

**THE DENVER ROTARY CLUB FOUNDATION
GENERAL GRANTING POLICIES AND PROCEDURES
As Amended and Restated through January, 2015**

History: The Denver Rotary Club Foundation was created in 1969. *Its purpose is to fund various Denver Rotary Club philanthropic projects. Funds are raised primarily through Club events, as well as direct contributions from Denver Rotarians. The DRCF is a 501 C (3) organization and as such, all contributions made to the DRCF are considered tax deductible.*

Mission: The mission of the Denver Rotary Club Foundation is to participate, in conjunction with the Denver Rotary Club, actively in the diverse life of our community through the grants it makes every year. The Foundation's grants emphasize our belief in the promise and value of youth and education, affirming our commitment to the humanitarian goals of Rotary locally and around the world.

Funding Priorities: The following criterion and guidelines will generally be used in evaluating grant requests. Exceptions can be made whenever deemed appropriate by the Foundation Trustees who shall award such grants without consideration of any recipient's race, color, religion, national origin, ancestry, sex, age, disability, or any other status protected by state or local law.

Grant awards must be in keeping with the mission of the Denver Rotary Club Foundation as well as financially assisting Denver Rotarians in their respective philanthropic endeavors. The major focus of the Denver Rotary Club has historically been youth. For example, the Denver Rotary Club has endorsed the program, *Assets for Youth*, the 40 developmental assets that are basic building blocks helping young people navigate successfully through childhood and adolescence. In addition, the Club encourages educational achievement of youth.

Grant requests are to be made through the Denver Rotary Club Foundation Grants Committee that will provide oversight and/or participation in the program. Any non-Denver Rotary organization, which establishes an affiliation with a Denver Rotary Club committee, must have a 501c (3) designation or be another Rotary Club or District in order to be eligible for consideration.

Substantial active involvement of Denver Rotarians is considered mandatory for non-Denver Rotary organizations. Such involvement shall include one or more of the following:

- Board Participation;
- Fundraising;
- Direct Program Involvement.

Local funding activity shall primarily be focused on the Metro Denver area and to a lesser degree, our international projects.

The Foundation prefers concentrating its support on a few organizations where the support can make a substantial difference and the funds can have an impact on the organization and in the community. Preference is given to *projects where Denver Rotarians are directly involved*.

Participation in international projects is a means by which the Denver Rotary Club Foundation can be supportive of Denver Rotarians and Rotary International's interest in fostering goodwill and peace in the world. The Foundation encourages the leveraging of dollars in support of international projects via partnership(s) with one or more Rotary Club(s) and outreach to different countries.

General Granting Guidelines:

1. Does the project fit with our Rotary mission, and the focus on local service projects we have established? (Youth & Education).
2. Will the project engage the passion of Rotary members, and will they be involved in service to that organization?
3. What is the visibility and brand recognition offered to Denver Rotary and DRCF? What are the commitments made by the grantee?
4. What is the sustainability of the project, and what is the expectation of the length of time that Rotary funding will be needed?
5. Is the project something that Rotary is uniquely able to do; will Rotary funds/effort make a difference in its success; and, what are the measures used to judge our impact?

Matching Fund Projects, in support of local and/or international service initiatives, which are conducted in cooperation with Rotary International, other Rotary Clubs, or other organizations are encouraged and seen as an effective means to leverage the Foundation's grants. Participation in such matching projects requires appropriate advance approval from the Denver Rotary Club Foundation Trustees in collaboration with the Board of Directors of the Denver Rotary Club. Either the Foundation or the Club must, as a basic requirement of participation, be readily identifiable as a funding partner or sponsor in all forms of communication seen by the public such as press releases, banners, newsletters or advertising. No individual or committee may commit to, or solicit funds, for such projects without proper prior authorization from the Denver Rotary Club Foundation and the Denver Rotary Club. Foundation funds will not be used to pay expenses for individuals in the organizations with whom it partners or sponsors, including other Rotary Clubs.

