MINUTES
of the
ROTARY FOUNDATION
2015–16
June Board of Trustees Meeting

DATE AND PLACE
The 2015–16 Rotary Foundation Trustees held their final meeting of the year on 2 June 2016 in Seoul, Korea

ATTENDANCE
Present were Chairman Ray Klinginsmith, Vice-Chairman Paul A. Netzel, other Trustees, Noel A. Bajat, Örşçelik Balkan, Ron D. Burton, Mário C. de Camargo, Sushil Gupta, Michael K. McGovern, Samuel F. Owori, Julio Sorjús, Bryn Styles, Sakuji Tanaka, Thomas M. Thorfinnson, Young Suk Yoon, and General Secretary John Hewko. Guiller E. Tumangan attended as director liaison. Chairman-elect Kalyan Banerjee could not attend the meeting.

At the invitation of the chairman, incoming Trustees William B. Boyd, Gary C.K. Huang, Seiji Kita, Barry Rassin and Kenneth M. Schuppert, Jr. also attended.

Andrew McDonald served as secretary of the meeting with assistance from Matt Hohmann. Other staff present were David Alexander, Victor Barnes, Joseph Brownlee, Lori Carlson, Bernadette Knight, Peter Markos, Abby McNear, Carol Pandak, James Robinson, Steven Routburg, and Eric Schmelling. Hyung Jung Lee, Misa Mais, and Eiko Terao served as staff interpreters.

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
145. Approval of the April 2016 Meeting Minutes

Statement: The general secretary distributed the April 2016 Trustees meeting minutes to each trustee in advance of the meeting.

DECISION: The Trustees approve the minutes of their April 2016 meeting and request the chairman to sign the official copy of those minutes.

146. Decisions Taken on Behalf of the Trustees

Statement: Rotary Foundation Bylaws section 5.10 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 shown in Appendix A—the complete copy of which is filed only with the official copy of these minutes—taken on their behalf between 20 February and 30 April 2016 by those authorized to do so.

147. Report of the General Secretary

Statement: The general secretary presented an update on the work at the Secretariat since the April 2016 Trustees meeting.

DECISION: The Trustees receive the general secretary’s report on the activities at the Secretariat since the April 2016 Trustees meeting.

148. Communications from the RI Board

Statement: At its April 2016 meeting, the RI Board took several decisions of interest to the Trustees. The At the Board’s request, the Trustees also took action toward District 3100 (India) in line with the Board’s placing of the district into non-districted status.

DECISION: The Trustees

1. note the following decisions from the RI Board meetings held on 16–18 April and 26 May 2016:

16–18 April Meeting
152. Communications from the Trustees
153. Procedures for Selecting Rotary Foundation Trustees
154. Council Resolutions Concerning The Rotary Foundation

159. Selection of Lead Facilitator for 2017 Regional Leaders Training Institute
164. Operations Review Committee Report: Staff/Volunteer Interactions
165. Establishment of Zone Realignment Committee
167. Joint Committee on Partnerships Report
182. Non-Districted Status, District 3100 (India)
187. End of Polio Subcommittee Report

26 May Meeting (final meeting of 2015–16 Board)
193. UNESCO-IHE Partnership
195. Finance Committee Report: Prioritization of Enterprise Projects
196. Finance Committee Report: RI/TRF Allocation

2. suspend all past district governors from District 3100 (India) from any Rotary Foundation appointments until 1 July 2021.

149. Programs Committee Report

Statement: The Programs Committee met on 28 May 2016 and discussed the area of focus beneficiary interviews, improvements to the grant model evaluation process, the committee’s terms of reference, and the educational benefits of producing a video of a successful Global Grant, among other topics.

