272,850;
 9. make 3-H Grant #59787 in the amount of US\$283,725 to the Rotary Club of Kathmandu Mid-Town (District 3290, Nepal) and the Rotary Club of Darmstadt-Bergstrasse (District 1860, Germany) to improve reproductive health services by training 60 auxiliary nurse midwives, and to promote micro credit loans for women in Nepal, plus an additional amount of US\$19,860 for project monitoring by The Rotary Foundation, for a total of US\$303,585;
 10. make 3-H Grant #59878 in the amount of US\$200,000 to the Rotary Club of Honiara (District 9600, Solomon Islands) and the Rotary Club of Kenmore (District 9600, Australia) to reduce mortality and morbidity and their social and economic consequences by strengthening local capabilities in malaria control in urban Honiara, Solomon Islands, plus an additional amount of US\$14,000 for project monitoring by The Rotary Foundation, for a total of US\$214,000;
 11. make 3-H Grant #59935 in the amount of US\$192,240 to the Rotary Club of Mumbai Ghatkopar (District 3140, India) and the Rotary Club of Charlotte Hall (District 7620, USA) to provide education, training and obstetrical/gynecological medical services to women in 304 villages of Maharashtra and Gujarat, India, plus an additional amount of US\$13,457 for project monitoring by The Rotary Foundation, for a total of US\$205,697, approval to be contingent upon receiving confirmation that the surgeries will not be used as a method of family planning;
 12. make 3-H Grant #60173 in the amount of US\$300,000 to District 9200 (Kenya) and the Rotary Club of Summerland (District 5060, Canada) to provide potable water, improve sanitation, develop livelihood opportunities, reforest, and increase AIDS awareness and prevention in the Nakuru region of Kenya, plus an additional amount of US\$21,000 for project monitoring by The Rotary Foundation, for a total of US\$321,000, payment to be contingent upon receipt of an acceptable report for Matching Grant #52252;
 13. make 3-H Grant #60201 in the amount of US\$180,000 to District 3190 (India) and the Rotary Club of Lancaster West (District 5260, USA) to keep girls in school by providing clean comfort stations (toilet blocks) including sinks and running water, school furnishings, supplies, and CLE training for teachers and parents at 30 village schools near Bangalore, India, plus an additional amount of US\$12,600 for project monitoring by The Rotary Foundation, for a total of US\$192,600;
 14. make 3-H Grant #60242 in the amount of US\$299,380 to the Rotary Club of Ciudad Juárez Industrial (District 4110, Mexico) and the Rotary Club of West El Paso (District 5520, USA) to provide equipment and educational materials to a new educational center and shelter complex to strengthen families and reduce/prevent child abuse,

drug addiction, and violence in Ciudad Juárez, Mexico, plus an additional amount of US\$20,957 for project monitoring by The Rotary Foundation, for a total of US\$320,337;

15. make 3-H Grant #60261 in the amount of US\$300,000 to the Rotary Club of Santarém (District 4720, Brazil) and the Rotary Club of Ann Arbor North (District 6380, USA) to improve the capacity of the health system by providing equipment to regional hospitals and clinics, and by training technicians and local medical workers in the Tapajos Region, Brazil, plus an additional amount of US\$21,000 for project monitoring by The Rotary Foundation, for a total of US\$321,000;

16. make 3-H Grant #60565 in the amount of US\$259,654 to the Rotary Club of Kampala-Sse Islands (District 9200, Uganda) and the Rotary Club of Bainbridge Island (District 5020, USA) to provide water wells, anti-malarial nets, anti-parasitic medications, and nutrition and disease control education to improve the health of local villagers in up-country Uganda, plus an additional amount of US\$18,176 for project monitoring by The Rotary Foundation, for a total of US\$277,830, payment to be contingent upon receipt of a revised project plan to reflect the recommended changes of the advance site visitor; drawings showing the redesigned boreholes and a copy of the revised borehole application guidelines, and the District Education Office's agreement to use the text books in the schools;

17. make 3-H Grant #60888 in the amount of US\$269,493 to District 2420 (Turkey) and District 2050 (Italy) to provide revolving loans to the poor and unemployed to promote small scale income generating enterprises in the Marmara Region in Istanbul, Turkey, plus an additional amount of US\$18,865 for project monitoring by The Rotary Foundation, for a total of US\$288,358;

18. make 3-H Grant #60905 in the amount of US\$294,694 to the Rotary Club of Arusha (District 9200, Tanzania) and the Rotary Club of The Island & Royal Manor of Portland (District 1200, England) to reduce the malaria-related deaths, illnesses, mental retardation, school and work absenteeism by providing treated bed-nets, spraying mosquito breeding areas, training medical personnel, and educating mothers in malaria-endemic areas of Tanzania, plus an additional amount of US\$20,629 for project monitoring by The Rotary

Foundation, for a total of US\$315,323, payment to be contingent upon receipt of an acceptable final report for 3-H Grant #1170 and an audit report from the governor of District 9200 on the project accounts of the Rotary Club of Arusha.

127. Volunteer Service Grants “Ongoing Sites”

Statement: At their April 2006 meeting, the Trustees received an evaluation of the Individual Grants program, which preceded the Volunteer Service Grants program. Recommendations were made to lift the moratorium on Individual Grants and restructure the grant type as Volunteer Service Grants. Included in the analysis of Individual Grants was a review of grant activity at “ongoing sites.” Since the inception of various volunteer travel programs in the humanitarian grants area, project sites that rely solely upon volunteers to support and/or run the operations were considered “on-going sites.” Because of the number of volunteers sent to these sites, concerns had arisen over the actual need for the service, the host partner Rotarian involvement, perceptions of conflict of interest and questions over excessive support. In decision 145, April 2006, the Trustees requested the general secretary to evaluate ongoing sites supported by the Volunteer Service Grants program for report at this meeting.

DECISION: The Trustees

1. thank the general secretary for his report;
2. request the general secretary to
 - a. monitor Volunteer Service Grant activity that supports travel to “ongoing sites”;
 - b. select two sites for an audit and program evaluation by members of the Humanitarian Grants Cadre and specialized auditors during 2007-08, for report to the Trustees' April 2008 meeting;
3. authorize an additional US\$4,700 in 2007-08 for auditors' expenses in conducting the above site visits;
4. request the Future Vision Committee to consider the impact of ongoing sites on Volunteer Service Grants or other travel-related grant types when evaluating modifications to the Humanitarian Grants program.

128. 2006-07 International Service Awards for a Polio-Free World

Statement: The Rotary Foundation Code of Policies section 16.050.2. provides criteria and guidelines for international and regional service awards to honor Rotarians who have contributed active personal service towards the goal of polio eradication. Nominations for the 2006-07 awards were presented to the International PolioPlus Committee for review. Recipients of the International Service Awards for a Polio-Free World must be approved by the Trustees.

DECISION: The Trustees, the Executive Committee acting on their behalf, award the following eight (8) Rotarians the International Service Award for a Polio-Free World: Rhaman Bhatia, Frank J. Devlyn, Gaston Kaba, Ray Klinginsmith, G. Kenneth Morgan, Viktor Prikazsky, William T. Sergeant, and Terry Youlton.

129. Future Funding Plans for PolioPlus

Statement: In decision 39, October 2006, the Trustees reaffirmed their PolioPlus funding contingency plan, and agreed that all earnings on the restricted World Fund reserve for PolioPlus contingencies, approved in decision 201, June 2006, would accrue annually to the reserve. The financial forecast indicated that these funds would be required beginning in 2009-10. Additionally, the International PolioPlus Committee recently extended its expected operating timeline through 2011-12. The Trustees were asked to consider transferring these funds from the World Fund reserve to the PolioPlus Fund in a systematic manner.

DECISION: The Trustees

1. agree to transfer the US\$19.1 million reserve for PolioPlus contingencies, along with the net investment earnings thereon, from the World Fund to the PolioPlus Fund in ten quarterly distributions, beginning in the fourth quarter of 2006-07;
2. authorize their chairman to accelerate the transfer of these funds from the World Fund reserve to the PolioPlus Fund, if determined appropriate.

130. Rotary World Peace Symposium Update

Statement: In decision 154, April 2006, the Trustees approved the holding of a Rotary World Peace Symposium as a pre-convention event in Salt Lake City, Utah, USA, in June 2007. In decision 188, June 2006,

the Trustees requested their 2006-07 chairman to confer with the 2006-07 RI president and the chairman of the 2007 International Institute in order to coordinate all pre-convention events in the best possible manner to maximize their effectiveness. The Rotary World Peace Symposium Committee presented a progress report on planning for the symposium to the Trustees at this meeting.

DECISION: The Trustees thank the Rotary World Peace Symposium Planning Committee for its report and continued work in preparation for the inaugural Rotary World Peace Symposium to be held in Salt Lake City, Utah, USA, on 14-16 June 2007.

131. Report of Rotary Peace and Conflict Studies Program Selection Committee

Statement: The Rotary Peace and Conflict Studies Program Selection Committee met 3-4 February 2007 in San Diego, California, USA, and recommended 23 participants for approval by the general secretary.

DECISION: The Trustees

1. receive the report of the Rotary Peace and Conflict Studies Program Selection Committee and thank the committee members for their work;
2. receive the list of applicants approved by the general secretary for the July 2007 (Session III) of the Rotary Peace and Conflict Studies pilot program.

132. Marketing Strategies for Rotary Centers Program

Statement: In decision 44, October 2006, the Trustees requested the general secretary to report at this meeting on program marketing strategies as discussed during the Rotary Centers Committee meeting.

DECISION: The Trustees thank the general secretary for his report on strategies to market the Rotary Centers for International Studies program to increase the number of qualified applications received by The Rotary Foundation.

133. Evaluation Process for Rotary Centers Partner Universities

Statement: The Conceptual Plan for the Rotary Centers for International Studies program called for TRF to

make annual evaluations of the program at each partner university, and that each university would invite periodic review by TRF to assess and evaluate the progress and success of the Rotary Center. In decision 44, October 2006, the Trustees requested the general secretary to review the need for annual evaluations of the Rotary Centers partner universities, for report to this meeting.

DECISION: The Trustees request the general secretary to

1. conduct a performance evaluation of each of the Rotary Centers partner universities every two years rather than annually, with the next report to be considered at the Trustees' October 2008 meeting;
2. conduct such an evaluation at any time there may be concerns with the performance of a specific Rotary Center partner university, and submit a report to the Trustees at their next meeting following such evaluation.