General Restrictions: The Foundation generally will not consider the following:

- Support of individuals for personal financial needs
- Grants to be used for the purpose of travel (See Section on Special Grant Considerations)
- The purchase of blocks of tickets, tables or fund-raising events
- Funding un-chartered Rotary Clubs, either domestic or foreign, or underwriting the business expenses of chartering a new Rotary Club

- Serving as a conduit for funds in support of projects which do not have the prior approval of the Foundation Trustees and, the Board of the Denver Rotary Club, or one of the Committees of the Denver Rotary Club
- Costs that do not qualify as direct, charitable expenses.

Restricted Gifts: The DRCF will generally accept restricted contributions to the Foundation under the following conditions:

The restrictions of the donor are compatible with these guidelines and with the Mission of the DRCF.

The restricted gift is for projects which have the prior approval of the DRCF, the Denver Rotary Club Board of Directors, or of one of the committees of the Denver Rotary Club, or which is a project of Rotary International.

For restricted gifts of less than \$25,000, the project or other restricted use of the funds will be completed within 12 months from the date the gift is received (as the Foundation does not wish to have to account for interest or dividend income or capital gain or loss related to the restricted gift). If funds are held for longer than 12 months, then the matter will be discussed with the donor or the funds returned to the donor.

Restricted gifts of \$25,000 or more will be considered on a case-by-case basis. In no event will the DRCF pay interest or gain on restricted gifts due to the difficulties in accounting for such interest or gain.

Treatment of Restricted Contributions: In considering grant requests, the Grants Committee will determine the total amount of the grant, and the amount of the grant will include proceeds received as the direct result of a Denver Rotary fundraiser, such as the Branch Rickey Award, and any restricted donations through the Foundation to the grantee.

Grant Application Process: All grant requests must be submitted to the Denver Rotary Club Foundation office. The Executive Director will make a determination regarding disposition, directly declining requests that clearly fall outside the Foundation's guidelines and providing a report of declinations to the Grants Committee Chair. All other requests will be forwarded to the Grants Committee Chair with a copy of the request going to the Foundation President. In the event the office receives a direct appeal that conforms to general guidelines, the Executive Director may also forward the request to an appropriate Club committee for consideration and possible submission to the Grants committee. A copy of the appeal should always be forwarded to the Grants Committee Chair.

Applications must be limited to only the required elements. Additional materials will be disregarded.

GRANTING CYCLE

The granting cycle (when the bulk of funding is awarded) is initiated in December and is finalized in March when the Foundation Board of Trustees considers recommendations from the Grants Committee for funds that will be granted in the next Rotary year (July 1 to June 30).

GRANTING CYCLE

December	Committees notified to submit application
January	Applications due
January/February	Committee reviews applications. Packet of applications sent to Club President for review and input
February	Committee Chairs are interviewed as needed
March	Trustees review and act on Grant recommendations
April	Committees are informed of Grant Awards and Chairs contact outside organizations advising of the outcome
July	Earliest date that awards can be disbursed

Grant Award: It is expected that all grant awards will be expended for the purpose(s) and within the budgets as presented to the Grants committee. Follow-up reports detailing how dollars were expended may be required by the Grants Committee. An award of a grant in one year should not be construed as a guarantee of funding in future years.

Changes in Use of Awarded Funds: If a grantee anticipates a change in the use of funds greater than 10% of the approved budget from the request made to the Grants Committee, the change must be submitted to the Grants Committee for review and recommendation to the Trustees prior to an anticipated expenditure.

Unanticipated Needs: With few exceptions, the Denver Rotary Club Foundation will consider only one request per fiscal year from a Rotary committee or outside organizations. Unanticipated funding needs or a need for increased project funds that arise outside of the granting cycle and which are over and above original budget projections may, in special circumstances, be presented to the Grants Committee for review. After the Grants Committee has reviewed the request, a recommendation will be forwarded to the Trustees at their next regularly scheduled meeting for approval.

Unexpended Grant Funds: Any funds not expended by a grantee within the Foundation's fiscal year will be *carried over to the total* grantable funds for the next fiscal year, unless the grantee presents a request to the Grants Committee Chair for a "carryover" to the next fiscal year. This request must be made timely, preferably no later than June of the year in which the grant was originally to have been spent. Requests for carryover of funds will be considered by the Trustees at the Foundation's first scheduled meeting in the fiscal year following the original grant year.

