MINUTES

of the

FINAL 2016–17

ROTARY FOUNDATION

BOARD OF TRUSTEES MEETING

One Rotary Center
1560 Sherman Ave., Evanston, IL 60201 USA
## ROTARY FOUNDATION TRUSTEES
### 2016–17

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<tr>
<th>CHAIRMAN</th>
<th>VICE CHAIRMAN</th>
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| **Kalyan Banerjee**  
United Phosphorous Ltd., Uniphos House, C.D.  
Marg., 11th Rd., Madhu Park, Khar (W), Mumbai  
400052 Mah., India (Rotary Club of Vapi) | **Kenneth M. Schuppert Jr.**  
201 Second Av. SE, Decatur AL 35601, USA  
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<tr>
<th>CHAIRMAN-ELECT</th>
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| **Paul A. Netzel**  
6241 Crescent Park West #103, Los Angeles CA,  
90094-3001, USA (Rotary Club of Los Angeles) | **John Hewko**  
1560 Sherman Avenue, Evanston, IL 60201, USA  
(Rotary Club of Kyiv, Ukraine) |

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| **Noel A. Bajat**  
103 Rue St. Gaudens, Carencro LA 70520, USA  
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Aksoy Sokak, Mesa Avrupa Konaklari, A 1/6,  
34662 Altunizade/Istanbul, Turkey (Rotary Club of Istanbul-Karaköy) |

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| **William B. Boyd**  
L 104 Vision Dannemora, 30 Matarangi Rd., Botany Downs, Auckland 2013, New Zealand  
(Rotary Club of Pakuranga) | **Ron D. Burton**  
P.O. Box 721260, Norman OK 73070-4960, USA  
(Rotary Club of Norman) |

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| **Mário César de Camargo**  
Rua João Fernandes, 86, Apto. 41, 09090-740, Santo André SP, Brazil (Rotary Club of Santo André) | **Mary Beth Growney Selene**  
3007 Perry St., Madison WI 53713, USA (Rotary Club of Madison West Town - Middleton) |

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| **Sushil Gupta**  
4/11 Shanti Niketan, New Delhi 110021 Delhi, India (Rotary Club of Delhi Midwest) | **Gary C. K. Huang**  
11F., No. 369, Fu Hsing N. Road, Taipei 105  
(Rotary Club of Taipei) |

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| **Seiji Kita**  
791-26 Ooyaguchi Minami-ku, Saitama, Saitama, 336-0042, Japan (Rotary Club of Urawa East) | **Barry Rassin**  
P. O. Box N-972, West Bay Street to Skyline Drive to #18 Oakhill Road, Nassau N.P. Bahamas  
(Rotary Club of East Nassau) |

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| **Bryn Styles**  
P.O. Box 327, Barrie, ON, L4M 4T5, Canada  
(Rotary Club of Barrie Huronia) | **Young Suk Yoon**  
322 Teheranro, 804 West-Wing Hanshin Inter Valley 24, Gangnam-gu, Seoul 135-918, Korea  
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* Filed only with the official copy of these minutes
MINUTES
of the
FINAL 2016–17 MEETING
Rotary Foundation Board of Trustees

The 2016–17 Rotary Foundation Trustees held their final meeting of the year on 15 June 2017 in Atlanta, Georgia, USA

Present were Chairman Kalyan Banerjee, Vice-Chairman Kenneth M. Schuppert Jr., Chairman-elect Paul A. Netzel, other Trustees Noel A. Bajat, Örşcelik Balkan, William B. Boyd, Ron D. Burton, Mary Beth Growney Selene, Sushil Gupta, Gary C.K. Huang, Seiji Kita, Barry Rassin, Bryn Styles, Young Suk Yoon, and General Secretary John Hewko. Karen Wentz attended as director liaison.

At the invitation of the chairman, incoming Trustees Brenda Cressey, K.R. Ravindran, and Michael F. Webb also attended. Trustee Mário C. de Camargo could not attend this meeting.