134. Report on TRF Program Alumni Relations Activities

Statement: In decision 58, October 2005, the Trustees agreed to increase the level of TRF support for alumni relations activities worldwide. The implementation plan included increased communication with district alumni subcommittee chairmen, greater support provided to Rotary Foundation alumni coordinators, increased activity on the RI website, and greater contact with alumni associations. In view of the growing number of TRF program alumni relations activities around the world, the general secretary recommended providing an annual report of TRF alumni relations activities to the Trustees at their April meeting each year.

In decision 159, April 2006, the Trustees approved the first all-day (seven hour) pre-convention event for TRF alumni. In order to encourage attendance by TRF alumni at the convention, the Trustees considered a request for a reduced registration fee at the 2008 (Los Angeles) Convention.

DECISION: The Trustees

1. receive the general secretary's report on The Rotary Foundation's alumni relations activities;

2. request the general secretary to provide a report on The Rotary Foundation's alumni relations activities at their April meeting each year;
3. look with favor upon a reduced 2008 (Los Angeles) Convention registration fee for Rotary Foundation program alumni who have recently become Rotarians, and refer this matter to the RI Board for its consideration.

135. Annual Stewardship Plan

Statement: Section 10.010. of *The Rotary Foundation Code of Policies* provides that an annual stewardship plan will be prepared by the general secretary for presentation at the April Trustees' meeting. In decision 94, January 2007, the Trustees agreed to extend implementation of the 2006-07 stewardship plan through the end of 2007-08.

DECISION: The Trustees acknowledge that, at their January 2007 meeting, they agreed to extend the implementation of the annual stewardship plan from 2006-07 through the end of 2007-08, such that no further action is required at this time.

136. World Reporting Analysis for the Humanitarian Grants Program

Statement: In decision 163, April 2006, the Trustees adopted section 9.010.5.2. of *The Rotary Foundation Code of Policies*, which emphasizes that an important component of effective stewardship is the preparation and submission of timely and accurate grant reports. This decision set the expectation that districts and their clubs must be 100 percent current and compliant with grant reporting requirements. All districts and their clubs less than 70 percent compliant with reporting requirements after two consecutive semi-annual reporting periods would be suspended until 90 percent compliance was achieved. The first semi-annual analysis of world reporting was conducted in October 2006. The Trustees received a report on the second semi-annual analysis at this meeting and were asked to grant temporary exceptions to the reporting process.

DECISION: The Trustees

1. recognize that timely and accurate grant reporting is an important component of effective stewardship and thank clubs and districts for their progress on improving reporting compliance for Humanitarian Grants worldwide in 2006-07;

2. acknowledge an increase of 10 percent in world reporting by clubs and districts for Humanitarian Grants during 2006-07;
3. note progress made on world reporting and expect that districts will continue to improve their reporting percentages by the semi-annual report analysis in April 2008;
4. as an exception to *The Rotary Foundation Code of Policies* section 9.010.5.2., agree not to suspend districts for failure to meet the reporting compliance of 70 percent after two consecutive semi-annual report analyses until April 2008;
5. agree to utilize a methodology for calculating world reporting percentages in which the semi-annual report analysis captures the status of all grant activity at the time the world reporting analysis is compiled in preparation for the April and October meetings of the Trustees;
6. thank the general secretary for the World Reporting Analysis for the Humanitarian Grants Program, and request a report evaluating the world reporting process for consideration at their April 2008 meeting.

137. Tube Well Testing and Stewardship Plan for District 3280 (Bangladesh)

Statement: In decision 51, October 2006, the Trustees requested the general secretary to monitor the testing of tube wells in District 3280 (Bangladesh), take action regarding remediation of water quality as necessary, and report to the Trustees at this meeting. The Stewardship Committee also requested the general secretary to provide a progress report on the stewardship plan adopted in decision 51 for District 3280.

DECISION: The Trustees

1. thank the team of RI Director Noraseth Pathmanand (Special Advisor), Past District Governor (RRFC) Gulam A. Vahanvaty (Assistant Special Advisor), Stewardship Committee Chairman Trustee Mark Maloney and the general secretary for their participation in the District 3280 stewardship seminar and their advisory role to District 3280 during the implementation of the stewardship plan;
2. request the general secretary to provide an updated report on the status of arsenic mitigation in District

3280 well projects funded with TRF funds at their October 2007 meeting.

138. Semi-Annual Report of the Humanitarian Grants Cadre

Statement: *The Rotary Foundation Code of Policies* section 10.010. requires the Humanitarian Grants Cadre to provide a semi-annual report of its activities and findings to the Trustees' October and April meetings. The cadre noted challenges in the procedures for assigning technical advisors.

DECISION: The Trustees

1. thank the Humanitarian Grants Cadre for its semi-annual activity report;
2. request the general secretary to evaluate the recommendations of the Humanitarian Grants Cadre chairman concerning the training of technical advisors, for report to the Trustees at their October 2007 meeting;
3. request the Humanitarian Grants Cadre chairman and the general secretary to recommend streamlined procedures for assignment of technical advisors, for report to the Trustees at their October 2007 meeting.

139. Report on Allegations and Litigation

Statement: To facilitate the work of the Stewardship Committee, the general secretary has been asked to provide reports on allegations, investigations, and litigation at the first and third meetings of each year. The committee discussed the need for additional resources to address stewardship concerns.

DECISION: The Trustees

1. thank the general secretary for his status report on allegations and litigation;
2. note that resources are not currently available to properly address legal issues and proceedings arising from stewardship matters in a timely manner;
3. request the general secretary to evaluate alternatives for the reallocation of resources to permit more timely responses to legal issues involving steward-

ship matters, for report to the Trustees at their October 2007 meeting.

140. Review of District 4450 (Peru) Audit

Statement: In August 2006, the Trustees acted to temporarily suspend District 4450 (Peru) and its clubs from participating in Humanitarian Grants in order to further investigate allegations that included: mismanagement of grant funds, perceived and real conflicts of interest in relation to project implementation, lack of transparency, and the presence of a project broker. Two specialized auditors conducted 15 random and targeted audits in December 2006. The final report was received in January 2007. The suspension provided 90 days to review the audit findings and to formulate recommendations for action. In March 2007, the chairman, with the majority consent of the Trustees, extended the timeline for review to bring this matter to the Trustees at this meeting.

DECISION: The Trustees

1. thank the general secretary for the report on the District 4450 (Peru) audit;
2. authorize a 2006-07 budget variance of US\$9,852 to support a stewardship seminar in District 4450;
3. agree to lift the suspension of District 4450 (Peru) upon satisfactory completion of the requirements set forth in Appendix I;
4. request the RI Board of Directors to authorize the general secretary to terminate the Rotary clubs of San Francisco de Borja, Lima Sunrise, and Miraflores, if such clubs do not return grant funds as requested by the due date in the demand letters.

141. Improper Conduct by Current or Past RI Officers

Statement: At the October 2006 Stewardship Committee meeting, the general secretary was requested to identify current or past RI officers against whom documented allegations or claims of improper conduct with respect to the programs or activities of the Foundation had been received. The Stewardship Committee received this report at this meeting and requested the Trustees to consider necessary action to be taken.

DECISION: The Trustees

1. thank the general secretary for his report regarding improper conduct by current or past RI officers with respect to the programs and activities of The Rotary Foundation;
2. refer to the RI president the information in this report regarding the allegations of improper conduct with respect to such current or past RI officers identified by the general secretary as noted in point 1 above, in accordance with the discussion at this meeting;
3. request the general secretary to report to the Trustees semi-annually any alleged improper conduct of current or past RI officers with respect to the programs and activities of The Rotary Foundation, such report to be included in the semi-annual report on allegations and litigation;
4. request the general secretary to forward all such semi-annual reports to the RI president.

142. Status of Reporting on Educational Programs Grants

Statement: In decision 206, June 2006, the Trustees requested the general secretary to provide information on the number of reports received from Educational Programs participants for consideration at their October 2006 meeting. In decision 54, October 2006, the Trustees agreed to consider at this meeting the withholding of Group Study Exchange awards, Ambassadorial Scholarships, University Teacher Grants and Rotary World Peace Fellowships until TRF has received a satisfactory report from all such program participants sponsored by those same districts.

DECISION: The Trustees request the general secretary to continue to identify ways to increase the rate of final report submissions by Educational Programs participants, and to report on such progress at their April 2008 meeting.

143. Review of SHARE District Options and District Designated Fund Amounts

Statement: *The Rotary Foundation Code of Policies* section 17.020.1. provides that future District Designated Fund amounts will be established at the Trustees' April/May meeting each year, six months prior to the allocation cycle.

DECISION: The Trustees confirm the allocation amounts required from District Designated Funds for program year 2009-10, as outlined in Appendix J.

144. Budget for Programs in 2007-08

Statement: The Trustees annually approve a budget for program expenditures in the following year. The portion of the budget that relates to expenditure of unrestricted contributions for program awards requires the approval of the Board of Directors of Rotary International.