Disaster Funding: Disasters due to acts of nature, terrorist, or similar causes may be considered by the Trustees outside the normal meeting and granting cycle. The

Foundation and the Club will work cooperatively in order to respond in a timely fashion to local, national, and international disasters that are of a magnitude of national interest as evidenced by media coverage and/or designation as state or federal disaster areas. The Executive Committees of the Foundation and the Club are authorized to respond to such disasters within the guidelines outlined below and report any action taken to their respective Boards and the members.

Procedure:

Who can initiate a response?

The President of either Board may initiate a response. Such response may be self-initiated or in response to a call from a Foundation or Club member.

Presidents Confer

The Presidents confer and if both agree a disaster donation is worthy of consideration, the Executive Director will be requested to schedule a brief meeting before or after the next possible Rotary Club meeting.

Meeting Notice

By mail, telephone, fax, or email to all members of the Executive Committees of the Foundation and Club and the Chair of the Grants Committee will be notified of the meeting.

Meeting Quorum

Those in attendance at the meeting in person or electronically will constitute a quorum.

Disaster Relief Donations

Donations will be made to a Rotary Club or District in the disaster area. For those disasters that the joint Executive Committees concur a donation is warranted, the maximum donation from the Foundation's "Contingency Funds" will be:

Colorado	United States	International
\$5,000	\$2,500	\$1,000

Matching Disaster Donations

In addition, the Executive Committees may authorize any or all of the following: Matching donations to increase the Foundation's donation to a higher amount, special appeals to members to make donations to Denver Rotary Club Foundation which will be forwarded to the disaster relief location, and/or special fund-raising activity.

Special Grant Considerations:

Rotary Volunteer Expense Assistance: It is understood that Rotarians who volunteer their time and services will do so with no expectation for assistance with expenses they may incur in servicing the Club or in working on projects of

the Club. Nonetheless, there may be those instances when extraordinary costs are incurred, for travel and the like, and the Grants Committee may be solicited for a nominal stipend to help offset those expenses. Such requests must be submitted to the Grants Committee for consideration in advance of any expenses being incurred. Funding assistance, once approved by the Trustees, must come from available "Contingency funds."

Executive Committee Granting Authority: In those instances when the amount requested is \$500 or less, but in keeping with the mission of the Denver Rotary Club Foundation and where a quick and timely response is needed, the Executive Director may present such requests to the Foundation's Executive Committee for action. The Grants Chair shall be consulted prior to presentation to the Executive Committee.

GENERAL INFORMATION:

Grants Committee:

The Grants Committee is comprised of nine members each serving a three-year term. Serving on the committee are three DRCF Trustees, three Club Board members, and three at large Club representatives who are members of the Denver Rotary Club Foundation. The President of the Foundation appoints the Chair (always a Trustee) and the new Grants Committee members who are seated during the President's term of office. The Foundation President confers with the Club President in selection of the Club Directors and at-large members who serve.

Conflicts of Interest:

Care should be taken in appointing Grants Committee members to avoid possible conflicts of interest among members of the Grants Committee and potential grant seekers.

All Grants Committee members will disclose to the Chair any conflicts of interest and shall abstain from voting on any grant awards for which there is a conflict.

Grants Formula:

The Board of Trustees establishes the formula for availability of grantable funds. It is to be reviewed from time to time at least tri-annually by the Finance Committee which may or may not recommend revisions. In establishing the formula, it is the intent of the Trustees to establish both a floor (minimum annual disbursement) and a ceiling (a maximum annual disbursement) for use of funds. The ceiling will include a contingency (generally 5% of the total available funding) designated for disaster relief and other unanticipated needs that may be brought before the Grants Committee and Trustees during the secondary cycle. Additionally, 10% of the annual grantable funds may be set aside for funding of the New Projects Committee. Planned giving and other restricted gifts are not included as part of the computation of the grants formula, but may be considered by the Grants committee in making its recommendations.

Miscellaneous:

In the event that situations or issues arise that have not been covered by this document, the Foundation President and Grants Chair should be contacted.