DECISION: The Trustees

1. amend The Rotary Foundation Code of Policies as follows:

2.030.1. Terms of Reference for Committees

[text omitted]

The Programs Committee shall

1. consist of at least six members, comprising three trustees serving staggered, multi-year terms, and three non-trustee Rotarians serving staggered three-year terms. The non-trustee Rotarians shall have significant experience in Foundation programs and be current or recent (within the past three years) district Rotary Foundation chairs or regional Rotary Foundation coordinators at
the time of their appointment to the committee. Non-trustee committee members shall have either served as the primary contact on a district or global grant, have subject matter expertise in the areas of focus, or have served as a member of the Cadre of Technical Advisers;

2. request the general secretary to adopt an annual data collection process with a report on the results of the grant model evaluation and an assessment of the areas of focus, for report at the April 2019 Trustees meeting;

3. request the general secretary to complete the remaining area of focus beneficiary site visits, for report to the Programs Committee at its September 2016 meeting;

4. based on the recommended modifications to the data collection process in points 2 and 3 above, approve a 2016–17 budget variance of US$103,300 to implement data collection in the 2016–17 Rotary year and to conduct the remaining areas of focus beneficiary site visits in 2016–17;

5. request the general secretary to explore the feasibility of implementing area of focus beneficiary evaluations in sustainability and impact as part of an annual data collection process, including development of evaluation methodology, infrastructure requirements, and resource needs, with full operational impact, for report to the Trustees at their April 2017 meeting in preparation for the 2017–18 Rotary year;

6. request the general secretary to produce a video of Global Grant 1531565 in Guatemala to help educate Rotarians on bringing projects to scale in the areas of focus and approve a 2016–17 budget variance of $10,000 for this purpose.

1. note that the TRF Centennial History Book Committee will be finishing its work by 30 June 2016;

2. thank The Rotary Foundation Centennial History Book Committee for its work over many years to develop and publish Doing Good in the World: The Inspiring Story of The Rotary Foundation’s First 100 Years.

DECISIONS 151–158

International PolioPlus Committee Report
Meeting 25–26 May 2016 in Seoul, Korea

151. 2015–16 Service Awards for a Polio-free World Update

Statement: The International PolioPlus Committee suggested an amendment to The Rotary Foundation Code of Policies to align the Code with recent changes to the award.

DECISION: The Trustees amend Rotary Foundation Code of Policies section 21.050.2.4. as follows:

21.050.2.4. Number and Distribution of Awards
Regional awards, with regions coinciding with WHO regions, for outstanding service in polio eradication, solely or primarily with the region, will be made annually, not to exceed ten per region 60. International Awards, for broad service to the cause of polio eradication, will also be made annually, not to exceed ten individuals. A Rotarian may receive only one of each award. Prior receipt of a regional award is not a condition, nor does it preclude, consideration for the international award.

152. End of Polio Communications Report

Statement: In decision 132, April 2016, the Trustees tentatively approved the idea of a PolioPlus communications spending plan, pending review of the International PolioPlus committee. The committee agreed with the recommended spending for PolioPlus communications to be jointly funded by Rotary International and the Foundation in equal amounts, with a total contribution of US$5.1 million.

DECISION: The Trustees approve a spending plan for End of Polio communications activity, up to US$2.65 million from the World Fund, through 2019.

Statement: The World Health Organization African regional office and UNICEF requested grants for social mobilization support in Cameroon, Chad, DR Congo, Guinea, Madagascar, and South Sudan; technical assistance in West and Central Africa; operational support in Cameroon and DR Congo; and for surveillance support for the African region.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US$8,591,171 to UNICEF for social mobilization support in the following countries:
   - Cameroon: $1,516,746
   - Chad: $1,506,235
   - DR Congo: $2,654,580
   - Guinea: $1,235,850
   - Madagascar: $1,284,000
   this grant to be released in accordance with Trustee policies;

2. approve a PolioPlus grant of up to $268,099 to UNICEF for technical assistance for West and Central Africa, this grant to be released in accordance with Trustee policies;

3. approve a PolioPlus grant of up to $957,094 to UNICEF for operational support for Cameroon, this grant to be released in accordance with Trustee policies;

4. approve a PolioPlus grant of up to $1,742,903 to WHO for operational support for DR Congo, this grant to be released in accordance with Trustee policies;

5. approve a PolioPlus grant of up to $5,827,478 to WHO for surveillance support for the African region, this grant to be released in accordance with Trustee policies;