DECISION: The Trustees approve the 2007-08 program awards budget totaling US\$104,635,300 as follows:

1. approve the following budget for expenditures to be made in 2007-08 from unrestricted Annual Programs Fund contributions:

Ambassadorial Scholarships, Regional Scholar Seminars, and Grants for University Teachers	US\$17,493,500
Rotary World Peace Fellowships and Rotary Center University stipends	4,101,600
Rotary Peace and Conflict Studies Fellowships	574,500
Group Study Exchange	4,070,900
Matching Grants (excluding non-DDF sponsor contributions)	45,080,000
Health, Hunger, and Humanity Special Initiative Grants	5,615,000 100,000
Volunteer Service Grants	1,773,700
District Simplified Grants	7,311,400
Long-Term Disaster Recovery DDF	200,000
Total expenditures from unrestricted Annual Programs Fund	US\$86,320,600

- 2 request the approval of the Board of Directors of RI to the above 2007-08 budget for program award expenditures from unrestricted Annual Programs Fund contributions;
3. subject to the approval of the RI Board of Directors, authorize the general secretary to exceed or under spend the 2007-08 District Designated Funds (DDF) budget amount for long-term disaster recovery to

the extent that the actual 2007-08 DDF contributions differ from the budget amount of US\$200,000, and request such approval from the RI Board;

4. approve the following budget for program award expenditures to be made in 2007-08 from the PolioPlus Fund:

Future grants (new grants anticipated in 2007-08)	US\$9,500,000
Future grants DDF (new grants anticipated in 2007-08)	50,000
PolioPlus Partners	1,000,000
PolioPlus Partners (DDF)	1,500,000
Total Expenditures from the PolioPlus Fund corpus	US\$12,050,000

5. approve the following budget for program expenditures to be made in 2007-08 from other restricted funds:

Volunteer Service Grants	US\$78,800
District Simplified Grants	15,200
Matching Grants	261,300
3-H Grants	234,000
Rotary World Peace Fellowships	447,800
Named Scholarships	490,200
Endowed Scholarships	1,296,600
Group Study Exchange (named and endowed)	30,900
Rotary World Peace/Conflict Studies	9,900
Long Term Disaster Recovery	400,000
Total Expenditures from other restricted or Permanent Fund	US\$3,264,700

6. authorize the general secretary to exceed or under spend these amounts based on actual restricted contributions received or amounts transferred from restricted Permanent Fund earnings in accordance with Trustee policy;
7. authorize the general secretary to exceed or under spend the 2007-08 budget amount for long-term disaster recovery to the extent that the actual 2007-08 temporarily restricted cash contributions differ from the budget amount of US\$400,000;

8. approve the following budget for program expenditures in 2007-08:

Donor Advised Funds	US\$3,000,000
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9. request the approval of the Board of Directors of RI to the above 2007-08 budget for program award distributions from Donor Advised Funds;
10. subject to the approval of the RI Board of Directors, authorize the general secretary to exceed or under spend the 2007-08 Donor Advised budget based on properly approved donor-requested expenditures.

145. Budget for Revenues and Operating Expenses in 2007-08

Statement: The bylaws of The Rotary Foundation state: "Each year the trustees shall adopt a budget for the succeeding fiscal year, which they may revise in the succeeding fiscal year if necessary." At this meeting the Trustees reviewed a proposed budget for 2007-08.

DECISION: The Trustees

1. approve the operating budget for The Rotary Foundation in 2007-08:

Revenues	US\$181,801,000
Program awards	US\$104,635,300
Program operations	US\$22,022,500
Fund development	US\$14,452,000
General administration	US\$6,553,500
Increase in net assets	US\$34,137,700

2. authorize the general secretary, for good cause, to exceed the expenditure in any category within this budget and the overall budget by up to five percent (5%), provided that the general secretary submit to the Trustees an explanation thereof at their next scheduled meeting.

146. Report of the General Auditor

Statement: At the request of the Finance Committee (acting as the Audit Committee) of the Trustees of The Rotary Foundation, the general auditor reports semi-annually on the activities and results of the Audit Services Division of RI.

DECISION: The Trustees receive the report of the general auditor.

147. Report on Investments

Statement: The Trustees reviewed the investment report for The Rotary Foundation as of 31 December 2006. In its meeting on 10-12 April 2007, the Finance Com-

mittee also addressed the report of small cap value manager candidates, the report of hedge fund of funds manager candidates, and the review of the investment consultant Request for Proposal.

DECISION: The Trustees

1. receive the report on investments for the Annual Programs Fund, Permanent Fund, and PolioPlus Fund as of 31 December 2006;
2. receive the Northern Trust's investment report as of 31 December 2006 on the life income agreements;
3. place TCW on the Watch List due to significant underperformance relative to its benchmark for the period July 2006 through March 2007;
4. request the general secretary to identify large capitalization growth managers for the Investment Advisory Committee to interview at its September 2007 meeting;
5. terminate J.L. Kaplan due to concerns regarding continuity of management and relative under performance;
6. appoint Barclays Global Investors to invest 50 percent of the allocation to small cap value stocks in its Russell 2000 Value Index Fund;
7. appoint NWQ to invest 50 percent of the allocation to small cap value stocks in its Small/Mid Cap Value product;
8. request the RI Board's concurrence on the above items 3 through 7;
9. appoint JP Morgan Alternative Asset Management to invest up to 50 percent of the remaining allocation to hedge funds in its Multi-Strategy Fund, Ltd.;
10. appoint UBP Asset Management to invest up to 50 percent of the remaining allocation to hedge funds in its SelectInvest Arbitrage/Relative Value, LTD.;
11. thank the general secretary for the status report on the investment consultant evaluation.

148. Status of Operating Reserve

Statement: *The Rotary Foundation Code of Policies*

section 19.010. defines the Foundation's operating reserve as the earned income balance of the Annual Programs Fund adjusted for any unspent reserve allocations. The Foundation is required to maintain an operating reserve equal to the sum of (1) budgeted operating expenses for the current year, (2) forecasted operating expenses for the next two fiscal years, and (3) 50 percent of the budgeted Annual Programs Fund awards for the current year.

DECISION: The Trustees note that the operating reserve balance as of 28 February 2007 of US\$101.4 million represents an operating ratio of 60 percent, which exceeds the minimum required reserve ratio of 50 percent.

149. Status of Funds in Zimbabwe

Statement: Zimbabwe has undergone an economic crisis for the past several years. Annual inflation in Zimbabwe is currently estimated about 1,700 percent per annum. Following eight devaluations and a redenomination of the currency, the official exchange for Zimbabwe Dollars versus US Dollars is 250. District 9120 leadership in Zimbabwe recommended that TRF release funds on deposit in Zimbabwe to fund immediate and worthy projects, and that TRF suspend receipt of contributions in Zimbabwe Dollars until the political and economic situation improves.

DECISION: The Trustees

1. receive the report from the general secretary on the status of funds in Zimbabwe;
2. authorize the general secretary to release and distribute TRF funds to immediate and worthy projects in Zimbabwe as determined by a committee composed of District 9210 leadership;
3. suspend receipt of future TRF contributions in Zimbabwe Dollars;
4. authorize the general secretary to lift the suspension when appropriate.

150. District Designated Funds Donation to Permanent Fund for Rotary Centers Program

Statement: In decision 44, October 2006, the Trustees agreed to accept donations of District Designated Funds (DDF), either from a single district or multiple districts,

to establish endowments within the Permanent Fund with the annual spendable earnings to be applied to Rotary World Peace Fellowships. The decision included a request to the general secretary to provide a report on donations of DDF to the Permanent Fund to support the Rotary Centers program for consideration at this meeting.

DECISION: The Trustees

1. receive with appreciation the report of the general secretary outlining the administration of endowment funds created by transferring District Designated Funds to the Permanent Fund in support of the Rotary Centers Program;
2. agree to continue accepting requests from districts within Zones 29 and 30 to transfer District Designated Funds into the pooled Heart of America Endowed Fund for support of Rotary Centers;
3. agree to expand to all districts by 1 July 2008 the process of accepting requests to transfer District Designated Funds into pooled endowment funds for the support of Rotary Centers, and request the general secretary to obtain the necessary automated resources to properly manage such pooled endowed funds.

151. Tracking District Designated Funds of Non-districted Clubs

Statement: In decision 95, January 2007, the Trustees approved the transfer of District Designated Funds (DDF) contributed by clubs assigned to a new district during the time the clubs were in another district. A similar situation with two non-districted clubs was brought to the consideration of the Trustees at their January 2007 meeting, but the Trustees deferred consideration of the manner in which DDF attributed to non-districted clubs is tracked to this meeting.

The two clubs located in mainland China were originally assigned to District 3450 and made contributions to the Annual Programs Fund. Effective with Board decision 96, November 2005, the Rotary clubs of Beijing and Shanghai became non-districted, to be governed by a special representative appointed by the RI president. The president's representative formed a Rotary China Team that functions as the coordinating committee for Foundation activities related to the two clubs.

DECISION: The Trustees

1. approve, on an exception basis, the transfer from District 3450 of US\$9,250 in District Designated Funds to the two non-districted clubs located in The People's Republic of China, which represents fifty percent of contributions to the Annual Programs Fund from these two clubs that were formerly part of District 3450;
2. authorize, on an exception basis, the Rotary China Team Rotary Foundation Committee chairman to sign for the use of District Designated Funds for the two non-districted clubs located in The People's Republic of China.

152. Modifications to the Budgets in 2006-07 and 2007-08

Statement: The Trustees approved variances to the 2006-07 and 2007-08 budgets during the course of this meeting.

DECISION: The Trustees

1. note no modifications to the 2006-07 budget as approved through January 2007:

2006-07 Budget	
Revenues	US\$173,142,500
Program Awards	103,687,500
Program Operations	20,617,877
Fund Development	14,314,678
General Administration	7,190,127
Total expenses	<u>US\$145,810,182</u>
Change in Net Assets	<u>US\$27,332,318</u>

2. approve budget variances for 2006-07 as indicated below:

January 2007 variances	US\$273,000
April 2007 variances	
Dec. 140. Review of District 4450 Audit, Program Operations	<u>9,852</u>
Total Variances 2006-07	<u>US\$282,852</u>

3. note no modifications to the 2007-08 budget as approved in decision 145:

2007-08 Budget	
Revenues	US\$181,801,000
Program Awards	104,635,300
Program Operations	22,022,500
Fund Development	14,452,000
General Administration	<u>6,553,500</u>
Total Expenses	<u>US\$147,663,300</u>
Change in Net Assets	<u>US\$34,137,700</u>

4. approve budget variances for 2007-08 as indicated below:

Dec. 102. Communications from the RI Directors	General Administration	US\$15,000
Dec. 127. Volunteer Service Grants "Ongoing Sites"	Program Operations	<u>US\$4,700</u>
Total Variances 2007-08		<u>US\$19,700</u>

ADJOURNMENT

The foregoing is a true record of the proceedings of the meeting of the Trustees of The Rotary Foundation of Rotary International held 13-18 April 2007 in Evanston, Illinois, USA.