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

The general secretary 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:

* * * * * *

137. Approval of the April 2017 Meeting Minutes

Statement: The general secretary distributed the April 2017 Trustees meeting minutes to each trustee.

DECISION: The Trustees approve the minutes of their April 2017 meeting and request the chairman to sign the official copy of those minutes.

138. Ratification of 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 4 March and 15 May 2017 by those authorized to do so.

139. General Secretary’s Report

Statement: The general secretary presented an update on the work at the Secretariat since their April 2017 meeting.

DECISION: The Trustees receive and appreciate the general secretary’s report on the activities at the Secretariat since the April 2017 Trustees meeting.

140. Communications from the Board

Statement: At its June 2017 meeting, the Board took several decisions of interest to the Trustees. The Trustees also considered an invitation from the Board to recommend current projects and activities for evaluation by the Operations Review Committee and reviewed with concern complaints including two districts in India.

DECISION: The Trustees

1. note the following decisions from the June Board meeting:

152. India Investigation Reports
162. Operations Review Committee Report
163. Zones Review Committee Report
165. Constitutional Documents Review Committee Report
167. Strategic Planning Committee Report
169. Global Delivery Model Update
172. Weapons and Rotary Clubs, District, and Other Rotary Entities
177. Adult Harassment Policy
179. Joint Committee on Partnerships Report
180. Selection of Lead Facilitator for the Regional Coordinators Training Institute
2. thank the Board for the invitation to participate in its evaluation of whether current projects and activities should be continued, and agrees to consider recommending projects and activities to the Operations Review Committee for consideration and evaluation;

3. note the Board’s June 2017 decision regarding Indian investigation reports in Districts 3250 and 3132 and request the general secretary to further investigate these allegations and provide a report to the Trustees at their September 2017 meeting.

141. Strategic Planning Committee Report

Statement: The Strategic Planning Committee met on 11–12 May 2017 in Evanston, Illinois, USA, and discussed updates and key findings from Grant Thornton consultants, the development of the next strategic plan, proposed vision statements, and a People of Action campaign update, among other topics.

DECISION: The Trustees

1. thank the Strategic Planning Committee for its report;

2. adopt the following vision statement:

Together, we see a world where people unite and take action to create lasting change—across the globe, in our communities, and in ourselves.

DECISIONS 142–148

International PolioPlus Committee Report
Meeting 7–8 June 2017 in Atlanta, Georgia, USA

142. PolioPlus Service Awards: Eligibility and Criteria Review

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 for a Polio-Free World.

DECISION: The Trustees amend the Rotary Foundation Code of Policies regarding the Service Awards for a Polio-free World, as shown in Appendix B.

143. PolioPlus Service Awards: PolioPlus Pioneer Award

Statement: The International PolioPlus Committee recommended the reinstatement of the PolioPlus Pioneer Award, which honors Rotarians who provided extraordinary service to The Rotary Foundation and the goal of polio eradication.

DECISION: The Trustees

1. reinstate the PolioPlus Pioneer Award, effective 1 July 2017 and adopt award criteria and guidelines, as shown in Appendix C;

2. request the Trustee chair-elect, in consultation with the International PolioPlus Committee chair, to appoint up to three Rotarians to serve as a PolioPlus Pioneer Award Selection Committee;

3. request the general secretary, in consultation with the International PolioPlus Committee chair, to develop nomination materials and a plan to promote the PolioPlus Pioneer Award to the Rotarians, starting in 2017–18.

