TERMS AND CONDITIONS FOR ROTARY FOUNDATION GLOBAL GRANTS

Global grants fund large international activities with sustainable, measurable outcomes in Rotary's areas of focus: peacebuilding and conflict prevention; disease prevention and treatment; water, sanitation, and hygiene; maternal and child health; basic education and literacy; community economic development; and environment. Global grants can fund humanitarian service activities, scholarships for graduate-level academic studies, and vocational training teams (groups of professionals who travel abroad either to teach local professionals about a particular field or to learn more about their own).

The Rotary Foundation may modify these terms and conditions at any time to clarify them or to reflect policy changes. Changes made as of September 2025 include:

- Updating Rotary's definition of sustainability (refer to section 1, Eligible Activities)
- Updating the link to Rotary's youth protection policies (refer to section 1, Eligible Activities)
- Clarifying that the proceeds from the sale of grant-funded items cannot benefit any district, Rotary or Rotaract club, or their members (refer to section 2, Ineligible Activities and Spending)
- Clarifying that grant funds cannot be used to pay for international travel expenses related to monitoring and evaluation activities (refer to section 2, Ineligible Activities and Spending)
- Clarifying that scholars cannot be citizens of the country where they are studying (refer to section 3, Application Requirements)
- Updating the definition of cooperating organizations and clarifying their obligations (refer to section 4, Cooperating Organizations)
- Removing references to Rotary International Travel Service (refer to section 5, Travel Policies)
- Clarifying that grant sponsors can use either directed gift or endowed fund program award spendable amounts to fund a global grant, but not both (refer to section 6, How Grants are Funded)
- Removing references to sending grant payments to club or district foundations (refer to section 7, Payments)
- Adding that all unused grant funds paid from the Fondazione Rotary Italia need to be returned (refer to section 8, Reporting Requirements)
- Removing the reference to submitting a sales quote when confirming that there is no conflict of interest with vendors (refer to section 10, Conflict of Interest Policy for Grants)
- Updating the Philippines section to remove the contact person's name and clarify that payments for subsequent grants are contingent upon receipt of completed certifications (refer to section 13, Special Considerations for the Philippines)

You can find additional updates and resources, including the Terms and Conditions for Rotary Foundation District Grants, at rotary.org/grants or ask for them from Rotary grants staff.

1. ELIGIBLE ACTIVITIES

Activities that are eligible for global grant funding:

A. Align with The Rotary Foundation's mission

B. Align with one or more of Rotary's areas of focus and can include humanitarian projects, international scholarships to fund full-time graduate-level coursework or research for one to four academic years, or vocational training teams that address a community need by providing or receiving professional training

C. Respond to the findings of a community assessment and are designed in collaboration with the host community

D. Are sustainable: Sustainability is the capacity for outcomes to be maintained locally and to serve the community's continuing priorities.

E. Are measurable: Sponsors select standard measures from the Global Grant Monitoring and Evaluation Plan Supplement and may add their own measurements.

F. Involve active participation by Rotary members

G. Benefit communities in countries and geographic areas where Rotary has clubs (refer to exceptions in item H)

H. Are initiated and sponsored by one club or district in the country where the activities will take place (the primary host sponsor) and one outside that country (the primary international sponsor); exceptions may be made for activities in countries where Rotary doesn't have clubs but where the RI Board of Directors is actively pursuing extension

I. Cause no harm and comply with the laws of both the United States and the country where the grant-funded activities will be carried out. (If you plan to sponsor activities in or travel to countries sanctioned by the U.S. Treasury Department's Office of Foreign Assets Control, you will be asked to supply more information.)

J. Protect the safety and well-being of all minors who participate, and follow Rotary International's youth protection policies

K. Are reviewed and approved by the Foundation before they are implemented

L. Demonstrate sensitivity to the traditions and culture of the area where activities will be carried out

M. Comply with the Conflict of Interest Policy for Program Participants as outlined in section 30.040. of The Rotary Foundation Code of Policies and summarized in section 10, Conflict of Interest Policy for Grants

N. Adhere to Rotary's policies for the use of the name "Rotary" and Rotary logos, emblems, and graphics, as outlined in sections 34.040.6. and 34.040.11. of the Rotary Code of Policies

O. Include signage on or near project sites that identifies the grant sponsors and The Rotary Foundation, as outlined in section 40.010.2. of The Rotary Foundation Code of Policies and in accordance with Rotary's brand guidelines, which can be found in the Brand Center

P. Adhere to Rotary's Privacy Statement for Personal Data, outlined in section 26.080. of the Rotary Code of

Policies

Q. May include the building of infrastructure, such as toilet blocks and sanitation systems, access roads, dams, bridges, storage units, fences and security systems, water or irrigation systems, or greenhouses. If your project will access groundwater, you need to complete a hydrogeological survey. The cost of the survey can be covered by the grant budget.