6. authorize the general secretary to execute agreement letters with WHO and UNICEF to convey the funds on a scheduled basis. WHO and UNICEF will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;

7. note that these are one-year grants that must be fully expended by 31 July 2017, or one year after the transfer of funds to the grantee, whichever comes later;

8. note that these grants, if fully expended, will increase total PolioPlus grants as follows:
   - African Region: from $177,889,899 to $183,717,377
   - West and Central Africa: from $10,265,024 to $10,533,123
   - Cameroon: from $14,900,474 to $17,374,314
   - Chad: from $32,938,206 to $34,444,441
   - DR Congo: from $41,756,206 to $46,153,689
   - Guinea: from $2,372,390 to $2,766,150
   - Madagascar: from $2,514,975 to $3,750,825
   - South Sudan: from $34,294,699 to $35,578,699


DECISION: The Trustees

1. approve a PolioPlus grant of up to US$6,486,667 to UNICEF for social mobilization in the following countries:
   - Afghanistan: $4,733,913
   - Iraq: $395,900
   - Somalia: $1,037,908
   - Syria: $318,946
   this grant to be released in accordance with Trustee policies;
2. approve a PolioPlus grant of up to US$7,054,845 to WHO for operational support in the following countries:
   - Afghanistan: US$2,062,732
   - Pakistan: US$4,992,113
   this grant to be released in accordance with Trustee policies;
3. approve a PolioPlus grant of up to $292,593 to UNICEF for operational support in Somalia, this grant to be released in accordance with Trustee policies;
4. approve a PolioPlus grant of up to $2,148,618 to WHO for surveillance support for the Eastern Mediterranean region, this grant to be released in accordance with Trustee policies;
5. authorize the general secretary to execute agreement letters with WHO and UNICEF to convey the funds on a scheduled basis. WHO and UNICEF will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;
6. note that these are one-year grants that must be fully expended by 31 July 2017, or one year after the transfer of funds to the grantee, whichever comes later;
7. note that these grants, if fully expended, will increase total PolioPlus grants as follows:
   - Eastern Mediterranean Region: from $51,930,844 to $54,079,462
   - Afghanistan: from $86,090,379 to $92,887,024
   - Iraq: from $6,046,182 to $6,442,082
   - Pakistan: from $125,760,138 to $130,752,251
   - Somalia: from $31,559,174 to $32,889,675
   - Syria: From N/A to $318,946

155. **Grant Requests: UNICEF Regional Office for South Asia Grant Request**

*Statement:* The United Nations Children’s Fund (UNICEF) requested a grant for technical assistance in their South Asia office.

**DECISION:** The Trustees

1. approve a PolioPlus grant of up to US$593,228 to UNICEF’s Regional Office for South Asia for technical assistance, this grant to be released in accordance with Trustee policies;
2. authorize the general secretary to execute an agreement letter with UNICEF to convey the funds on a scheduled basis. UNICEF will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;
3. note that this is a one-year grant that must be fully expended by 31 July 2017, or one year after the transfer of funds to the grantee, whichever comes later;
4. note that this grant, if fully expended, will bring the total PolioPlus grants to the Regional Office for South Asia to $593,228.

156. **PolioPlus Grants: UNICEF Lao People’s Democratic Republic Grant Request**

*Statement:* The United Nations Children’s Fund (UNICEF) requested a grant for social mobilization support in Lao PDR.

**DECISION:** The Trustees

1. approve a PolioPlus grant of up to US$642,000 to UNICEF for social mobilization support in Lao PDR, this grant to be released in accordance with Trustee policies;
2. authorize the general secretary to execute an agreement letter with UNICEF to convey the funds on a scheduled basis. UNICEF will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;
3. note that this is a one-year grant that must be fully expended by 31 July 2017, or one year after the transfer of funds to the grantee, whichever comes later;
4. note that if this grant, if fully expended, will increase total PolioPlus grants to Lao PDR to $922,671.
157. PolioPlus Grants: World Health Organization Polio Research Committee Grant Request

Statement: The World Health Organization requested a grant for polio research activities in India.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US$419,404 for the implementation of polio eradication research activities in India proposed by the Polio Research Committee;

2. authorize the general secretary to execute an agreement letter with WHO to convey the funds on a scheduled basis. WHO will apply the funds to appropriate projects under such controls and conditions as the agreement specifies;

3. note that this is a two-year grant that must be fully expended by 31 July 2018;

4. note that this grant, if fully expended, will increase total PolioPlus grants to WHO/Research from $29,102,631 to $29,522,035.