Luis Vicente Giay, Chairman
The Rotary Foundation

Alice Baehler
Secretary of the Meeting

ATTEST:

Ed Futa
General Secretary

APPENDIX A

Summary of Decisions Taken on Behalf of the Trustees (Decision 99)

- Exhibit a – Citation for Meritorious Service Awards
Fifty-seven recipients in 18 countries.
- Exhibit b – PolioPlus Grants Approved by the Trustee Chairman
*Three administration grants for a total of US\$12,227.
Five PolioPlus Partners matching funds grants for a total of US\$258,988.82.*
- Exhibit c – Ambassadorial Scholarships, Rotary Peace and Conflict Studies Program and Group Study Exchanges
Seven additional Ambassadorial Scholarships were awarded for a total of US\$154,000. Twenty-three candidates were approved for the July 2007 session of the Rotary Peace and Conflict Studies pilot program. One Regional Scholar Grant was approved. Two policy exceptions were approved by the general secretary. Two petitions for waiver of age range were approved.
- Exhibit d – Blane Immunization Grants
Eleven grants for a total of US\$16,699.
- Exhibit e – District Simplified Grants
Thirty-four grants for a total of US\$469,350.
- Exhibit f – Matching Grants
Two hundred ninety-three grants for a total of US\$3,010,087.
- Exhibit g – Volunteer Service Grants
Thirty-two grants in 20 countries for a total of US\$156,000.
- Exhibit h – Humanitarian Grants Cadre
Thirty-six grants reviewed for a total cost of US\$6,235.
- Exhibit i – Humanitarian Grants administration
Eleven decisions made by the general secretary.
- Exhibit j – Special Initiative Grants
Four grants approved by the Chairman for a total cost of US\$35,000.

APPENDIX B

Amendments to *The Rotary Foundation Code of Policies* Delegation of Authority to the Chairman and the General Secretary (Decision 104)

2.010. Delegation of Authority

The Rotary Foundation makes grants and awards scholarships, receives, provides and distributes funds, and generally conducts business in various parts of the world in accordance with its Articles of Incorporation and Bylaws and in furtherance of the purposes described therein. It is necessary and proper in furtherance of such purposes and activities for the Foundation's Trustees to designate and authorize certain of its officers and representatives to execute the directives of the Trustees and otherwise to act on behalf of the Trustees and the Foundation. Therefore, except as limited by law, including the Internal Revenue Code as it applies to Section 501(c)(3) organizations, the Trustees authorize the following actions to be taken on their behalf in matters where the policy of The Rotary Foundation is well established and where the decision is within the guidelines of those policies.

I. The trustee chairman is authorized to:

1. fill vacancies among RRFs, advisors, consultants, and similar positions that occur during his term as Chairman;
- ~~2. decide on all nominations for Citations for Meritorious Service.~~
- 3.2. approve Special Initiative grants of up to US\$20,000 per grant from the Special Initiative Fund, up to US\$100,000 annually, for service projects undertaken by Rotary clubs and/or districts that do not fit within the established criteria of existing Foundation programs. A report on all Special Initiative grants approved by the Chairman shall be provided to the Trustees at their next meeting;
- 4.3. approve expenditure of up to US\$50,000 each year for unanticipated expenses for program and administrative activities in keeping with the purposes and objectives of The Rotary Foundation. Any such expenditure shall be reported to the Trustees at their next meeting. However, this authority shall not be effective during the period commencing seven days prior to a regularly scheduled meeting of the Trustees until the conclusion of such meeting;
- 5.4. with the recommendation ~~approval~~ of the stewardship committee impose the penalties set forth in the *Rotary Foundation Code of Policies* for Failure to Comply with Foundation Reporting Guidelines or Misuse or Mismanagement of Foundation Grant Funds.
- ~~6.5.~~ suspend a district and any or all of its member clubs from participating in the programs of the Foundation whenever a district or its member clubs is not in compliance with the policies and guidelines of The Rotary Foundation. Unless previously authorized by the Trustees, the Chairman will obtain the informal consent of a majority of Trustees before suspending a district. However, this authority shall not be effective during the period commencing seven days prior to a regularly scheduled meeting of the Trustees until the conclusion of such meeting;
- 7.6. release funds from its PolioPlus fund when he determines that the goal of polio eradication would be adversely affected by a delay of approval until the next Trustee meeting, provided the release: a) has been recommended by the International PolioPlus Committee or its chairman; b) does not exceed US\$500,000.
- 8.7. in conjunction with the RI president, immediately terminate an investment manager in the manner prescribed in *Rotary Code of Policies* section 69.010.13. when circumstances warrant action prior to the next Trustee meeting;

9.8. immediately terminate an investment manager when circumstances warrant action prior to the next Trustee meeting, when the investment involves only Foundation funds.

10.9. approve the removal of a district Rotary Foundation committee chair from the position for cause.

II. The Chairman-elect is authorized to

1. appoint the regional Rotary Foundation coordinators, Major Gift advisors, strategic advisors, and similar positions, who will serve during his term as chairman, in consultation with the chairman, vice-chairman, president, president-elect and the incoming chairman-elect, if known. "Appoint" as used in this paragraph shall include renewing the appointment of those serving in multiple year terms.
2. appoint consultants to Trustee standing committees to serve during his term as Chairman, subject to the approval of the Trustees.

III. The Stewardship Committee is authorized to take any of the actions outlined in the Stewardship Committee Terms of Reference.

IV. The general secretary (and any administrative assistants designated for that purpose by the general secretary) is authorized to:

A. Educational Programs

1. Group Study Exchange (GSE):

- a) approve awards and assign pairings for Group Study Exchanges which comply with existing Trustee policies;
- b) extend a GSE team tour to more than six weeks at no expense to the Foundation;
- c) shorten a GSE team tour to less than four weeks.
- d) authorize reduction in the number of non-Rotarian members on a GSE team;
- e) authorize exceptions to current policy regarding common points of arrival and departure for GSE team travel;
- f) postpone by one year the originally scheduled year(s) of a World Fund GSE;
- g) cancel a Group Study Exchange award;
- h) approve a "late" GSE pairing and to award exchanges when extenuating circumstances warrant;
- i) authorize brief visits outside of the host district in adjacent districts as part of the GSE itinerary when such visits are approved by the respective district governors;
- j) authorize an overnight stopover for a GSE team whether at the Foundation's expense or at the district's expense, according to current policy;
- k) grant round-trip transportation payment or single trip transportation for a GSE team member in the event of the death of his or her mother, father, sibling, spouse, or child;
- l) decide on district requests for financial assistance not exceeding US\$500 to assist in the attendance and presentation of a visiting GSE team at a district conference; for financial assistance not exceeding US\$600 to defray the cost of internal travel in low income districts and other districts with excessively large areas, with widely scattered clubs or geographical elements which preclude land travel; and for financial assistance for air

travel not exceeding US\$2,000 to defray the cost of transporting visiting Group Study Exchange teams between countries within multi-country district containing one or more Rotary designated low-income countries;

- m) waive a published pre-departure requirement for a GSE team member or GSE team leader;
- n) approve language training for districts that do not qualify for training according to current GSE policies when extenuating circumstances warrant;
- o) waive citizenship and residency criteria when extenuating circumstances warrant;
- p) waive age criteria for GSE team members who are within two years of established age requirements when extenuating circumstances warrant;
- q) determine neighboring country criteria for districts that are in close proximity but may not have a common geographical border.

2. Scholarships:

- a) make final decisions on all matters raised by scholarship candidates, scholars and their supporters concerning the administration of the scholarship, both competitive and noncompetitive;
- b) approve district endorsed candidates for all types of Ambassadorial Scholarships if eligible under existing Trustee policies (excluding those financed by the Scholarship Fund Pool for Low-Income Countries) and to make study institution assignments for all types of scholars;
- c) waive a published pre-departure requirement for any scholar;
- d) postpone scholar's use of a scholarship by one year if there are unusual extenuating circumstances;
- e) approve "late scholarship candidates," who were not originally awarded a scholarship for reasons of incomplete applications, principal not designated, applications not submitted, or other causes;
- f) permit a scholar to commence study at a time other than the beginning of a regular academic year;
- g) grant round-trip transportation payment or single trip transportation for a scholar in the event of the death of his or her mother, father, sibling, spouse or child;
- h) change a scholar's assigned study institution if the scholar cannot obtain his or her desired program or study (as long as it is reasonably broadly defined) or if the assigned study institution will not admit him or her, or if there are unusual extenuating circumstances;
- i) grant a delay of up to one year in a scholar's return home;
- j) approve additional Scholarship funding above the financial ceiling if extenuating circumstances warrant;
- k) approve district-endorsed candidates for Rotary World Peace Fellowships and Ambassadorial Scholarships financed through the Scholarships Fund Pool for Low-income Countries as selected by the appropriate international selection committee.

3. Rotary Grants for University Teachers:

- a) approve district-endorsed candidates for all University Teacher Grants provided they meet all eligibility requirements established by the Trustees;

- b) waive any of the pre-departure requirements for all University Teacher Grants candidates;
- c) grant round-trip transportation payment or single trip transportation for a University Teacher in the event of the death of his or her mother, father, sibling, spouse or child;
- d) postpone a teacher's use of a grant by one year if there are unusual extenuating circumstances.

4. Rotary Centers for International Studies

- a) make final decisions on all matters raised by fellowship candidates, fellows and their supporters concerning the administration of the fellowship;
- b) waive a published pre-departure requirement for any fellow;
- c) postpone fellow's use of a fellowship by one year if there are unusual extenuating circumstances;
- d) approve "late alternate fellow" not originally awarded a fellowship because of the limited number of fellowships;
- e) permit a fellow to commence study at a time other than the beginning of a regular academic year;
- f) grant round-trip transportation payment or single trip transportation for a fellow in the event of the death of his or her mother, father, sibling, spouse or child;
- g) change a fellow's assigned study institution if the fellow cannot gain admission to the assigned study institution or if there are unusual extenuating circumstances;
- h) grant a delay of up to one year in a fellow's return home;
- i) approve district-endorsed candidates for Rotary World Peace Fellowships as selected by the Rotary Centers Committee.
- j) grant exceptions to the policy whereby a Rotary World Peace Fellow is not permitted to do his/her applied field experiences (AFE) in his/her home country.

5. Rotary Peace and Conflict Studies

- a) make final decisions on all matters raised by program candidates, program participants and their supporters concerning the administration of the program;
- b) waive a published pre-departure requirement for any program participant;
- c) postpone program participant enrollment in the program by one year if there are unusual extenuating circumstances;
- d) approve "late alternate program participant" not originally admitted to the program because of the limited number of seats;
- e) permit a program participant to commence study at a time other than the beginning of a regular session;
- f) grant round-trip transportation payment or single trip transportation for a program participant in the event of the death of his or her mother, father, sibling, spouse or child;

- g) grant a delay of up to one year in a program participant's return home.