R. May involve international travel for up to two people as part of a humanitarian project to provide training or implement the project if the host sponsor confirms that people who have the skills to do so aren't readily available locally

S. May include campaigns to build awareness of and signs alerting people to the presence of land mines

2. INELIGIBLE ACTIVITIES AND SPENDING

Global grant-funded activities may not:

A. Discriminate against any group

B. Promote a particular political or religious viewpoint

C. Perform purely religious functions

D. Provide continuous or excessive support of any one person, entity, or community

E. Establish a foundation, permanent trust, or long-term interest-bearing account. (Grant funds can be used to establish a microcredit fund if the sponsors comply with the requirements detailed in section 11, Microcredit.)

F. Create financial liability for The Rotary Foundation or Rotary International that is greater than the grant funding

G. Include fundraising activities

H. Transport vaccines over national borders without prior approval of appropriate government and regulatory authorities in the originating and receiving countries

I. Require anyone to work without pay. (Grant-funded activities should strive to uphold labor rights and fair wage practices; if the people who will benefit are required to volunteer, their explicit consent is required.)

J. Require work by anyone below the country's legal working age or, if the law doesn't specify, anyone under age 16

Global grant funds also may not be used to pay for:

K. Expenses that are incurred, or activities that are in progress or already completed, before the grant is approved

L. Contributions to The Rotary Foundation, PolioPlus, or another Foundation grant

M. Purchases of land or buildings

N. Weapons or ammunition

O. Military assistance

P. Expenses related to Rotary events such as district conferences, conventions, institutes, anniversary celebrations, entertainment events, or project ceremonies

Q. Public relations initiatives, unless they are essential to completing the activity

R. Project signage that costs more than US$1,000

S. The operating, administrative, or indirect program expenses of another organization, with the exception of expenses allowed within the project management allocation (refer to section 3, letter J)

T. Unrestricted cash donations to a person or cooperating organization

U. COVID-19 vaccines

V. Immunizations that administer only the polio vaccine

W. Travel to National Immunization Days

X. Abortions or procedures that are undertaken solely for sex determination

Y. Study at a university that hosts a Rotary Peace Center in the same or similar academic program as Rotary Peace Fellows

Z. Rotary Youth Exchange, RYLA, Rotary Friendship Exchange, Rotaract, or Interact activities

AA. International travel for anyone under age 18, unless they are accompanied by a parent or guardian

BB. New construction of, or additions to, any structure in which people live, work, or engage in any gainful activity, such as buildings (schools, homes, low-cost shelters, or hospitals), containers, and mobile homes. (If the project depends on the construction of such a structure, it must be paid for by funds other than global grant funds.)

CC. Completion of buildings that are partially constructed (including those with only the exterior built) but have never been occupied or operational

DD. International travel by staff members of a cooperating organization for a humanitarian project

EE. Activities primarily carried out by an organization other than Rotary

FF. Humanitarian projects that primarily focus on research or data collection

GG. Humanitarian projects whose only expenses are for travel

HH. Undergraduate studies, such as for a bachelor's degree

II. Online academic or research programs

JJ. Multiple unrelated activities under one grant

KK. Items that would then be owned by a Rotary district, a Rotary or Rotaract club, or a member. If items bought with grant funds are no longer needed or functional, the organization designated in the grant application as the benefiting entity is responsible for disposing of or selling them and will receive any proceeds. No Rotary district, Rotary or Rotaract club, or their members can receive any income from the disposal or sale of the items.

LL. The detection and removal of land mines or the purchase of equipment to remove land mines

MM. International travel expenses related to monitoring and evaluation activities

3. APPLICATION REQUIREMENTS

A. Apply online in the Grant Center. Applications are accepted throughout the Rotary year, and are approved throughout the year based on the availability of funds.

B. Primary host and international sponsors need to each establish a grant committee of three Rotary members. The members of this committee need to come from the primary sponsor club (if the grant is club-sponsored) or district (if the grant is district-sponsored). Rotary International fiscal agents, national treasurers, and board members and paid staff of a cooperating or beneficiary organization associated with the grant may not serve on the committee.

C. Qualify the primary sponsor districts involved in the grant activity.

D. For club-sponsored grant applications, district Rotary Foundation chairs need to confirm that the primary sponsor clubs are qualified.