158. PolioPlus Grants: Global Polio Eradication Initiative Independent Monitoring Board Grant Request

Statement: The United Nations Children’s Fund (UNICEF) requested a grant for administrative activities to support the Global Polio Eradication Initiative Independent Monitoring Board.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US$133,252 to UNICEF to support the administrative activities of the Global Polio Eradication Initiative Independent Monitoring Board in 2016, this grant to be released in accordance with Trustee policies;

2. authorize the general secretary to execute an agreement letter with UNICEF to convey the funds on a scheduled basis. UNICEF will apply the funds under such controls and conditions as the agreement specifies;

3. note that this is a one-year grant that must be fully expended by 31 July 2017, or one year after the transfer of funds to the grantee, whichever comes later;

4. note that this grant, if fully expended, will increase total PolioPlus grants to UNICEF/Independent Monitoring Board from $194,776 to $328,028.

159. Level III Grant Review

Statement: Global Grants requesting over US$100,000 from the World Fund must be reviewed by the Trustees.

DECISION: The Trustees agree to award

a) Global Grant 1531565, a basic education and literacy grant sponsored by the Rotary Clubs of Glenview-Sunrise, USA (District 6440) and Valle de Guatemala, Guatemala (District 4250) to be carried out with Cooperative for Education to benefit over 50 primary and middle-schools in Chimaltenango, El Quiché, Quetzaltenango, Sacatepéquez, Sololá, and Totonicapán, Guatemala in the amount of US$190,551 from the World Fund (total project cost of $464,292);

b) Global Grant 1639691, a disease prevention and treatment grant sponsored by the Rotary Clubs of Jaipur Royal, India (District 3052) and Butwal, Nepal (District 3292) to be carried out with Gautam Buddha Community Health Organization (Heart Hospital) to benefit the community of Butwal, Nepal in the amount of $200,000 from the World Fund (total project cost of $615,000);

c) Global Grant 1639980, a disease prevention and treatment grant sponsored by District 3292 (Nepal) and Rotary Club Nagpur Ishanya, India (District 3030) to be carried out with Central India Institute of Medical Sciences to benefit the people of Nagpur, India in the amount of $40,500 from the World Fund (total project cost of $320,500).

160. Global Grant Appeal

Statement: The general secretary received an appeal to a global grant application that had been previously denied.

DECISION: The Trustees upheld the general secretary’s decision to deny Global Grant application 1635260, a basic education and literacy project sponsored by the Rotary Club of Windhoek, Namibia (District 9350) and Rotary Club of Lahr, Germany (District 1930) seeking funding in the amount of
US$115,162 (US$49,874 in World Fund) for dormitories and a sports field for a school in Namibia.

161. Term Gifts for Global Grants

Statement: Term gifts are one time contributions that target a specific purpose, and have developed into a new opportunity to fund global grants. In decision 125, April 2016, the Trustees requested the general secretary to provide revised language for term gifts to determine if they could play a role in supporting operating expenses. Noting that term gifts for Global Grants provide equitable support for operational costs and that they generate significant new contributions revenue, the general secretary suggested no changes be made to term gifts policy.

DECISION: The Trustees agree to make no changes to term global grants at this time and request the general secretary to provide revised analysis for report at the April 2017 Trustees meeting.

162. World Fund for Global Grants

Statement: Noting the possibility that the Foundation may approve more global grants than budgeted for in 2015–16, the Trustees discussed providing an additional US$3 million in World Fund, should it be needed.

DECISION: The Trustees agree that, should there be a need, the general secretary may access an additional US$3 million in World Fund to cover 2015–16 approved global grants.