B. Humanitarian Grants

1. General:

- a) waive any of the pre-departure requirements for a Rotarian, or spouse of a Rotarian, or qualified Foundation alumni whose service or planning activities are being funded via a Volunteer Service Grant;
- b) cancel any grant if the program requirements are no longer met or if there is no expectation that the project will be successfully completed;
- c) act upon recommendations ~~from the Humanitarian Programs Cadre for~~ for project monitors, auditors, and advance site visitors from the Humanitarian Grants Cadre;
- d) modify audit requirements for ~~3-H and competitive Matching Grants~~ Humanitarian Grants as circumstances warrant.

2. Grant Awards & Payments:

- a) approve any request for a Matching Grant for up to US\$25,000, and Volunteer Service Grant request for up to US\$6000 even if the request is for more than US\$25,000;
- b) approve District Simplified Grant requests, which represent 20% of District Designated Fund (DDF) that represents annual giving three years prior;
- c) disapprove requests in any amount for Matching, District Simplified or Volunteer Service Grants which do not meet program eligibility requirements;
- d) waive payment restrictions and contingencies placed on grants when extenuating circumstances warrant;
- e) approve changes within the budget of an approved grant, provided that these changes do not affect the purpose or dollar limit of the grant;
- f) approve requests for project sponsors to use interest earned and currency gains for additional items that will enhance the project;
- g) approve up to 10 percent maximum (no more than US\$10,000) increase for Humanitarian Grants in response to currency fluctuations;
- ~~h) approve matching fund grants of up to US\$25,000 for PolioPlus Partners projects;~~
- ~~h) approve increases of up to US\$25,000 for approved 3-H or PolioPlus Grants;~~
- i) request the Humanitarian Grants Programs Cadre to appoint an auditor or monitor to review and report on any project as deemed necessary.

3. Project Completion/Reports:

- a) declare a project completed and release remaining unexpended funds back to the World Fund and credit contributions to sponsors which had been allocated for that project;
- b) waive requirements to close a grant, on an exception basis, when circumstances warrant;

- c) extend the life of an pending/unapproved, approved/unpaid and a paid/non-implemented grant beyond established time limits when extenuating circumstances warrant.
- d) suspend districts and their member Rotary clubs from participation in the Humanitarian Grants program and to reinstate such districts and their member Rotary clubs as outlined in section 9.010.5.2.

C. PolioPlus

- a) approve grants to National PolioPlus committees for administrative expenses upon the recommendation of the International PolioPlus Committee or its chair on the committee's behalf, up to a maximum of US\$25,000 per grant.
- b) approve matching fund grants of up to US\$25,000 for PolioPlus Partners Grants.

D. Awards

Approve all nominations for Citations for Meritorious Service.

E. Fund Development

Approve or disapprove donor requested distributions from donor advised funds.

FD. Conflicts of Interest

Fashion and implement remedies with respect to the TRF conflict of interest policy as set forth in Section 7.030.

GE. Exceptions

The general secretary may waive program and/or eligibility criteria, on an exception basis, when, in the opinion of the general secretary, circumstances warrant. The general secretary shall make an immediate report to the Chairman on any exceptions granted that are not stated above in sections IV.A. ~~and~~ IV.B. and IV.D. The general secretary shall make a quarterly report to all Trustees on any and all exceptions granted, including those specifically authorized by sections IV.A. ~~and~~ IV.B. and IV.D.

HF. Appeals

Any appeals of the general secretary's actions pursuant to this delegation of authority policy, including any exceptions to program and/or eligibility criteria, will be reviewed and acted upon by the Executive Committee of the Trustees. The Executive Committee shall report any actions taken with regard to such appeals to the first available Trustees meeting.

APPENDIX C

2006-07 Future Vision Implementation Plan (Decision 105)

- June 2006 Trustees approve:
1. initial Goals for each Broad Priority
 2. Criteria for Program Evaluation
 3. 2006-07 Implementation Plan
 4. implementation of the Future Vision Plan as the Foundation's first priority in 2006-07
- Trustees agree to conduct a strategic review of the Future Vision Plan at each trustee meeting in 2006-07
- Trustees authorize general secretary and chairman to:
1. develop and approve Criteria for Business Operations Evaluation
 2. develop and approve Criteria for Technology Utilization Evaluation
 3. initiate the evaluation of programs, business operations and technology utilization (final report due no later than 1 April 2007)
 4. increase staff resources to accomplish the evaluations
 5. delay regularly scheduled 2006-07 program evaluations
- July 2006 General secretary, in consultation with the chairman:
1. develops Criteria for Business Operations Evaluation
 2. develops Criteria for Technology Utilization Evaluation
 3. develops the necessary staff and/or external support systems to support all three evaluations
 4. initiates evaluation process for programs
 5. initiates evaluation process for business operations
 6. initiates evaluation process for technology utilization
 7. maintains current TRF operations and program support
 8. develops a PowerPoint presentation about the Future Vision Plan for use by Trustees at Rotary Zone Institutes
 9. develop and initiate lines of communication with TRF Future Vision stakeholders
 10. supports Training Assessment Committee
 11. provides an operational review of the Future Vision Plan at each Future Vision Committee meeting.
- August-December 2006 Trustees deliver Future Vision presentation to Rotary Institutes
- 2006
- August 2006 General secretary reports to Future Vision Committee:
1. update on program evaluation
 2. update on business operations evaluation
 3. update on technology utilization evaluation
 4. operational review of the Future Vision Plan
- Future Vision Committee:
1. establishes criteria/process to assess recognition plan
 2. establishes criteria/process to develop alliance/partner program
 3. establishes criteria/process to develop distributable funds model
 4. develops recommendations for presentation of TRF Future Vision Plan at International Assembly
 5. initiates discussion on plans for goal implementation

6. provide notes from goal implementation discussion to general secretary/staff for comment/feedback

October 2006 Future Vision Committee and general secretary reports to trustees:

1. update on program evaluation
2. update on business operations evaluation
3. update on technology utilization evaluation
4. status of Future Vision implementation 2006-07

Trustees conduct strategic review of the Future Vision Plan

December 2006 General secretary reports to Future Vision Committee:

1. progress on all three evaluations
2. progress on recognition plan assessment
3. progress on development of alliance/partner program
4. progress on development of distributable funds model
5. design of the presentation for Future Vision Plan at International Assembly
6. staff presentation of vision/benefits of a fully-integrated web-based administration model

Future Vision Committee:

1. reviews plans for TRF Future Vision presentation at International Assembly
2. develops first draft of goal implementation process

February 2007 Chairman/trustees/general secretary presents Future Vision Plan at International Assembly

Training Assessment Committee reports to trustees the completed assessment of TRF training program

Future Vision Committee reports to trustees:

1. status of Future Vision implementation 2006-07
2. initial draft of goal implementation process for discussion and feedback

Trustees conduct strategic review of the Future Vision Plan

March 2007 General secretary reports to Future Vision Committee:

1. completed results of program evaluation
2. completed results of business operations evaluation
3. completed results of technology utilization evaluation

April 2007 Future Vision Committee and general secretary reports to trustees:

1. program evaluation update
2. business operations evaluation update
3. technology utilization evaluation update
4. implications of proposed Council on Legislation actions on Future Vision Plan
5. status of Future Vision implementation 2006-07
6. goal implementation process for approval

Trustees conduct strategic review of the Future Vision Plan

May 2007 Staff presentation/feedback to Future Vision Committee:

1. program evaluation
2. business operations evaluation
3. technology utilization evaluation

- June 2007 Future Vision Committee reports to trustees:
1. status of Future Vision implementation 2006-07
 2. preliminary Future Vision recommendations for trustee discussion and feedback
 3. 2007-08 Implementation Plan
 4. next steps and plans for 2007-08
October 2007 (projected)
Future Vision Committee requests trustees' approval for:
 - A. *program structure for the future*
 - B. *business operations structure for the future*
 - C. *technology utilization structure for the future*
 - D. *TRF recognition plan for the future*
 - E. *alliance/partner model for the future*
 - F. *distributable funds model for the future*
 - G. ~~2007-08 Implementation Plan~~

Trustees conduct a strategic review of the Future Vision Plan

Trustees approve preliminary 2007-08 Implementation Plan

APPENDIX D

Future Vision Goal Implementation Process (Decision 105)

“Leadership without the discipline of execution is incomplete and ineffective. Without the ability to execute, all other attributes of leadership become hollow.”

—Larry Bossidy Chairman, Honeywell International
and author of Execution, The Discipline of Getting Things Done

Background

The vast majority strategic plans end up as documentation of a long-forgotten and expensive exercise in futility. In fact, the research indicates that eighty percent of strategic plans fail to get implemented. Therefore, the FVC is committed to doing everything possible to avoid this pitfall. The following description of the Future Vision Goal Implementation Process includes lessons learned from past experience and the industry’s best practices.