E. Rotaract clubs that apply for a global grant need to have partnered previously with a Rotary club or district on a global grant-funded activity. Districts are responsible for tracking previous Rotaract participation in grants. If one grant sponsor is a Rotaract club, the other needs to be a Rotary club or district.

F. Ensure that all parties involved in the grant are in good standing with Rotary International and The Rotary Foundation.

G. Ensure that all project names comply with Rotary's policies for the use of its logos, emblems, and graphics (refer to section 1, Eligible Activities).

H. Limit each primary sponsor club or district to 10 open grants at a time.

I. Plan for contingencies. Sponsors may include a budget line item for contingencies that represents no more than 10% of the total budget, in order to offer protection from price increases or currency fluctuations.

J. Include administrative costs. Sponsors may allocate up to 10% of the budget for project management costs, which may include a project manager and project-specific overhead and administrative costs for cooperating organizations.

K. Measure outcomes. Sponsors may allocate up to 10% of the budget for measuring the outcomes.

L. Nonmembers who receive grant funding for scholarships, participation in vocational training teams, or travel to implement a humanitarian project are expected to:

1. Participate in an orientation session before their departure (either online or in person)
2. Take part in club and district activities as requested by their sponsors, such as speaking at club or district meetings and participating in service projects

M. Scholars and vocational training team members submit individual applications to supplement the overall grant application. Grant sponsors should ensure that scholar and vocational training team applicants understand that the Foundation needs to approve their applications before they incur any expenses or make travel arrangements.

N. Guidelines for scholarship applicants:

1. Applicants must provide proof of university admission to a full-time, in-person graduate-level program or a letter of invitation to conduct in-person postgraduate-level research when they apply for the grant. Admission that requires a guarantee of financial support is acceptable.
2. Applicants must study outside their home country and cannot be citizens of their country of study.

Online studies are not eligible.

3. Applicants who would begin studies in August, September, or October need to apply by 30 June.
4. The scholar's study period may begin at any point during the course of their studies, but funding can be for no less than one academic year.

O. Guidelines for vocational training teams:

1. A vocational training team is made up of volunteers and comprises at least three members, including a team leader who is a Rotary member. Each team member must have at least two years of work experience in the area of focus. The team leader needs to have general knowledge about Rotary, international experience, leadership skills, and expertise within the area of focus. Nonmembers may serve as team leaders if the sponsors demonstrate the need for this in the grant application.
2. Rotary members and their family members may participate in a vocational training team as long as the team is providing training, not receiving training, and the family members meet eligibility requirements.
3. If more than one team travels under a single grant, the teams need to share the same two primary sponsors and begin travel within one year of each other.
4. All team members need to be approved by the Foundation before travel. Any changes to the team's composition need to be reported to and approved by the Foundation.

P. Applications that involve travel by scholars, vocational training teams, or other volunteers must be submitted 90 days before the travel begins.

Q. If a grant application is not submitted within 12 months after it is started, it will be canceled.

R. If a grant application isn't completed and approved within six months after it is submitted, it will be canceled.

S. Global grant applications have the following assessments:

1. Requests for World Fund amounts up to US$50,000, known as Level 1 applications, are reviewed by the general secretary and analyzed by an expert in the area of focus if necessary.
2. Requests for World Fund amounts of US$50,001-US$200,000, or total funding of US$100,001-US$400,000 that involves directed gift and endowed fund program award spendable amounts, known as Level 2 applications, are reviewed by the general secretary and analyzed by an expert in the area of focus, and the project will have an interim site visit from The Rotary Foundation Cadre of Technical Advisers.
3. Requests for a World Fund amount of US$200,001-US$400,000, or total funding of US$400,001 or more that involves directed gift and endowed fund program award spendable amounts, known as Level 3 applications, are reviewed by the general secretary and the Trustees and analyzed by an expert in the area of focus, and the project will have an advance site visit and an audit or interim site visit by the Cadre. The Trustees review global grant applications as follows:

Application received	Trustee review
1 March	June
1 June	September or October
1 October	January

1 December.....April

4. An area of focus expert, working with the Cadre chair, can waive or add requirements.
5. Grants for only a vocational training team or scholarship are exempt from Cadre review requirements.

4. COOPERATING ORGANIZATIONS

A. Cooperating organizations are reputable governmental or nongovernmental organizations or academic institutions that are involved in implementing a project or ensuring that its goals are met and its finances are sustainable. They may do this by providing expertise, infrastructure, advocacy, training, education, monitoring, maintenance, ownership, or other support for grant-funded activities. Universities that host scholars are not considered cooperating organizations.