144. PolioPlus Grants: Combined World Health Organization African Region (WHO/AFRO) and UNICEF Grant Request


DECISION: The Trustees

1. approve a PolioPlus grant of up to US$1,450,905 to UNICEF for social mobilization support for the following countries:

- Ivory Coast: $310,317
- DR Congo: $843,374
- Liberia: $297,214

this grant to be released in accordance with Trustee policies;

2. agree to reallocate $185,000 from unspent funds to UNICEF for social mobilization support in Guinea, this grant to be released in accordance with Trustee policies;

3. approve a PolioPlus grant of up to $4,477,862 and reallocate $171,155 from unspent funds to WHO for surveillance support in the African region, this grant to be released in accordance with Trustee policies;
4. 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;

5. note that these are one-year grants that must be fully expended by 31 August 2018, or one year after the transfer of funds to the grantee, whichever comes later;

6. note that these grants, if fully expended, will increase total PolioPlus grants as follows:

- African Region from: $183,717,377 to $188,195,239;
- Ivory Coast from: $5,040,212 to $5,350,529;
- DR Congo from: $48,153,689 to $48,997,063;
- Guinea from: $2,766,669 to $2,951,150;
- Liberia from: $1,166,669 to $1,463,883.

145. PolioPlus Grants: Combined World Health Organization Eastern Mediterranean Region (WHO/EMRO) and UNICEF Grant Request

Statement: The World Health Organization Eastern Mediterranean regional office (WHO/EMRO) and UNICEF requested grants for social mobilization support in Afghanistan and Pakistan; operational support in Afghanistan, Pakistan, and Somalia; and surveillance support in the Eastern Mediterranean region.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US$14,474,535 to UNICEF for social mobilization support in the following countries:
   - Afghanistan: $6,935,186
   - Pakistan: $7,539,349

   this grant to be released in accordance with Trustee policies;

2. approve a PolioPlus grant of up to $5,921,185 to WHO for operational support in the following countries:
   - Afghanistan: $3,246,860
   - Pakistan: $904,059
   - Somalia: $1,770,266

   this grant to be released in accordance with Trustee policies;

3. approve a PolioPlus grant of up to $3,856,012 to WHO for surveillance support in the Eastern Mediterranean region, this grant to be released in accordance with Trustee policies;

4. 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;

5. note that these are one-year grants that must be fully expended by 31 August 2018, or one year after the transfer of funds to the grantee, whichever comes later;

6. note that these grants, if fully expended, will increase total PolioPlus grants as follows:

- Eastern Mediterranean region from: $54,079,462 to $57,935,474;
- Afghanistan from: $105,579,387 to $115,761,433;
- Pakistan from: $147,311,693 to $155,744,476;
- Somalia from: $39,301,839 to $41,072,105.

146. PolioPlus Grants: Combined World Health Organization South-East Asia Region (WHO/SEARO) and UNICEF Grant Request

Statement: The World Health Organization South-East Asia regional office (WHO/SEARO) and UNICEF requested grants for surveillance support in the Southeast Asia region, India, Myanmar, and Nepal, and social mobilization support in India.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US$2,914,680 to WHO for surveillance support in the following:
Minutes of the Final Meeting of the 2016-17 Rotary Foundation Trustees

- Southeast Asia Region: $79,180
- India: $2,407,500
- Myanmar: $267,500
- Nepal: $160,500

This grant to be released in accordance with Trustee policies;

2. approve a PolioPlus grant of up to $1,585,185 to UNICEF for social mobilization support in India, this grant to be released in accordance with Trustee policies;

3. 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;

4. note that these are one-year grants that must be fully expended by 31 August 2018, or one year after the transfer of funds to the grantee, whichever comes later;

5. note that these grants, if fully expended, will increase total PolioPlus grants as follows:
   - Southeast Asia region from: $2,848,000 to $2,927,180;
   - India from: $176,460,224 to $180,452,909;
   - Myanmar from: $7,004,071 to $7,271,571;
   - Nepal from: $6,060,443 to $6,220,943.

147. PolioPlus Grants: World Health Organization Polio Research Committee Grant Request

Statement: The World Health Organization requested a grant for polio research activities in London and Sri Lanka.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US$319,636 and agree to reallocate $362,579 from unspent funds from previous research grants to WHO for the implementation of polio eradication research activities in London, and Sri Lanka, as 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 August 2019;

4. note that this grant, if fully expended, will bring the total PolioPlus grants to WHO/Research to $29,841,671.