Process

Steps	Actions
1. Learn the pitfalls of strategic plan execution and lessons from past experiences	FVC discussion topics: April, August and Dec 2006; ongoing
2. Clarify a limited number of strategic plan goals in alignment with RI priorities	Trustee approval: June 2006
3. Communicate and get ownership on the goals from all relevant parties	Trustees: Ongoing, through FVC appointments and at all Trustee meetings RI Board: Ongoing, through FVC appointment and periodic meeting presentations (started Feb 2007) COL: At all meetings Staff: Ongoing, one on one and at meetings (started March 2006) Rotarians: Regular communications and training through multiple channels
4. Develop the scorecard, with prioritized success indicators and the monitoring process to be used by the Trustees and staff	FVC discussion: Feb 2006; ongoing Staff discussion: March 2006; ongoing Trustee discussion: June 2007 and approval scheduled for October 2007
5. Clarify volunteer and staff roles and responsibilities	FVC and staff discussion: August 2006; ongoing
6. Create action plans, including key responsibilities and milestones (pending Trustee approval of resource allocation)	Trustee discussion scheduled for June 2007; approval scheduled for October 2007
7. Align with Secretariat business plan	Secretariat senior management responsibility coordinated through Office of Strategic Planning: Ongoing

APPENDIX E

**Trustee Items Referred to the Future Vision Committee
(Decision 105)**

Trustee Meeting	Decision #	Title	Decision/Statement	Timeline	Status
Jun-05	154.2	Review of Complaints about Changes in Humanitarian Grants	request the TRF FVC to study the feasibility of resuming MGs of less than US\$5000 at its meeting in July 2005, as a part of the planning process for the Foundation.	Jul-05	B
Jun-05	155.2	Fast-Track Grants	As part of an ongoing effort to increase efficiencies in the Humanitarian Grants program, 2005--06 Chairman Devlyn requested the Trustees to consider the possibility of a new fast-track grant option. 2. refer the idea to the TRF FVC for consideration at its meeting in July 2005	Jul-05	B
Oct-05	19.2	Responsibilities of Trustees Appointed to Association Foundation	requested the general secretary to provide those Trustees with fiduciary responsibility for each associate foundation with complete information regarding their rights, duties, and obligations with respect to each associate foundation. 2. request the GS to share this summary with the FVC for consideration.		B
Oct-05	22	Associate Foundation Policy Review	requested the general secretary to provide a report on the adequacy of current policies for associate foundations and to recommend any needed changes. 2. request the GS to forward the series of questions found in the analysis to the FVC for consideration as part of the planning for the future of associate foundations; 3. declare a moratorium on new associate foundations until the FVC presents its report and plan to the Trustees; 4. defer any changes to the associate foundation guidelines until the report from the FVC is received.		B
Oct-05	23.2	Request for Associate Foundation in France	defer further consideration of the potential establishment of an associate foundation in France until completion of the FVC report.		E
Oct-05	44.2	Fast-Track Grants	defer further consideration of this matter to their October 2006 meeting when a future vision for TRF has been established	Oct-06	B
Oct-05	45.2	Possible Increase to Grants limit with Cooperating Organizations	defer further consideration of this matter to their October 2006 meeting when a future vision for TRF has been established	Oct-06	B

Oct-05	46.2	Feasibility Study on Providing Low-Cost Housing	defer further consideration of this matter to their October 2006 meeting when a future vision for TRF has been established	Oct-06	B
Oct-05	59.3	D5030 Report on the Rotary Grants for University Teachers Program	agree that until the outcomes of the FVC are known, additional requests for high school/secondary school teachers to travel abroad under the auspices of the Rotary Grants for University Teachers Program will be considered on a case-by-case basis according to the existing TRF delegation of authority guidelines		B
Oct-05	68	Possible Stewardship Award	defer consideration of a possible stewardship award until their April 2007 meeting, when the FVC has completed its work and a strategic vision for TRF has been adopted	Apr-07	E
Feb-06	101	Report of the FVC	The committee will present a comprehensive report of strategic vision, goals, and objectives to the Trustees at their June 2006 meeting	Jun-06	A
Feb-06	101.3	Report of the FVC	3. request an update at their April 2006 meeting	Apr-06	A
Feb-06	110.9	Report of the Rotary Centers Committee	9. request the TRF FVC to consider how the steady annual increase in the cost of higher education will impact the future of the Rotary Centers		C
Apr-06	153.5	Review of Ambassadorial Scholarships	5. look forward to receiving the TRF FVC's report, which include information regarding the possible future of the Ambassadorial Scholarship's program		B
Jun-06	191	Report of the FVC	3. note that the GS and the FVC are developing a list of assumptions that will serve as the base of the Future Vision Plan, and that the assumptions are expected to be ready for review by the Trustees at their October 2006 meeting; 4. approve the proposed initial goal statements of the Future Vision Plan...in accordance with the Broad Priorities adopted at their April 2006 meeting, and request the FVC to recommend goal statements for the fifth priority, for report to the Trustees at their October 2006 meeting; 6. approve the proposed Criteria for Evaluation of Programs...and authorize the GS and the chairman to develop similar criteria for the evaluation of business operations and technology utilization	Oct-06	A

Minutes of the April 2007 Trustees Meeting

Jun-06	191	Report of the FVC	7. authorize the GS, in consultation with the chairman, to initiate a comprehensive and unbiased evaluation of TRF's present programs, with a progress report for the Trustees at their April 2007 meeting, including budgetary implications of possible staff resources, and to delay the regularly scheduled program evaluations for 2006-07	Apr-07	A
Oct-06	21	Improving Tax Benefits for Donors Worldwide	5. request the FVC to review the method adopted pursuant to this decision and to include any comments in its next report to the Trustees.	Jan-07	C
Oct-06	22	Report of the FVC	6. recognize that the FVC has assigned subcommittees to establish criteria/processes for a recognition plan; development of an alliance partnership program; and development of a distributable funds model, and look forward to an update on these topics at their January 2007 meeting	Jan-07	B
Oct-06	23	Report of the Training Review Committee	2. refer the committee's minutes to the FVC for its consideration and report back to the Trustees at their April 2007 meeting	Apr-07	C
Oct-06	27	Recognition for 100 Percent Paul Harris Fellow Clubs	2. request the recognition review subcommittee of the FVC to consider the concept of annual recognition for 100 Percent Paul Harris Fellow Clubs.		B
Oct-06	59	Report of the General Auditor	2. request the general secretary to forward the final report of the general auditor to the FVC for consideration at its December 2006 meeting.	Dec-07	A
07-Jan	74	Communications from the RI Directors	3. appreciate the Board's request to allow Rotarian Action Groups to serve as international partners in applying for 3-H and Matching Grants and to use these grants for work with clubs and/or districts in the recipient area. 4. refer consideration of the above matter to the FVC for study and analysis, for report back to the Trustees at their June 2007 meeting.	Jun-07	C

Status Key

A= Completed / Resolved; B= In Progress/ Review; C= Open/TBD; D= Revert back to Trustees; E= Info only/No action needed

APPENDIX F

Recognition Subcommittee Report (Decision 108)

January 2007 (for 01 February 2007 Future Vision Committee meeting)

Ladies and Gentlemen:

At the Dec 2006 FVC meeting, the Recognition Sub-committee was asked to re-consider the appropriate level of detail to be included in its report in light of its mandate developed and set for in the August 17, 2006 report re sub-committees. That mandate verbatim reads:

Recognition – Phase 1

"Establish criteria/process to assess recognition plan", as noted in the implementation timetable for the FVC in August 2006. When the criteria/process is completed, then the work will be transferred to Fund [Development]

It was noted that the report of our sub-committee went well beyond that mandate regarding the level of detail presented. If we review the report that was submitted, several assumptions were implicit in the development of that report. I surmise the mandate for our sub-committee at this juncture is to develop an agreed to articulation regarding the assumptions we made in making our recommendations. That may be a bit different than “establish criteria/process to assess recognition plan” but lets see if we can put forth the type of points we are requested to develop. My thoughts are set forth below for sub-committee target practice.

A good recognition plan should have the following characteristics:

- Provide attractive incentives suitable to all Rotarians for various types of giving and expectancies that are uniform, yet culturally sensitive
- Is easy to understand by the donor receiving recognition (it may not be practical for all details and aspects of a recognition program to be fully understood by all Rotarians)
- Should be fair and honest. Recognitions should relate to actual contributions and/or expectancies. Personal Recognition should not be given for contributions of others or through double counting
- Should offer a distinct way to honor individuals or companies but this should be distinct from recognition of donors
- Should be structured to be cost effective when administered by staff
- Should have internal consistency for different levels of recognition
- Should take into consideration industry standards in setting the various levels of recognition
- Should recognize the uniqueness of a service organization where there is regular interaction among the donor and potential donor pool.

Recognition Subcommittee

Steve Brown, Frank Devlyn, Stan Tempelaars

APPENDIX G

Amendments to *The Rotary Foundation Code of Policies* Relationships with Other Organizations (Decision 116)

The Rotary Foundation Code of Policies

1.060. Joint RI and TRF Policy on Relationships with Other Organizations

The Rotary Foundation Alliance Preamble

~~The Rotary Foundation's objective in entering into alliances with other organizations is to help achieve the mission of The Rotary Foundation, which includes:~~

- ~~a. supporting The Rotary Foundation programs;~~
- ~~b. enhancing the ability of The Rotary Foundation to raise funds amongst Rotary clubs and districts. (Jan. 2002 Trustees Mtg., Dec. 78)~~

1.060.1 General Guidelines

The mission of Rotary International is to support its member clubs in fulfilling the Object of Rotary by fostering unity among member clubs, strengthening and expanding Rotary around the world, communicating worldwide the work of Rotary, and providing a system of international administration. The mission of The Rotary Foundation is to enable Rotarians to advance world understanding, goodwill, and peace through the improvement of health, the support of education, and the alleviation of poverty. This support should ensure Rotary's continuing relevance, help enhance the quality of life and human dignity, and encourage high ethical standards in all vocations, as well as further international understanding and peace. To accomplish this, it is sometimes appropriate for Rotary International and The Rotary Foundation to cooperate with other organizations that have a shared vision and common goals. All such cooperation with non-Rotary organizations shall be in accordance with the procedures and criteria that follow

1.060.2. Oversight of Cooperative Relationships

1. Authority of president and Trustee chairman. Recognizing that the President is the principal person to speak on behalf of RI and that the Trustee Chairman is the highest officer of TRF, the President and the Trustee Chairman shall be the principal representatives in establishing and maintaining cooperative relationships between RI and TRF and other organizations. No officer or individual shall contact or solicit any other organization on behalf of RI or TRF without the prior written consent of the president, in consultation with the Trustee chairman. In addition, the general secretary maintains a "no contact list" of individuals, foundations, corporations, governments and other entities with which Rotary International or its Foundation is working to develop relationships and obtain funding at an international level. No representative of any Rotary entity other than Rotary International or its Foundation shall contact or solicit any organizations on the "no contact list" for the purpose of obtaining funds or cooperation for their projects without prior written consent of the president in consultation with the Trustee chairman. This should not be construed as prohibiting clubs, districts and multi-district groups from developing cooperative relationships with local organizations on behalf of their own projects. Notwithstanding the foregoing, cooperative relationships between RI and TRF and other organizations shall be established as specified in section 35.010 of the *Rotary Code of Policies* and section 1.060 of *The Rotary Foundation Code of Policies*.

2. Role of the General Secretary. The general secretary shall support the President and the Trustee Chairman in the establishment and maintenance of cooperative relationships with other organizations. Specifically, the general secretary shall designate one or more members of the Secretariat staff to provide such assistance. In

providing such assistance, the general secretary or his designee shall accompany authorized representatives when visiting other organizations. The general secretary shall also coordinate the activities of representatives to other organizations. The general secretary shall provide an annual report, including a summary and duration of RI's and TRF's commitments, to the Board and the Trustees at their October/November meetings on the status of all existing and proposed agreements or formal cooperation with other organizations. In addition, the general secretary shall provide an update at each meeting of the Board and the Trustees with respect to new commitments and changes to existing commitments.