B. Cooperating organizations must comply with the reporting requirements of The Rotary Foundation and provide receipts as requested. They also must agree to participate in and cooperate with any operational or financial review of activities connected to the project.

C. Sponsors need to provide a Cooperating Organization Agreement that is signed by both primary sponsors and the cooperating organization with the grant application. It should include:

1. Verification by both primary sponsors that the grant is initiated, controlled, and managed by Rotary members
2. An endorsement by the primary sponsors that affirms that the cooperating organization is reputable and responsible and follows all applicable laws
3. A grant implementation plan that clearly lists the responsibilities of each party
4. An agreement by the cooperating organization to participate in any operational or financial review by the Foundation of activities connected with the grant

5. TRAVEL POLICIES

A. Anyone whose travel is paid for by grant funds should make their own travel arrangements.

B. Global grants can pay for the following budgeted expenses related to international travel:

1. Economy-class airplane tickets
2. Transportation to and from airports and local travel related to implementing the grant
3. The cost of inoculations or immunizations, visas, and entry and exit taxes
4. Normal and reasonable luggage charges
5. Travel insurance

C. Global grants do not pay for:

1. Expenses associated with optional stopovers before or after travel that has been approved
2. Penalties that result from changes in personal travel arrangements, including optional stopovers
3. Charges for excess baggage or shipping travelers' baggage or other personal belongings
4. Refunds for expenses related to in-person events or meetings that were canceled or that participants

were unable to attend

5. Expenses related to mandatory quarantines

D. The grant sponsors should keep up-to-date emergency contact information and travel itineraries for anyone who travels using grant funds. Be ready to share this information with the Foundation when asked to do so.

E. Travelers are responsible for:

1. Making travel arrangements promptly to avoid increasing the cost of travel; delays may result in the grant being canceled
2. Paying for any expenses that exceed the approved travel budget, unless changes are approved by the Foundation
3. Meeting medical requirements for international travel
4. Abiding by Rotary International travel restrictions for particular countries (refer to item G below)
5. Obtaining travel insurance
6. Arranging and paying for any personal travel; grant recipients may travel on their own for up to four weeks after the grant activities but are expected to return home after that
7. Reviewing information from the IATA Travel Centre to confirm that they obtain the necessary travel documentation and comply with all COVID-19 requirements and other regulations for inbound travel

F. Each health care professional who provides services as part of the grant-funded activities is expected to have at least US$500,000 in professional liability insurance coverage, known as errors and omissions liability. The participant obtains and pays for this coverage.

G. Rotary International works with a global security advisory firm to maintain a travel ban list. Because of safety concerns, the Foundation does not fund travel to these countries. If a country is added to the list while grant-funded travelers are in it, arrangements will be made for their immediate evacuation. Refusal to comply with these travel restrictions or evacuation requests will result in the Foundation canceling the grant and requiring the return of any funds that have already been disbursed. The Foundation cannot fund any activity whose success relies on international travel to a country on the list, even if the cost of travel is not part of the budget.

6. HOW GRANTS ARE FUNDED

A. Global grants have a minimum budget of US$30,000 and a maximum World Fund award of US$400,000.

B. Grant sponsors can use a combination of District Designated Funds, cash, and directed gift or endowed fund program award spendable amounts to fund a global grant.

C. The Foundation will provide an 80% World Fund match for all DDF contributions.

D. There is no minimum World Fund match.

E. Sponsors also have the option of financing global grants without a World Fund match by using any combination of cash, DDF, and directed gift or endowed fund program award spendable amounts to reach a minimum budget of US$30,000.

F. Rotary members and nonmembers can contribute cash toward a global grant, but it will not be matched by the Foundation.

G. Cash contributions cannot come from a cooperating organization, a project supplier or vendor, or someone who benefits from the grant.

H. Both Rotary member and nonmember cash contributions sent directly to The Rotary Foundation need to include an additional contribution of 5% to pay for processing and administrative expenses.

I. Funds should never be collected from the people who will benefit from the grant-funded activities.

J. At least 15% of contributions to global grants that fund humanitarian projects need to come from outside the project country. Host sponsors of these projects are also encouraged to contribute toward the financing of the grant.

K. Sponsors may use funding from only one endowed fund or directed gift per global grant.

L. Cash contributions to the Annual Fund cannot be applied to a global grant.

M. Grant financing cannot be changed after it is approved.

N. Paul Harris Fellow recognition credit will be given only for sponsor contributions sent to The Rotary Foundation, not for contributions sent directly to the project.