148. PolioPlus Grants: Global Polio Eradication Initiative Independent Monitoring Board and Transition Independent Monitoring Board Grant Request

Statement: The World Health Organization requested a grant for administrative activities to support the Global Polio Eradication Initiative Independent Monitoring Board and Polio Transition Independent Monitoring Board.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US$331,725 to WHO to support the administrative activities of the GPEI Independent Monitoring Board and Polio Transition Independent Monitoring Board in 2017–18, this grant to be released in accordance with Trustee policies;

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 under such controls and conditions as the agreement specifies;

3. note that this grant must be fully expended by 31 December 2018;

4. note that this grant, if fully expended, will increase total PolioPlus grants to WHO/IMB from $396,167 to $727,892.


Statement: Following a review of the requested PolioPlus grants, a Trustee suggested that the Trustees request the International PolioPlus Committee to conduct a review
of the financial accountability systems in place for PolioPlus grants, to ensure the proper use of the funds.

**DECISION:** The Trustees request the International PolioPlus Committee to conduct a comprehensive review of the financial accountability systems in place for PolioPlus grants, for report to the Trustees at their January 2018 meeting.

150. Routine Immunizations in India

**Statement:** The Trustees discussed the possibility of extending immunization efforts beyond polio eradication in India.

**DECISION:** The Trustees

1. look favorably on Rotarians in India using the PolioPlus infrastructure to promote routine immunizations for polio and other childhood diseases;

2. agree that PolioPlus Partners funds could be used by the India National PolioPlus Committee to administer Rotarian engagement in this effort;

3. note that this activity reinforces the “Plus” in PolioPlus and does not represent a new program.

151. Level III Grant Requests

**Statement:** Global Grants requesting over US$100,000 from the World Fund must be reviewed by the Trustees. Two Global Grant applications were reviewed, including grants for projects in basic education and literacy and water and sanitation.

**DECISION:** The Trustees award

1. Global Grant 1642745, a basic education and literacy grant sponsored by the Rotary Club of Guatemala Vista Hermosa (District 4250) and the Rotary Club of Downey, CA, USA (District 5280) to develop reading programs, provide teacher training, literacy materials, and computers to improve literacy programs in Sololá, Chimaltenango, and Quetzaltenango, Guatemala in the amount of US$181,025 from the World Fund (total project cost of $435,583). Approval will be contingent upon the inclusion of a youth protection policy and procedures into the project;

2. Global Grant 1638680, a water and sanitation grant sponsored by Rotary Club of Pignon, Haiti (District 7020) and the Rotary Club of Eden Prairie Noon, MN, USA (District 5950) to provide sustainable access to clean water through the placement or refurbishment of 46 wells and to provide sanitation and hygiene training to improve health in Pignon, Haiti in the amount of $197,503 from the World Fund (total project cost of $772,430).

152. Grant Appeals

**Statement:** In decision 113, April 2017 the Trustees considered an appeal by the Rotary Clubs of Sropathum, Thailand and Matilda Bay, Australia regarding a global grant application to distribute bike helmets to children in low income communities in Thailand and to provide road safety education. The Trustees upheld the general secretary’s disapproval, noting that the project did not fit within any of the areas of focus, and for conflict of interest concerns pertaining to the financing partner. Trustee Boyd presented clarifying information for this grant for the Trustees reconsideration of the application.

**DECISION:** The Trustees

1. grant the appeal of Global Grant 1745207 Safe Schools, Safe Community in Thailand sponsored by the Rotary Clubs of Sropathum, Thailand (District 3350) and Matilda Bay, Australia (District 9455) on an exception basis to distribute helmets to children in low income communities and provide road safety education;

2. ask the Programs Committee to review the policy statement for disease prevention & treatment to consider including injury prevention as a non-communicable disease (NCD), reflective of current public health policy, for report to the January 2018 Trustees meeting.