The Rotary Foundation Alliance Guidelines

~~The Trustees, acknowledging that TRF can benefit from alliances with other organizations, hereby adopt the following terms for acceptance of alliances for TRF:~~

- ~~1. TRF shall pursue and be receptive to alliances with reputable organizations where such alliances help achieve the mission of TRF.~~
- ~~2. Alliances will be of a duration of not more than three years, subject to renewal by the Trustees.~~
- ~~3. Alliances are relationships with other organizations, which benefit Rotary generally, and TRF in particular in image enhancing, promotional, program support or financial ways.~~
- ~~4. Alliances do not imply partnerships. Any alliance that negates the mission of TRF will automatically lapse.~~
- ~~5. Alliances must comply with pertinent national governments' existing rules concerning not for profit organizations.~~
- ~~6. The Trustees are responsible for making the final decision on questions of alliance acceptance. The general secretary is responsible for administering these Guidelines. Such acceptance shall include, but not be limited to, the following conditions of each alliance proposal:
 - ~~a. favorable financial impact on TRF;~~
 - ~~b. noninterference with TRF's ability to raise funds;~~
 - ~~c. appropriateness of the alliance entity;~~
 - ~~d. purpose and goals of the alliance;~~
 - ~~e. opportunities for TRF program enhancement;~~
 - ~~f. extent of the alliance relationship;~~
 - ~~g. proper recognition of TRF and other alliance entity;~~
 - ~~h. management and control of funds including appropriate administrative charges.~~~~
- ~~7. Proposed monetary contributions and/or goods or services offered, if any, as part of any alliance must be clearly stated.~~
- ~~8. The World Fund shall not be used to match funds that result from alliances.~~
- ~~9. Donor lists must not be used for alliance purposes.~~
- ~~10. All uses of the Rotary marks for alliance purposes must be governed by the "RI and TRF Guidelines for Use of the Rotary Marks by Sponsors and Cooperating Organizations." A copy of these Guidelines must be attached to and incorporated in any alliance agreement.~~
- ~~11. TRF shall not accept an alliance that:~~

- ~~a. involves alcoholic beverages; when not appropriate given cultural differences in a given part of the Rotary world;~~
- ~~b. involves tobacco products;~~
- ~~c. involves firearms or explosives;~~
- ~~d. embraces political motives of any type;~~
- ~~e. involves any religious institution;~~
- ~~f. involves products containing habit forming or dangerous drugs or contraceptive devices;~~
- ~~g. involves the promotion of gambling or speculation;~~
- ~~h. involves astrology, horoscopes or palmistry;~~
- ~~i. involves any subject matter which is not in accord with the Object of Rotary;~~
- ~~j. does not support TRF programs²~~
- ~~k. has a RI general officer or TRF Trustee that serves the alliance entity in an official capacity using his/her Rotary title.~~

~~12. Individual Rotarians shall not benefit from nor lend their names to alliances involving TRF.~~

~~13. No current or past trustee or TRF committee members shall permit the publication of his or her Rotary title in connection with an official position or membership in any other organization.~~

~~14. Every alliance may contain the appropriate termination and arbitration clauses.~~

~~15. Written acknowledgement from the alliance entity of the acceptance of these guidelines. (Jan. 2002 Trustees Mtg., Dec. 78)~~

1.060.3. Criteria for Cooperation

1. The Board and the Trustees seek to enter into cooperating relationships with other organizations for the purpose of enhancing the ability of RI and TRF to provide quality humanitarian service. RI and TRF shall pursue and be receptive to appropriate cooperative relationships with reputable organizations where such meet one or more of the following criteria:

- a. enhance without detracting from Rotary's Structured Programs, Menu of Service Opportunities or programs of TRF;
- b. provide financial assistance for the programs of RI or TRF;
- c. provide additional service opportunities of interests to Rotarians or support current service initiatives of Rotary clubs and districts;
- d. enhance the public image of Rotary and The Rotary Foundation;
- e. attract potential members and assist in retaining members;
- f. would promote a common program or goal;
- g. where Rotary's intended goal or objective could be better served by the participation and eventual assumption of the activity by another organization;

32. Criteria for evaluation: In the evaluation of any proposed relationship, the following factors shall be considered by the appropriate approving authority:

- a. the financial impact on RI or TRF;
- b. the effect on the autonomy of clubs, and the operation of districts;
- c. the reputation and financial health of the other organization and any associated organizations or relationships, as evidenced by annual audited accounts to be provided to RI;

- d. the willingness of the proposed organization to make full and continuing financial and operational disclosure;
- e. the effect on any existing program of RI or TRF;
- f. the duration of the proposed relationship;
- g. the potential for RI to obtain public recognition;
- h. compliance with existing RI and TRF policy;
- i. potential conflicts of interest;
- j. size, scope and status of the proposed organization;
- k. record of service of the proposed organization;
- l. risk of legal liability;
- m. level of participation expected of clubs, districts, RI, TRF and individual Rotarians;
- n. noninterference with TRF's ability to raise funds; and
- o. proper recognition of RI, TRF, and the other organization.

23. Neither RI nor TRF shall enter into a cooperative relationship which involves:

- a. alcoholic beverages or tobacco products;
- b. firearms or explosives;
- c. the promotion of political or religious beliefs or entities;
- d. products containing habit forming or dangerous drugs;
- e. abortion;
- f. promotion of gambling or speculation;
- g. astrology, horoscopes or palmistry;
- h. joining as a member in the other organization or a group of organizations.

4. Any cooperative relationship must comply with pertinent national governments' existing rules concerning not-for-profit organizations.

5. Cooperative relationships shall not be legal partnerships;

6. All uses of the Rotary Marks for the purpose of cooperative relationships, in materials promoting cooperative relationships, either produced by the cooperating organization or by RI or TRF, in any media, must be governed by the "RI and TRF Guidelines for Use of the Rotary Marks by Sponsors and Cooperating Organizations." A copy of these Guidelines must be attached to and incorporated in any contract entered into between RI or TRF and any other organization.

7. Individual Rotarians shall not directly or indirectly benefit financially from cooperative relationships with other organizations. (October 2003 Mtg., Bd. Dec. 50)

8. The general secretary and the Board or Foundation Trustees are responsible for administering these guidelines and making the final decision on questions of acceptance. No officer of Rotary International or The Rotary Foundation shall enter into any agreement on behalf of the organization unless approved by the appropriate authority and any non-approved agreement shall be null and void.

1.060.4. Required Provisions in Memoranda of Understanding with Other Organizations

Following are the minimum provisions that should be included in any Memoranda of Understanding:

1. Criteria for review and approval of public statements, Web sites, publications and all other written materials;
2. Requirements for periodic reporting;
3. The specific commitments made by all parties to the agreement;

4. Provision for terminating the agreement;
5. Provisions relating to the use of Rotary Marks, including approval of all documents that use the Marks;

1.060.5 Services provided to other organizations by RI or TRF

Other organizations that have entered into memoranda of understanding with RI or TRF are eligible for the following:

- a. discounted rental of booth space at the RI convention and attendance at plenary and group discussion sessions;
- b. promotion of joint activities through fact sheets, stories in the Rotary World Press, and on the RI Web site;
- c. information about organization shared with relevant group of Rotarians at the district and zone level by RI or TRF
- d. additional cost-neutral services as approved by the general secretary
- e. additional services with costs as approved by the board or Trustees.

RI and TRF will not provide the following to other organizations:

- a. membership data, including lists of Rotary clubs, officers, or Rotarians
- b. donor data
- c. endorsement of the other organization or its programs
- d. support of fund-raising initiatives of such other organizations
- e. guarantees or commitments on behalf of individual Rotary clubs or districts to participate or support the other organization or its programs

The president, in consultation with the Trustee chairman as appropriate, may appoint an experienced Rotarian to act as a representative to organizations with which RI or TRF have cooperative relationships. Representatives shall serve for the term of the relationship or a maximum of three years, renewable for a further three years. Representatives will act as liaison between the cooperative organization, the president, the Trustee chairman and the general secretary, attending meetings as requested ~~on behalf of the president~~, monitoring progress on the relationship and communicating with the cooperating organization on policy, programs and activities of RI and TRF relevant to the cooperative relationship. Representatives shall receive initial orientation and ongoing briefings as necessary to fulfill their responsibilities. Expenses shall be reimbursed to the extent of approved budgeted amounts and in accordance with RI policy. The president, in consultation with the Trustee chairman as appropriate may remove a representative at any time.

1.060.7.35.010.56.4. Use of Officers' Titles

No current or past officer of RI shall use or permit the publication of his or her title as such officer in connection with an official position or membership in any other organization, except with the consent of the RI Board. No current or past officer of TRF shall use or permit the publication of his or her title as such officer in connection with an official position or membership in any other organization, except with the consent of the Trustees.

1.070. Types of Cooperation

Both the geographic and cultural distribution of Rotary clubs, and the vast scope of their service activities and interests create a need for different types of cooperative relationships. As long as the criteria outlined in 35.010 of the *Rotary Code of Policies* and (enter TRF code number) of *The Rotary Foundation Code of Policies* are met, eligible organizations need not be of a minimum or maximum size, or serve a minimum number of countries or regions where there are Rotary clubs. Cooperation shall not exceed three years without the express consent of the RI Board and/or TRF Trustees, as appropriate.

Following are types of cooperation and approvals required for each:

1. Information sharing—approved by the general secretary

Information is shared with groups of Rotarians who would have interest in the activities of the organization.

- May target a single country or geographic area
- May include information about projects of the other organization that seek funding as long as the primary emphasis of collaboration is not fundraising
- Does not include memoranda of understanding or additional services from RI

2. Service Opportunities—approved by the Board of Directors

Cooperation with the other organization will provide service opportunities, expertise and non-financial resources for interested Rotary clubs. Information is shared with groups of Rotarians who would have an interest in the activities of the organization. A memorandum of understanding is drafted to outline scope of cooperation between RI and the other organization, with a focus on local implementation. Clubs and districts are encouraged to cooperate with the organization, and staff support is provided to facilitate cooperative activities.