O. Contributions shouldn't be sent to the Foundation before a grant is approved. If the application isn't approved, these contributions are credited to the Annual Fund-SHARE and can't be reallocated after that.

P. All global grant contributions are considered irrevocable contributions to The Rotary Foundation and will not be refunded.

Q. Scholars who have funding from sources other than their Rotary scholarship may use those funds, but cannot include them in their total grant funding to reach the minimum of US$30,000.

R. The Rotary Foundation is required to withhold tax on any expenses beyond tuition, books, necessary equipment, and fees from global grant scholarships awarded for study in the U.S. (except for scholars from Canada, Germany, or Japan, whose studies are funded through associate foundations in those countries). The amount withheld will be deducted from the scholarship payment.

7. PAYMENTS

A. Grant funds won't be released until the grant sponsors have entered their bank account information in the Grant Center, sponsor contributions have been submitted to The Rotary Foundation, and any payment contingencies have been met.

B. Grant funds will be sent to the account listed in the Grant Center.

C. Grant funds for district-sponsored activities will be paid only to a district bank account. Grant funds for club-sponsored activities will be paid only to a club bank account.

D. Grant sponsors must maintain a bank account that is used solely for receiving and disbursing Foundation grant funds. The account name should include the name of the sponsor club or district that will receive the funds. A separate account should be opened for each grant if possible. If that's not possible and one account is used for multiple grants, the sponsors must maintain separate records for each grant's financial accounting and reporting.

E. Grant funds may not be paid to a vendor, cooperating organization, or beneficiary organization before expenses have been incurred or services have been delivered.

F. Organizations being reimbursed for expenses need to give the Rotary grant sponsors copies of the original invoice or receipt before they'll be paid.

G. The people who have signing authority for the bank account need to be members of the sponsor clubs or districts.

H. Grants will be paid at the Rotary International exchange rate at the time of payment.

I. Grants for which the World Fund award is US$50,001-US$400,000, or total funding is US$100,001 or more that involves directed gift and endowed fund program award spendable amounts (Level 2 and 3), will be paid in installments according to a spending plan. Payments after the first installment will be made after the grant sponsors submit a satisfactory progress report and a Cadre representative conducts an interim site visit.

H. All grant-related transactions will be recorded using the current published monthly Rotary International exchange rate, and all grant-related transactions will be officially communicated in U.S. dollars.

I. For cash contributions sent to the Foundation, sponsors will be shielded from currency exchange fluctuations of more than 10% of the rate at the time the grant was approved.

J. The Foundation will not distribute to grant sponsors currency gains of more than 10% of the rate at the time the grant was approved.

K. All cash contributions to global grants sent to the Foundation need to include an extra 5% to pay for processing and administrative costs. Paul Harris Fellow recognition points will be awarded on the full cash contribution, and charitable tax receipts will reflect that amount. The additional 5% is not required for contributions sent directly to a project's bank account. Those contributions don't generate Paul Harris Fellow recognition points and the Foundation won't issue tax receipts for them.

L. All contributions to the Foundation that are above the amount pledged to the grant, or are sent to a grant after it has been paid, will be added to the World Fund.

M. If payment requirements aren't met within six months of approval, the grant will be canceled (refer to section 9, Canceled Grants).

8. REPORTING REQUIREMENTS

A. Grant recipients report to the Foundation on how grant funds are used.

B. Progress and final reports are submitted through the Grant Center. Only complete forms are accepted.

C. Both the host sponsor and the international sponsor are required to complete, authorize, and submit global grant reports.

D. All activities you add to the grant after it has been approved need to be approved by the Foundation before you can spend the money. Sponsors need to report on the use of these funds or return them to the Foundation if they aren't used. Refer to Returning Grant Funds to The Rotary Foundation for more information and instructions.

E. The Foundation won't approve new grant applications from grant sponsors that have any overdue reports for any Foundation grant.

F. The Foundation may, at any time, review grants, conduct audits, send monitors, require additional documentation, or suspend any or all payments.

G. Districts are required to report on the use of grant funds to their member clubs according to the terms of their qualification.

H. Grant sponsors are required to keep copies of all receipts and bank statements related to how grant funds were spent for at least five years, according to the terms of their qualification and applicable laws.

I. Grant sponsors that don't adhere to Foundation policies and guidelines in implementing and financing grant-funded activities will be required to return all grant funds and may be barred from receiving other grants for up to five years.

J. The first progress report needs to be submitted within 12 months of receiving the first grant payment. After that, progress reports are due within 12 months of the acceptance date of the previous report.