163. Endowment/Major Gifts Advisers Advisory Group Terms of Reference

Statement: In decision 108, April 2016, the Trustees requested the general secretary to develop terms of reference for the Endowment/Major Gifts Advisers Advisory Group and budget implications for report at this meeting. Vice Chairman Netzel presented the terms to the Trustees, as well as the length of service for members and structure of the advisory group.

DECISION: The Trustees

1. approve the concept of creating a 2017–18 Endowment/Major Gifts Adviser Leadership Team to serve as mentors to the Endowment/Major Gifts Advisers (E/MGA);

2. approve a soft launch for the development and implementation of the E/MGA Leadership Team during the 2016–17 Rotary year;

3. approve a one-day meeting of the E/MGA Leadership Team with the Trustee chair-elect, the Rotary Leadership Training Institute moderator, lead facilitators, and the general secretary during the 2016–17 Rotary year to prepare and plan for their roles;

4. approve a 2016–17 budget variance of US$24,363 for a planning meeting and additional staff support of the E/MGA Leadership Team;

5. request the incoming Trustee chair-elect to appoint up to seven members of the 2017–18 E/MGA Leadership Team on an ad hoc basis, noting that they will have responsibilities for preparing for serving in their role during the 2016–17 year and their official role begins on 1 July 2017.

164. Request from the Rotary Club of Singapore

Statement: The Programs Committee requested the Trustees consider a proposal by the Rotary Club of Singapore to remove limits on the number of grants a club is allowed to have open as the primary sponsor.

DECISION: The Trustees do not agree to allow the Rotary Club of Singapore to have more than 10 grants open at any one time.

165. Memorandum of Understanding with UNESCO-IHE

Statement: In its April 2016 report to the Trustees, the Joint Committee on Partnerships recommended renewal of the Memorandum of Understanding with UNESCO-IHE. The Trustees, in their decision 123, April 2016, did not agree to renew the Memorandum of Understanding with UNESCO-IHE but encouraged interested Rotarians to use the Global Grant process to award scholarships to appropriate candidates for the UNESCO-IHE program. Following that meeting, the chairman of the Joint Committee on Partnerships offered additional information to the Trustees and asked that they reconsider renewing the MOU.

DECISION: The Trustees
1. rescind point 4 of their decision 123 April 2016 not to renew the Memorandum of Understanding with UNESCO-IHE;

2. authorize the general secretary to renew the Memorandum of Understanding with UNESCO-IHE for two years, with the understanding that the MOU could be adjusted based on the outcome of a program evaluation;

3. request the general secretary to conduct an evaluation of the UNESCO-IHE scholarship program for report at the April 2017 Trustees meeting;

4. accept the offer from Rotarians in District 1600 (the Netherlands) to partially fund ten scholars annually using US$50,000 in District Designated Funds;

5. request the Programs Committee to review the possibility of using global grant scholarships to enable students to enroll in the program with the understanding that some of the students may need assistance from districts other than the districts in which they reside.

166. Audit Committee Report

Statement: The Audit Committee met on 10–11 May 2016 in Evanston, IL, and discussed recently completed audits, status reports on past audits that required management implementation, review of the committee’s terms of reference, review of the auditing services charter, and financial statements for 2015–16 Zone Institutes, among other topics.

DECISION: The Trustees thank the Audit Committee for its report.

167. Socially Responsible Investing

Statement: In decision 141, April 2016, the Trustees requested the Investment Committee to update language regarding the Foundation’s policy on socially responsible investing, for report at this meeting.

DECISION: The Trustees amend the Rotary Foundation Code of Policies regarding the investment policy statements for the Annual Fund and the Endowment Fund as shown in Appendix B.

168. Investment Governance Working Group Update

Statement: In decision 142, April 2016, the Trustees approved the concept of an investment office at Rotary International to oversee investment programs, and to search, recruit, and train for the role of chief investment officer. The Investment Governance Working Group provided an update on the progress of the chief investment officer search as well as a timeline for implementing this governance model.

DECISION: The Trustees receive the report from the Investment Governance Working Group.

169. Finance Committee Report


DECISION: The Trustees thank the Finance Committee for its report.