153. Reconsideration of Global Grant 1747314

**Statement:** The Trustees reconsidered a global grant application that the general secretary previously denied.

**DECISION:** The Trustees defer reconsideration of Global Grant 1747314 to their September 2017 meeting and request the general secretary to provide additional background information on this grant at that time.

154. District 9212 Update

**Statement:** In decision 126, April 2017, the Trustees requested the general secretary, in conjunction with the
Stewardship Committee chair, to identify and appoint a special adviser to District 9212 for a two-year term to assist the district in complying with Foundation grant and stewardship requirements, for report at this meeting. The general secretary reported that a list of requirements and a deadline for completion was sent to the governor and that while the district had been actively attempting to resolve its outstanding stewardship issues, progress was slow. Several of the requirement remained incomplete. Appointment of the special adviser was delayed pending completion of the requirements.

**DECISION:** The Trustees receive the report on District 9212 (Eritrea, Ethiopia, Kenya, and South Sudan).

155. **Zones 4, 5, and 6A Grants Panel**

**Statement:** In decision 127, April 2017, the Trustees looked with favor on a request from Rotary Foundation (India) to form an oversight panel to review completed grants in Zones 4, 5, and 6A and request the general secretary to obtain further information on this proposal. The Trustees received a report on the creation of a local oversight panel including criteria for membership on the panel roles and responsibilities, and Secretariat involvement. The panel will investigate allegations of administrative, financial, or operational misconduct at the district level.

**DECISION:** The Trustees

1. agree to allow the Rotary Foundation (India) to implement a local oversight grants panel on a one-year pilot basis;

2. request the general secretary to provide an update on this oversight grants panel at the April 2018 Trustees meeting.

*Note:* Trustee Burton requested that his negative vote be recorded.

**DECISIONS 156–160**

**Joint RI and TRF Finance Committee Report**

Meeting 2–4 May 2017 in Evanston, Illinois, USA

156. **Budget for 2017–18 Operating Expenses**

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

**DECISION:** The Trustees

1. thanks the RI and TRF Finance Committees for their joint meeting report;

2. reaffirm the 2017–18 budget for contribution, net investment return, other income and program awards approved in decision 131, April 2017 and approve the operating budget for The Rotary Foundation in 2017–18:

   - **Contributions:** $314,600,000
   - **Net investment return:** 36,726,000
   - **Other income:** 1,691,000
   - **Total revenues:** 353,017,000

   - **Program awards:** 275,514,000
     - **Operating budget:** 24,917,000
     - **Fund development:** 20,734,000
     - **General administration:** 5,588,000
   - **Total operating budget:** 51,239,000
   - **Total expenses:** 326,753,000
   - **Increase in net assets:** 26,264,000

3. 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.

*Note:* Trustee Burton requested that his negative vote be recorded.

157. **Amendments to the Rotary Foundation Code of Policies**

**Statement:** The Joint RI and TRF Finance Committee suggested amendments to the Rotary Foundation Code of Policies regarding the committee's responsibilities that would bring the Code in line with current practices and procedures.

**DECISION:** The Trustees approve revised terms of reference for the Finance Committee, as shown in Appendix D.
158. Foreign Currency Management

Statement: The Joint RI and TRF Finance Committee suggested amendments to the Rotary Foundation Code of Policies regarding the foreign currency management policy to bring the Code in line with current practices and procedures.

DECISION: The Trustees amend the Rotary Foundation Code of Policies section 23.090. as follows:

23.090. International Foreign Currency Management Policy

The Trustees have adopted an International Currency Management Policy which can be found in the “Supporting Documents” for this Code.

Rotary adopts a foreign currency management policy to maximize the effectiveness of global cash management practices by reducing the impact of volatility in foreign exchange rates on Rotary’s operating cash flows and to protect the forecasted value of anticipated currency exposures while minimizing the cost associated with implementing currency hedges. Rotary will not hedge for speculative purposes.

The general secretary, through delegation to the chief financial officer, will establish internal foreign currency management procedures in accordance with this policy. The Finance Committees will be responsible for reviewing the procedures from time to time as deemed necessary.