K. Final reports need to be submitted within two months of completing the activities.

L. If grant-funded activities aren't implemented within 12 months of payment, the grant will be canceled, and the sponsors will be required to return the funds.

M. If more than US$1,000 of grant funds remain after the grant-funded activities are completed, the Foundation needs to approve their use for additional related expenses. If you cannot spend these funds as approved, you need to return them to The Rotary Foundation, and the funds will be credited as follows:

    1. If the full grant amount is returned, World Fund, DDF, directed gift and endowed fund program award spendable, and corporate social responsibility fund amounts will be returned to their original sources. Cash and Foundation donor advised fund contributions will be credited to Annual Fund-SHARE. Non-Rotary cash contributions will be credited to the World Fund.

    2. If a partial grant amount is returned, all funds will be credited to the World Fund.

N. If US$1,000 or less of grant funds remain after the grant-funded activities are completed, they may be used for activities that meet the global grant eligibility requirements without preapproval from the Foundation. Remaining grant funds in any amount may not be spent on expenses that are not related to the global grant.

O. Grant funds of US$1,000 or less that are returned to the Foundation will be credited to the World Fund.

P. The following countries have their own requirements for returning funds:

    1. Argentina: Any unused grant funds of more than 10 Argentine pesos need to be returned.

    2. Brazil: Any unused grant funds of more than 100 Brazilian reals need to be returned.

    3. India: All unused grant funds need to be returned.

    4. Italy: All unused grant funds paid from the Fondazione Rotary Italia need to be returned. Clubs and districts will be notified if this requirement applies to them.

Q. Acceptable reports include the following details:

    1. A description of how the activities advanced the goals of the selected areas of focus

    2. An account of how the activities achieved the specific objectives outlined in the grant application, including the measures you set and the data you collected

    3. An explanation of how the results will be sustained over time

    4. A description of how the host and international partners, as well as any cooperating organizations associated with the grant, participated in the activities

    5. A detailed account of spending and complete bank statements. The Foundation may also ask sponsors

to submit receipts. Scholars and vocational training teams need to give their sponsors receipts for expenses of more than US$75. For grants paid to clubs or districts in Argentina and Brazil, receipts for all expenses need to be submitted with reports.

R. For grants paid to clubs or districts in Brazil, a donation certificate needs to be submitted with the final report.

S. The Foundation will close the grant when all reporting requirements have been met.

9. CANCELED GRANTS

A. If a grant has not been approved, cash and Foundation donor advised fund contributions received for the grant will be credited to the Annual Fund-SHARE. Non-Rotary cash contributions will be credited to the World Fund.

B. If a grant has been approved but not paid, World Fund, DDF, directed gift and endowed fund program award spendable, and corporate social responsibility fund amounts will be returned to their original sources. Cash and Foundation donor advised fund contributions will be credited to Annual Fund-SHARE. Non-Rotary cash contributions will be credited to the World Fund.

C. If a grant has been fully paid but all funds are returned, World Fund, DDF, directed gift and endowed fund program award spendable, and corporate social responsibility fund amounts will be returned to their original sources. Cash and Foundation donor advised fund contributions will be credited to the Annual Fund-SHARE. Non-Rotary cash contributions will be credited to the World Fund.

D. If a grant has been fully paid but a partial amount is returned, all of those funds will be credited to the World Fund.

E. Any interest earned on grant funds needs to be sent to the Foundation.

10. CONFLICT OF INTEREST POLICY FOR GRANTS

A. Ensuring integrity in Rotary Foundation grants requires that everyone involved avoid actual and perceived conflicts of interest.

B. A conflict of interest occurs when someone is in a position to make or influence a decision about a grant that could benefit them, their family, their business, or an entity in which they serve in a paid or voluntary leadership or advisory position.

C. All actual or perceived conflicts of interest need to be disclosed to Rotary grants staff during the application process. If you're not sure whether a situation presents a conflict of interest, you should disclose it.

D. No Rotary members can serve on a grant committee for any global grant for which they have a conflict of interest.

E. Global grants cannot be financed with contributions (directed gifts, corporate social responsibility funds, etc.) from donors (people or organizations) that have conflicts of interest regarding the grant.

F. The Rotary grants staff or the Trustees will determine whether a conflict of interest exists in a particular case. If they conclude that there is or has been a conflict of interest in a grant, the grants staff will recommend to the Trustees an appropriate remedy to protect the integrity of the grant process. Remedies may include removing a member from a grant committee, declining a grant application, canceling an

approved grant, or suspending a particular member, club, district, or cooperating organization from participating in Rotary grants.