- May target a single country or geographic area
- May include information about projects of the other organization that seek funding as long as the primary emphasis of collaboration is not fundraising
- May include invitations to attend RI meetings as speakers at the discretion of the president

3. Funding—approved by the Board of Directors and/or The Rotary Foundation Trustees, as appropriate

Other organization provides funds for Rotary club service activities through RI or TRF. It is anticipated that such funds will be received, invested and disbursed by The Rotary Foundation. A memorandum of understanding is required.

- May target a single country or geographic area
- May include a commitment by participating Rotary clubs to provide matching funds, in-kind support, or volunteer hours in order to obtain funds from the other organization, so long as autonomy of individual clubs is May include the development of a special program outside of the current RI and TRF programs that would exist for the duration of the agreement.

Any funding proposal must:

1. have potential for club involvement
2. address one of the following issues:
 - a. Improvement of health
 - b. Support of education; or
 - c. Alleviation of poverty
3. Meet one or more of the criteria set for the in section (renumber)
4. Comply with section (renumber)

Furthermore, the general secretary shall review the reputation, financial health and acceptability of the other organization and its expectations of Rotary, to include the division of costs. The general secretary will share this information with the RI president and Trustee chairman who will determine whether to study the feasibility of the proposed relationship.

If the president and chairman agree to proceed, the general secretary will conduct a feasibility study that includes, but is not limited to, the following:

1. Consideration of the criteria in section (renumber)

2. Consideration of the following additional criteria:

- Capacity of clubs/districts in the region to be served
- interest of clubs/districts and initial commitment
- capacity and interest of NGO's and governments in the region served, if necessary
- potential support from Rotary clubs outside the region to be served
- requirements/restrictions of the other organization
- staffing and resource requirements and capabilities of both organizations
- ability to ensure adequate stewardship, reporting and transparency for the relationship
- expected results
- impact of socio-economic and cultural issues.

The feasibility study will be presented to the RI Board and Rotary Foundation Trustees for their consideration at their earliest possible meetings.

3. Corporate Project

A corporate project is defined as a project undertaken by Rotary International and its Foundation in which all clubs worldwide are encouraged to participate. As outlined in section 40.040.1 of the *Rotary Code of Policies* and section 11.030 of *The Rotary Foundation Code of Policies*, no new corporate projects will be considered until the PolioPlus program is completed.

1.080 ~~070~~ Amendment of Guidelines

To ensure a unified approach by RI and TRF to contacts and cooperative relationships with other organizations, this amendment and subsequent amendments to the guidelines for relationships with other organizations as set forth in sections 35.010. through 35.030. of the *Rotary Code of Policies* and sections 1.060.1 through 1.080. of *The Rotary Foundation Code of Polcies* shall be effective only upon approval by both the Board of Directors of Rotary International and the Trustees of The Rotary Foundation. Such guidelines shall be included in both the *Rotary Code of Policies* and *The Rotary Foundation Code of Policies*.

1.090 ~~35.020.10.~~ Invitations to Attend Meetings of Other Organizations

The general secretary shall respond to invitations for RI or TRF to attend meetings of other organizations in the following manner:

1) Evaluate the meetings in terms of both potential program information and Rotary visibility;

2) Identify Rotarians -- such as general officers, members of RI resource groups and committees, as well another Rotary leaders -- who both live in or near the meeting city and who are knowledgeable about Rotary activities relating to the subject of the meeting and to include this information in the data base being developed for the president, president-elect, president nominee, TRF chairman, and TRF chairman-elect;

3) Following consultation with the president and/or TRF chairman (as appropriate), invite the selected Rotarians to attend the meeting and to:

a. act as observers, collecting and recording information pertinent to Rotary, unless invited in a specific capacity as a speaker, panelist or to collect an award on behalf of RI or TRF or as otherwise instructed;

b. make written reports, after the meeting, to the president or TRF chairman, who through the general secretary will relay them to relevant committee or resource group chairs;

c. be reimbursed for expenses, if any, in connection with their attendance at meetings as outlined in the invitation letter;

APPENDIX H

Fund Development Strategies (Decision 123)

A. Current fund development programs

Short term strategies

1. Establish and market a formal tribute/memorial gifts program making it easier for Rotarians and non-Rotarians to honor others through contributions to TRF.
2. Make it easier to give to TRF via the website—currently the strategic planning division is working on this project.
3. Conduct planned giving seminars in districts which are deemed to have prospect-rich pockets of Rotarians.
4. Increase the number of grant proposals to corporations and foundations to support Rotary’s mission in the areas of health, education and poverty alleviation.
5. Promote “Million Dollar Dinners” among zone and district leadership, past Regional Rotary Foundation Coordinators and major gifts advisors who have demonstrated interest in Permanent Fund fundraising. Each dinner would be hosted by a Rotary senior leader in order to build awareness and to develop interest in Foundation programs, particularly, the Rotary Centers.
6. Work with district Foundation chairs and other Rotary volunteers to continue to conduct “fireside chats” with small groups of major gift prospects.
7. Add more frontline fundraising staff such as annual giving officers, major gifts officers and planned giving officers; review this annually and adjust as appropriate.
8. Reconvene the Permanent Fund Academy – a multi-day training institute for Rotary fundraising volunteers.
9. Develop IS systems to streamline management of the named endowment funds within the Permanent Fund.

Medium term strategies

10. When technology becomes available, track and highlight Permanent Fund goals (Bequest Society, Benefactors and major gifts) the same way that Annual Programs Fund goals are treated—so that the district leadership takes ownership of these goals.
11. Allow Donor Advised Funds for Rotarians in Canada and perhaps in other countries where laws permit.
12. Complete the Rotary Centers Major Gifts Initiative.

B. Communications and marketing

Short term strategies

1. Encourage increasing the number of TRF success stories in *The Rotarian*.
2. Increase the number of Rotary stories in the mainstream media by increasing the number of public relations grants to clubs and districts.
3. Enhance the RI website so that there are more videos online—streaming video and video podcasts. Currently, TRF’s fund development division manager is reviewing a proposal to incorporate audio podcasting into the Annual Programs Fund’s present fundraising activities. Each podcast features an interview with a Rotarian participant in a Foundation program, such as a waterwell project in Honduras or a school project in South Africa. A Rotary podcast would support at least four strategic goals: 1) sharpen program focus by providing specific examples of successful service projects funded, implemented and managed by Rotarians; 2) improve training and education at all levels; 3) expand and integrate membership globally by becoming an active advertising and promotional tool for the Rotary experience; and 4) enhance Rotary’s public image by offering emotionally compelling stories of *Service Above Self*.

4. Build public image by promoting public relations at every level.
5. Create targeted public relations events on “world issues” days such as Water Day, UN Day, etc.

C. Corporate or nonprofit partnerships

Medium term strategies

1. Corporate sponsorships, as appropriate, for RI/TRF events.
2. Explore opportunities for gifts in kind.

Long term strategy

RI/TRF's ability to explore relationships with other organizations may be limited in the short term by its strong commitment to eradicating polio. It is acknowledged that the entrée to meeting with other organizations such as USAID and the World Bank is the PolioPlus program. Beyond this priority, opportunities may exist to form relationships with corporate and not-for-profit entities possessing similar interests in health, education and poverty. It is the exploration of such opportunities which mark a potential long-term strategy for fund development.

APPENDIX I

Requirements to Lift Suspension on District 4450 (Decision 140)

- Grant reporting compliance must be at 70%
- Submission of a stewardship plan from the District that is acceptable to the general secretary to ensure corporate responsibility of grant projects and Rotarian participation.
- District wide grant management training with required attendance from each club at the training.
- Discontinue funding of soy cow projects for a period of two years due to the numerous problems involving training, quality of equipment, lack of transparency with the suppliers and varying costs; and exclude Soyamet Elastar from serving as a supplier of soy cows for Matching Grant projects in District 4450.
- The Dream Center cannot serve as either a beneficiary or cooperating organization in any future projects.
- Close out requests from the audits as communicated in the demand request letters.

APPENDIX J

**SHARE Program Options
(Decision 143)**

Contribution Year 2006-07

Program Year 2009-10

HUMANITARIAN GRANTS PROGRAM	
Matching Grant Sponsor Portion	any amount/as long as amount matched per grant is US\$5,000 minimum and US\$150,000 maximum
District Simplified Grant	any amount/maximum of 20% of DDF from Annual Programs Fund giving three years prior
3-H Grant Sponsor Portion	any amount/contribution must equal not less than 10% of the grant award up to US\$30,000 maximum
POLIOPLUS	
PolioPlus Partners	any amount
EDUCATIONAL PROGRAMS OPTIONS	
Academic-Year Ambassadorial Scholarship	US\$24,000
Multi-Year Ambassadorial Scholarship	US\$24,000
3-Month Cultural Ambassadorial Scholarship	US\$11,000
6-Month Cultural Ambassadorial Scholarship	US\$16,000
Send Additional Group Study Exchange (GSE) Team	US\$11,000
Send Additional Neighboring Country GSE Team	US\$6,000
3-5 Month Rotary Grant for University Teacher	US\$13,000
6-10 Month Rotary Grant for University Teacher	US\$24,000
DONATION OPTIONS	
World Fund	any amount
PolioPlus	any amount
Permanent Fund	any amount
3-H Grant program budget	any amount
Rotary Centers for International Studies	any amount
Rotary Peace and Conflict Studies Program	any amount
Scholarships Fund Pool for Low-Income Countries	any amount
DONATIONS TO OTHER DISTRICTS	
Academic-Year Ambassadorial Scholarship to another Rotary district	US\$24,000
Multi-Year Ambassadorial Scholarship to another Rotary district	US\$24,000
3-Month Cultural Ambassadorial Scholarship to another Rotary district	US\$11,000
6-Month Cultural Ambassadorial Scholarship to another Rotary district	US\$16,000
Additional Group Study Exchange (GSE) Team for another Rotary district to send	US\$11,000

Additional Neighboring Country GSE Team for another Rotary district to send	US\$6,000
3-5 Month Rotary Grant for University Teacher to another Rotary district	US\$13,000
6-10 Month Rotary Grant for University Teacher to another Rotary district	US\$24,000
PROGRAM ENHANCEMENTS	
GSE Language Training subsidy	any amount
GSE Team Orientation	up to US\$500
Send Additional GSE Team Member	US\$2,000
Send Additional Team Member for Neighboring Country GSE	US\$1,000

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