159. Rotary Exchange Rates

Statement: The Joint RI and TRF Finance Committee suggested amendments to the Rotary Foundation Code of Policies regarding Rotary exchange rates to bring the Code in line with current practices and procedures.

DECISION: The Trustees amend Rotary Foundation Code of Policies section 20.030. as follows:

20.030. Rotary Exchange Rates

• Contributions to the Rotary Foundation in currencies other than US dollars shall be converted to US dollars at a rate established in advance for that purpose.

• The general secretary shall act on behalf of the Trustees in establishing the rates to be effective on 1 July and 1 January and for determining modifications to be effective 1 October and 1 April.

• When the value of a currency fluctuates three percent or more in relation to the US dollar from the prior month the general secretary, acting for the Trustees, may adjust the exchange rates as he deems appropriate.

• On 1 January and 1 July in each year, all clubs affected will be notified of the rates of exchange in effect with respect to contributions to The Rotary Foundation for the ensuing six-month period, and on 1 October and 1 April, of any modifications made. Such notifications shall include a statement to the effect that, for the period involved, or until otherwise determined and announced, contributions to the Foundation will be received and credited at a specific amount in local currency in relation to the US dollar. There also will be reference to the specific amount of contributions in local currency required for various forms of recognition awarded by the Foundation.

The audited financial statements of The Rotary Foundation of Rotary International present the consolidated financial impact of the activities undertaken by the organization on a global basis. Because Rotary operates in different economic and currency environments, some transactions must be converted from the currency in which they took place to Rotary’s base currency for financial reporting, which is US dollars. Rotary adopts the following policy with regard to the translation of non-US dollar denominated transactions into US dollars.

1. The Rotary Foundation of Rotary International will establish and post the Rotary Exchange Rates for foreign currency translation on a monthly basis with enough time to appropriately communicate to Rotarians and internal users of these exchange rates;
2. The exchange rates will be in compliance with US Generally Accepted Accounting Principles;
3. The exchange rates will be sufficiently accurate to provide a clear picture of the operations;
4. The general secretary, through delegation to the chief financial officer, will be
responsible for maintaining a procedure for the calculation and reporting of the exchange rates;
5. The Finance Committee will from time to time review the procedure.

160. Audit Committee Report: Selection of Independent Auditor

Statement: Rotary Foundation Code of Policies section 67.020. states that the Audit Committee, on behalf of the Board and Trustees, will formally consider and conduct a comprehensive review for the selection of its independent auditor based on competitive proposals at least once every seven years. The Audit Committee met on 16–18 May 2017 in Evanston, Illinois, USA, and considered proposals from three potential auditing firms.

DECISION: The Trustees thank the Audit Committee for its report and note the Board’s decision 200, June 2017, to appoint Deloitte as Rotary’s independent auditor for fiscal years 2017–18, 2018–19, and 2019–20.

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161. Investment Committee Report

Statement: The Investment Committee met on 9 June 2017 in Atlanta, Georgia, USA and discussed asset allocation and portfolio construction, a report from the governance documents workgroup, discussion of the Investment Committee charter, the discussion of Annual Fund, Endowment Fund, General Surplus Fund investment policy statements, and the Conflict of Interest policy, among other topics.

DECISION: The Trustees

1. approve the following strategic asset class/strategy allocations and ranges for The Rotary Foundation Endowment Fund:

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<th>Asset Class/Strategy</th>
<th>Endowment Fund</th>
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<td>Min</td>
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<tr>
<td>Cash</td>
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<tr>
<td>U.S. Equity</td>
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<td>International Equity</td>
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<td>Buyouts</td>
<td>6%</td>
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<tr>
<td>Venture Capital</td>
<td>0%</td>
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2. amend the Investment Policy Statement for the Endowment Fund as shown in Appendix E, filed only with the official copy of these minutes;

3. approve the following strategic asset class/strategy allocations and ranges for The Rotary Foundation Annual Fund:

<table>
<thead>
<tr>
<th>Asset Class/Strategy</th>
<th>Annual Fund</th>
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<tbody>
<tr>
<td></td>
<td>Min</td>
</tr>
<tr>
<td>Cash</td>
<td>0%</td>
</tr>
<tr>
<td>U.S. Equity</td>
<td>5%</td>
</tr>
<tr>
<td>International Equity</td>
<td>10%</td>
</tr>
<tr>
<td>Fixed Income (rates)</td>
<td>20%</td>
</tr>
<tr>
<td>Fixed Income (credit)</td>
<td>29%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>12.5%</td>
</tr>
<tr>
<td>Natural Resources</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

4. approve the following strategic asset class/strategy allocation for The Rotary Foundation Operating Reserve:

<table>
<thead>
<tr>
<th>Asset Class/Strategy</th>
<th>Operating Reserve</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Min</td>
</tr>
<tr>
<td>Short Duration Fixed Income</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

5. amend the Investment Policy Statement for the Annual Fund as shown in Appendix F, filed only with the official copy of these minutes;

6. amend Investment Committee Charter as shown in Appendix G, filed only with the official copy of these minutes;
7. amend the Rotary Code of Policies section 2.030.3.2. regarding the conflict of interest policy for the Investment Committee, as follows:

2.030.3.2. Conflict of Interest Policy for Members of the Investment Committee

I. Policy

1. The Investment Committee (“Committee”) is responsible for the selection, management and oversight of vendors of financial services. The Investment Committee (“Committee”) has oversight responsibility for Rotary’s investment portfolios. The portfolios are generally managed on Rotary’s behalf by external investment and financial firms. Each Committee member has a duty to place the interests of The Rotary Foundation and Rotary International foremost in any dealings with such organizations.

[Text omitted]

162. Request for Additional World Fund for Global Grants

Statement: The general secretary reported the funding for global grants in 2016–17 was in risk of not keeping up with demand due to a sudden, unexpected increase in global grant requests. Noting that this is a strong affirmation of the global grants model and that it is in Rotary’s best interest to keep pace with global grant requests with the appropriate funding, the general secretary suggested that the Board approve use of unrestricted contributions from the World Fund.

DECISION: The Trustees approve the use of an additional US$5,000,000 from unrestricted contributions for program award expenditures to fund global grants for the remainder of 2016–17.

Adjournment

The foregoing is a true record of the proceedings at The Rotary Foundation Trustees meeting held on 15 June 2017 in Atlanta, GA, USA.

Kalyan Banerjee, 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 138)

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

Exhibit 2-b: TRF Cadre of Technical Advisers
- The cadre reviewed 62 grants, including 20 technical reviews, three post-project site visits, two advance site visits, one random audit, eight routine audits, 10 grant model evaluation sustainability checks, and 18 interim monitoring visit.

Exhibit 2-c: PolioPlus Partner Grants
- US$488,581 of PolioPlus Partners funds for the 2016–17 Nigeria polio water and sanitation activities;
- $272,550 of PolioPlus Partners funds for the 2016–17 Democratic Republic of Congo (DRC) immunization activities;
- $272,200 of PolioPlus Partners funds for the 2016–17 Cote d’Ivoire immunization activities;
- $150,000 of PolioPlus Partners funds for the 2016–17 Niger immunization activities.

Exhibit 2-d: Foundation Programs
- 288 global grants awarded for a total of $8,255,902 in World Fund
- 57 district grants awarded for a total of $1,576,404 in DDF

Exhibit 2-e: Waivers
- Districts/Clubs: Rotary Clubs of Schongau, Germany (District 1841) and Mount Everest Lalitpur, Nepal (District 3292)
  Decision: Waived the Rotary Club of Schongau, Germany (District 1841) of any additional reporting responsibility for the final report for Matching Grant #75745 because of their good faith effort in trying to work with the host sponsor to complete the reporting requirements. The Rotary Club of Mount Everest Lalitpur, Nepal (District 3292) will have sole responsibility for submitting a final report in order to close the project file.
APPENDIX B

AMENDMENTS TO THE ROTARY FOUNDATION CODE OF POLICIES, ARTICLE 21
(Decision 142)

21.050.2. Service Award for a Polio-Free World
The criteria and guidelines for The Service Award for A Polio-Free World are as follows:

21.050.2.1. Purpose
This award is intended to recognize Rotarians’ outstanding contributions to the eradication of polio effort and thereby encourage final efforts.