170. Finance Committee Report: RI/TRF Allocation

Statement: In decision 100, January 2015, the Trustees transferred the responsibilities of the RI/TRF Joint Cost Allocation Committee to the RI Finance Committee and TRF Finance Committee with the assistance of a joint working group of those committees, effective 1 July 2015. The purpose of each committee is to review and recommend any changes that should be made to RI’s methodology and allocation of costs to the Foundation with regards to the Administrative Services Agreement. The Joint Finance Committee informed the Trustees on several changes to cost centers for the 2016–17 fiscal year.

DECLISION: The Trustees

1. receive the update on the allocation of expenses between RI and TRF;

2. approve the Administrative Services Agreement effective 1 July 2014 and updated schedules, as shown in Appendix C, filed with the official copy of these minutes.
171. Budget for 2016–17 Operating Expenses

Statement: The Rotary Foundation Bylaws state that the Trustees shall annually adopt a budget for the succeeding year, which they may revise in the succeeding fiscal year if necessary.

DECISION: The Trustees

1. approve the operating budget and other income for The Rotary Foundation in 2016–17, and reaffirm the 2016–17 budget for contribution, net investment return and program awards approved in decision 104, April 2016:

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<thead>
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<th>Revenue Description</th>
<th>Amount</th>
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<td>Contributions</td>
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<td>Net Investment Return</td>
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<tr>
<td>Other Income</td>
<td>173,000</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$346,919,000</strong></td>
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<tr>
<td>Program awards</td>
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Operating Budget:

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<th>Program</th>
<th>Amount</th>
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</thead>
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<td>Operations</td>
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<tr>
<td>Fund Development</td>
<td>21,089,000</td>
</tr>
<tr>
<td>General &amp; Administration</td>
<td>5,199,000</td>
</tr>
<tr>
<td><strong>Total Operating Budget</strong></td>
<td><strong>49,690,000</strong></td>
</tr>
</tbody>
</table>

Total Expenses: **279,742,000**

Increase in net assets: **$67,177,000**

*includes US$300,000,000 fund development goal together with additional donor advised funds and other contributions.

2. authorize the general secretary for good cause, to exceed the operating budget in any category by up to five percent. The operating budget in total can also be exceeded by up to five percent with the approval of the Executive Committee, and an explanation of such expenditures shall be presented to the Trustees at their next scheduled meeting.

Adjournment

The foregoing is a true record of the proceedings at The Rotary Foundation Trustees meeting held on 2 June 2016 in Seoul, Korea.

Ray Klinginsmith, Chairman  
The Rotary Foundation

Andrew McDonald  
Secretary of the Meeting

ATTEST:

John Hewko  
General Secretary
APPENDIX A

SUMMARY OF DECISIONS TAKEN ON BEHALF OF THE TRUSTEES
(Decision 146)

Exhibit 2-a: Citation for Meritorious Service Awards
• 35 award recipients.

Exhibit 2-b: TRF Cadre of Technical Advisers
• The cadre reviewed 45 grants, including 18 technical reviews, three random audits, one routine audit, one targeted audit, two advance site visits, 17 interim monitoring visits, and three stewardship assessments.

Exhibit 2-c: Foundation Programs
• 202 global grants awarded for a total of $13,736,282 in World Fund
• 51 district grants awarded for a total of $1,578,348 in DDF

Exhibit 2-d: Waivers
• **Districts/Clubs:** Rotary Clubs of Windsor (District 5130) and Guadalajara-Providencia (District 4150)
  **Decision:** Waived the Rotary Club of Windsor, District 5130, of any additional reporting responsibility for the final report for Matching Grant #79582 because of their good faith effort in communicating with the host sponsor to complete the reporting requirements. The Rotary Club of Guadalajara-Providencia will have sole responsibility for submitting information on how the grant funds were spent, Rotarian active participation, and submittal of bank statements in order to close the project file.

• **Districts/Clubs:** District 1880 (Germany) and Rotary Club of Mamandur (District 3230)
  **Decision:** Waived District 1880 from any additional reporting responsibility for the final report for Matching Grant #79486 because of their good faith effort in communicating with the host sponsor to complete the reporting requirements. Rotary Club of Bangalore Mamandur will have sole responsibility for submitting information on how the grant funds were spent, Rotarian active participation, and submittal of bank statements in order to close the project file.