G. Some people are not eligible for grants or to benefit from any Foundation grants. They include:

   1. Current Rotarians
   2. Employees of clubs, districts, other Rotary entities (as defined in section 1.040. of the Rotary Code of Policies), or Rotary International
   3. The spouses; children or grandchildren by blood, legal adoption, or marriage without adoption; the spouses of those children or grandchildren, or parents or grandparents by blood of people listed above; and employees of agencies, organizations, or institutions that partner with Rotary International or the Foundation
   4. Former Rotarians and people with the familial relationships to former Rotarians described above, for three years after their or their relative's membership ends

H. Rotary members who serve on a club or district selection committee that is responsible for a grant-funded activity need to be completely transparent about their personal, family, or business relationships with any person or organization that would be affected by a potential Rotary grant. This includes, but is not limited to, any relationship with scholarship candidates, cooperating organizations, vendors, or other people or organizations that would benefit from the grant. Committee members need to notify the committee chair of any actual or perceived conflict of interest before the selection process begins, and the actual or potential conflict also needs to be disclosed in the grant application.

I. Before a Rotary district, club, or member conducts business related to a grant-funded activity that involves a vendor being paid by a Rotary entity, a fair, transparent, and thorough request for proposals or a bidding process needs to be conducted to ensure that the best services are secured at a reasonable cost. Possible conflicts of interest may arise when a Rotary entity is considering business in which funds will be paid to a member, a provider of goods or services that is owned or managed by a member, an honorary member, or the people listed above who are ineligible for Foundation grants.

J. All grant transactions need to be reviewed to confirm that there is no conflict of interest with vendors or payment recipients, including, among others, partner nongovernmental organizations, providers of goods or services, insurance companies, shipping companies, and educational institutions. Vendors with conflicts of interest may be used if the vendor provides the best product or service at fair market cost, as evidenced by an offer obtained through a fair, transparent, and thorough bidding process.

K. For more information on Rotary's Conflict of Interest Policy, please refer to section 30.040. of The Rotary Foundation Code of Policies.

11. MICROCREDIT

A. The Rotary Foundation is committed to using microcredit projects to support small and medium-sized enterprises, family-based businesses, and local entrepreneurs.

B. Clubs and districts that apply for global grants need to work with registered microfinance institutions (MFIs) that have operated for at least three years to administer loan programs as a way to carry out sustainable development projects.

C. Microcredit activities need to be supervised and controlled by the sponsor clubs or districts.

D. Microcredit projects need to be clearly identifiable as Rotary projects.

E. Loan capital allocated for microcredit needs to be lent at least twice, over at least 18 months (ideally, a loan cycle is 12 months).

F. The Foundation considers a microcredit grant project to be completed when the total amount of budgeted loan capital has been lent and repaid at least twice and all other project activities have been completed.

G. The annual interest rate that borrowers are charged must be the lesser of either 10 points less than the national average in the host country or an annual interest rate of 36%.

H. Interest and fees generated by microcredit fund capital from Rotary Foundation grant funding may be used for administrative expenses that directly support the project. The remaining amount should be added into the loan capital. Interest and fees collected cannot be used to pay for the MFI's administrative and operations expenses outside of the grant project.

I. Grant funds need to be tracked separately in the MFI's accounting system.

J. Microcredit programs funded by the Foundation need to include training for the people who will benefit that extends beyond the management of loan capital.

K. Clubs and districts that want to use global grant funds to support a microcredit project need to submit the Global Grant Application Supplement for Microcredit Projects with their grant applications.

L. All microcredit projects will receive an interim site visit by a member of The Rotary Foundation Cadre of Technical Advisers.

M. Grant sponsors need to submit a Global Grant Report Supplement for Microcredit Projects with each global grant report.

N. The final grant report needs to include baseline data, data from the end of the project, and an explanation of the exit plan.

O. If a microcredit project ends prematurely, sponsors need to return the grant funds to the Foundation.

P. When the Foundation closes the grant, if the MFI will no longer use the funds for microloans in the community, it needs to return the loan capital and any unused interest to The Rotary Foundation.

Q. The Rotary Foundation does not fund loan guarantee systems. (That is, Foundation funds cannot be used as collateral for loans that the MFI makes from other funds.)

12. SPECIAL CONSIDERATIONS FOR INDIA

A. In addition to the other terms and conditions, grants that are paid in full or in part to a club or district in India need to follow the payment and reporting procedures below to comply with Indian law and the Foreign Contribution Regulation Act (FCRA).