21.050.2.4. Number and Distribution of Awards
Regional awards, with regions coinciding with the six World Health Organization (WHO) regions, for outstanding service in polio eradication, solely or primarily within the region, will be made annually, not to exceed 60. International awards for broad service to the cause of polio eradication will also be made annually, not to exceed 10 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.

21.050.2.5. Eligible Recipients
Any Rotarian is eligible except:

- Members of the International PolioPlus Committee are ineligible for either awards

21.050.2.6. Award Approval

- Regional awards will be made by the trustee chair upon recommendation by the International PolioPlus Committee (IPPC Chair), which may consider the views of appropriate regional committees, and in the case of nominations from Afghanistan, India, Nigeria, and Pakistan, may consider the views of National PolioPlus Committee chairs of these countries. If there is no regional committee, the IPPC trustee chairman will appoint a Rotarian in the WHO Region to execute the regional committee responsibilities in this regard.

- International awards will be made by the Trustee chair Executive Committee of the Trustees upon recommendation by the IPPC.

- Any Rotarian may initiate a recommendation for a Rotarian to receive either award.
APPENDIX C

POLIOPLUS PIONEER AWARD CRITERIA
(Decision 143)

THE ROTARY FOUNDATION
OF ROTARY INTERNATIONAL

POLIOPLUS PIONEER AWARD

Criteria and Guidelines

Purpose: The award is made to honor Rotarians who provided extraordinary service to The Rotary Foundation, such service having a substantial impact on the ultimate goal of polio eradication.

Eligibility: Rotarians who performed exceptionally meritorious service to the ultimate cause of polio eradication prior to 1 November 1992.

Criteria:
1. The service must be non-financial, although service in advocacy and fund raising is not excluded.
2. A Rotarian may receive the Pioneer award and one or both of the Service Awards for a Polio-free World.
3. Current and past directors, trustees and members of the International PolioPlus Committee are ineligible for the award.

Nominations: Nominations may be made by any Rotarian to the general secretary. The general secretary will forward all nominations to the chair of the PolioPlus Pioneer Award Selection Committee with information of any prior PolioPlus Service Awards received. The Selection Committee shall meet electronically or by phone, except when authorized by the Trustee chair.

Selection Committee: Members shall be appointed by and serve at the pleasure of the Trustee chair.
APPENDIX D

FINANCE COMMITTEE TERMS OF REFERENCE
(Decision 157)

The Finance Committee shall

1. consist of at least four Trustee members

2. hold at least two in person meetings in conjunction with the RI Finance Committee in each Rotary year

3. invite New Finance Committee members to the meeting immediately prior to their joining the committee.

It is the responsibility of the Finance Committee to make recommendations to the Trustees on all financial matters relating to The Rotary Foundation, including:

1. Review the details of the annual budget of The Rotary Foundation before recommendation to the Trustees

2. In conjunction with the budget review and in conjunction with the RI Finance Committee, confirm the allocation of gross expenses to The Rotary Foundation

3. Review at each meeting the financial performance compared against the budget and report to the Trustees at their next meeting

4. In collaboration with the Strategic Planning Committee and the general secretary, review the organization’s long-term financial projections and financial sustainability opportunities

5. Review and recommend changes as necessary to The Rotary Foundation Funding Model to ensure sufficient funds are available to fund programs and pay operating expenses

6. Deliver to the Trustees a 5 year financial forecast annually
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* Filed only with the official copy of these minutes