• **Districts/Clubs:** Rotary Club of East Manatee (District 6960) and Rotary Club of Bangalore Vijayanagar (District 3190)
  **Decision:** Waived the Rotary Club of East Manatee from any additional reporting responsibility for the final report for Matching Grant #77407 because of their good faith effort in communicating with the host sponsor to complete the reporting requirements. Rotary Club of Bangalore Vijayanagar will have sole responsibility for submitting information on how the grant funds were spent, Rotarian active participation, and submittal of bank statements in order to close the project file.

• **Districts/Clubs:** Rotary Club of Wasilla (District 5010) and the Rotary Club of Suva East (District 9920)
  **Decision:** Waived the Rotary Club of Wasilla from any additional reporting responsibility for the final report for Matching Grant #71211 because of their good faith effort in communicating with the host sponsor to complete the reporting requirements. Rotary Club of Suva East will have sole responsibility for submitting information on how the grant funds were spent, Rotarian active participation, and submittal of bank statements in order to close the project file.
APPENDIX B

AMENDMENTS TO THE ROTARY FOUNDATION CODE OF POLICIES REGARDING
SOCIALLY RESPONSIBLE INVESTING
(Decision 167)

23.020. Investment Policy for Annual Fund

Socially Responsible Investing

Socially Responsible Investing (SRI) is the practice of making investment decisions on the basis of both financial and perceived social performance of a company. SRI imposes restrictions on the ability of investment managers to own securities of companies operating in certain economic sectors or regions of the world. Proponents of SRI typically state that such restrictions align an organization’s investment practices with its mission.

The Investment Committee of The Rotary Foundation, in selecting and monitoring its investment consultant and its investment managers, encourages investment practices described as corporate socially responsible investing (CSR). CSR functions as a self-regulatory mechanism whereby a business monitors its activities to ensure compliance with laws, regulations, ethical standards, and national or international norms.

In addition, the Investment Committee considers the alignment of these firms with the Rotary values. Alignment with these values and CSR investment practices are expected to positively affect the lives of the firm’s employees, suppliers, customers, and the broader community surrounding the business.

The Rotary Foundation also participates in social responsibility through prudently managing its investments in fulfillment of the mission of The Rotary Foundation, which 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.

Socially Responsible Investing (SRI) is the practice of making investment decisions on the basis of both financial and social performance of a company. SRI imposes moral, ethical, and/or environmental constraints on the investment process, in order to align an organization’s investment with its mission.

Because Rotarians comprise a diverse group of individuals from different cultures, agreeing on a mandate for an investment manager to adhere to may be difficult. Additionally, any mandate developed would be subject to interpretation by the investment manager, which may result in the intention of the Trustees not being strictly followed. Further, the tangible benefits or impact to society made through these investments are difficult to measure.

Although The Rotary Foundation’s investment program is not based on the principles of SRI, the Foundation does participate in a form of social responsibility through its investment strategy, which is to grow assets in an appropriate manner for the purpose of fulfilling the mission of The Rotary Foundation.

23.030. Investment Policy for Endowment Fund

Socially Responsible Investing

Socially Responsible Investing (SRI) is the practice of making investment decisions on the basis of both financial and perceived social performance of a company. SRI imposes restrictions on the ability of investment managers to own securities of companies operating in certain economic sectors or regions of the world. Proponents of SRI typically state that such restrictions align an organization’s investment practices with its mission.

The Investment Committee of The Rotary Foundation, in selecting and monitoring its investment consultant and its investment managers, encourages investment practices described as corporate socially responsible investing (CSR). CSR functions as a self-regulatory mechanism whereby a business monitors its activities to ensure compliance with laws, regulations, ethical standards, and national or international norms.

In addition, the Investment Committee considers the alignment of these firms with the Rotary values. Alignment with these values and CSR investment practices are expected to positively affect the lives of the firm’s employees, suppliers, customers, and the broader community surrounding the business.
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