B. For general information about FCRA, go to fcraonline.nic.in. An FCRA-registered club or district is responsible for furnishing an FC-4 return along with the financial statements to the Ministry of Home Affairs, New Delhi, in a timely manner.

C. All grant payments will be sent to bank accounts opened specifically to receive funds in Indian rupees or to a club-controlled FCRA account. Grant funds will not be released to a bank account in India unless all general payment conditions listed below have been met. Either the staff need to determine that enough funds are available from contributions made within India or the sponsors need to provide documentation

showing that the bank account is registered under FCRA. Otherwise, the payment will be placed in a queue and paid on a first-come, first-served basis only when more contributions (from within India) are made and enough funds are available. Grant sponsors need to ensure that funds received in an FCRA-registered bank account are not commingled with local funds. Funds won't be released until all sponsor contributions have been submitted to The Rotary Foundation and any payment contingencies have been met. Grant funds will be paid to the account provided by the grant sponsors.

D. Progress reports on grant funds paid from Rotary Foundation (India) or the Rotary International South Asia office through 31 March are due by 31 May of the same year. Final reports are due two months after the project is completed. All progress reports need to meet all general reporting requirements as listed in section 8, Reporting Requirements. In addition, the grant sponsors need to:

   1. Submit a progress report electronically in the Grant Center
   2. Inform the South Asia office that the progress report has been filed
   3. Upload the utilization certificate if grant funds have been used, along with a statement of receipt and payment for the grant amount, certified by an independent chartered accountant (including that person's membership number and unique document identification number); the utilization certificate must say whether it was Rotary Foundation (India) or the South Asia office that paid the grant funds
   4. Upload the bank statement or passbook (or a photocopy certified by the bank manager or a chartered accountant)
   5. Upload all bills, invoices, and receipts in the Grant Center

E. If for any reason the grant funds were not used, include an original bank statement or bank passbook (or a photocopy certified by the bank manager or a chartered accountant) indicating the date on which the grant amount was credited and a statement explaining why the grant amount has not yet been used, even if it was received before March.

F. Final reports need to meet all general reporting requirements listed in section 8, Reporting Requirements. In addition, the grant sponsors need to:

   1. Submit a final report electronically in the Grant Center
   2. Inform the South Asia office that the final report has been submitted
   3. Upload the utilization certificate if grant funds have been used, along with a statement of receipt and payment for the grant amount, certified by an independent chartered accountant (including that person's membership number and unique document identification number); the utilization certificate must say whether it was Rotary Foundation (India) or the South Asia office that paid the grant funds
   4. Upload the bank statement or bank passbook (or a photocopy certified by the bank manager or a chartered accountant)
   5. Submit a bank reconciliation statement, if multiple grants were paid to a single Indian rupee or FCRA account
   6. Upload all bills, invoices, and receipts in the Grant Center
   7. Upload the undertaking that "all originals will be kept for a period of eight years and will be produced as and when required by Rotary Foundation (India) or the South Asia office" in the Grant Center
   8. Return all unused grant funds to the entity that paid the funds (Rotary Foundation (India) or the South Asia office)

9. Retain information about people who benefited from the project, including photographs, newspaper clippings, and letters of appreciation, because it may be requested by Rotary Foundation (India) or the South Asia office

13. SPECIAL CONSIDERATIONS FOR THE PHILIPPINES

A. In addition to the other terms and conditions, grants paid to a Rotary district or club in the Philippines require more documentation to comply with Philippine law.

B. The Securities and Exchange Commission of the Philippines requires foundations to include supporting documents for all the projects that they have provided funding to when they file financial statements. You can find more information in Securities Regulation Code 68, as amended. To comply, grant sponsors need to get certification from any of these people or organizations in the area where they have jurisdiction:

   1. Office of the Mayor, stamped with an office seal
   2. Head of the Department of Social Welfare and Development, stamped with an office seal
   3. Head of the Department of Health, stamped with an office seal
   4. Office of the Barangay Chairman, stamped with an office seal
   5. Head or an officer of a private institution or actual beneficiaries, notarized

C. Send five original certificates on each project to: Phil. Consulting Center Inc., 2D Penthouse, Salamin Building, 197 Salcedo Street, Legaspi Village, Makati City 1229, Philippines.

D. You can get sample templates of the certification from the South Pacific and Philippines office.

E. Certifications for grants that were distributed from July to May should be received by 30 June of the same fiscal year, and certifications for grants paid in June should be received by 31 July. Payments for new grants submitted by a district or club will be contingent upon receipt of completed certifications for existing grants.