# Rotary Foundation Trustees 2017–18

## Chairman

**Paul A. Netzel**  
Los Angeles, CA, USA  
(Rotary Club of Los Angeles)

## Vice Chairman

**Kenneth M. Schuppert Jr.**  
Decatur, AL, USA (Rotary Club of Decatur)

## Chairman-elect

**Ron D. Burton**  
Norman, OK, USA (Rotary Club of Norman)

**Örşçelik Balkan**  
İstanbul, Turkey  
(Rotary Club of Istanbul-Karaköy)

**Mário César de Camargo**  
Santo André, Brazil (Rotary Club of Santo André)

**Mary Beth Growney Selene**  
Madison, WI, USA  
(Rotary Club of Madison West Town–Middleton)

**Gary C. K. Huang**  
Taipei, Taiwan (Rotary Club of Taipei)

**Julia D. Phelps**  
Greenland, NH, USA (Rotary Club of Amesbury)

**Michael F. Webb**  
Somerset, England (Rotary Club of Mendip)

## General Secretary

**John Hewko**  
Evanston, IL, USA (Rotary Club of Kyiv, Ukraine)

**William B. Boyd**  
Auckland, New Zealand  
(Rotary Club of Pakuranga)

**Brenda M. Cressey**  
Templeton, CA, USA  
(Rotary Club of Paso Robles)

**Sushil Gupta**  
New Delhi, India (Rotary Club of Delhi Midwest)

**Seiji Kita**  
Saitama, Japan (Rotary Club of Urawa East)

**K.R. Ravindran**  
Colombo, Sri Lanka (Rotary Club of Colombo)

**Young Suk Yoon**  
Seoul, Korea (Rotary Club of Seoul Hoehyon)
Contents

139. Approval of the April 2018 Meeting Minutes ................................................................. 1
140. Ratification of Decisions Taken on Behalf of the Trustees .............................................. 1
141. General Secretary’s Report ............................................................................................... 1
142. Tentative Future Agenda ................................................................................................. 1
143. Communications from the Board..................................................................................... 1
144. RI Tax Status Joint Task Force ........................................................................................ 2
145. Regional Leader Policy Revisions ................................................................................... 2
146. Regional Leader Task Force ............................................................................................ 2
147. Strategic Planning Committee Report .............................................................................. 2

International PolioPlus Committee Report (148–151)
148. International PolioPlus Committee Report .................................................................... 3
149. PolioPlus Grants: Combined World Health Organization African Region (WHO/AFRO) and UNICEF Grant Request .............................................................................................................. 3
150. PolioPlus Grants: Combined World Health Organization Eastern Mediterranean Region (WHO/EMRO) and UNICEF Grant Request ........................................................................ 4
151. PolioPlus Grants: World Health Organization Polio Research Committee Grant Request .......................................................... 4
152. Level III Grant Requests .................................................................................................. 5
153. Global Grant Appeals ....................................................................................................... 5
154. Disaster Relief .................................................................................................................. 5
155. Rotary International and the Institute for Economics and Peace Strategic Partnership .................................................................................................................. 6
156. Peace Program Manager .................................................................................................. 6
157. Areas of Focus Review Committee ................................................................................. 7
158. Philanthropic Support Model .......................................................................................... 7
159. Audit Committee Report .................................................................................................. 7
160. Investment Committee Report ........................................................................................ 7

TRF Finance Committee Report (161–162)
161. Budget for 2018–19 Operating Expenses ...................................................................... 7
162. RI/TRF Allocation ............................................................................................................ 8

Appendices

A. Decisions Taken on Behalf of the Trustees (Decision 140) (Summary) .......................... 16
A.* Decisions Taken on Behalf of the Trustees (Decision 140) (Complete) ........................ 16
B.* Revised List of Districts Assigned to Regional Leader Teams (Decision 146) ................. 17
C. Strategic Planning Priorities and Objectives (Decision 147) ........................................... 17
D.* Administrative Services Agreement (Decision 162) ...................................................... 18

* Filed only with the official copy of these minutes
MINUTES
of the
JUNE 2018 MEETING
Rotary Foundation Board of Trustees

The 2017–18 Rotary Foundation Trustees held their final meeting of the year on 28 June 2018 in Toronto, Ontario, Canada.

Present were Chairman Paul A. Netzel, Vice-Chairman Kenneth M. Schuppert, Jr., Chairman-elect Ron D. Burton, other Trustees Örsçelik Balkan, William B. Boyd, Brenda Cressey, Mary Beth Growney Selene, Sushil Gupta, Gary C.K. Huang, Seiji Kita, Julia D. Phelps, K.R. Ravindran, Michael F. Webb, Young Suk Yoon, and General Secretary John Hewko. Gregory F. Yank attended as director liaison. Trustee Mário C. de Camargo could not attend this meeting.

At the invitation of the chairman, incoming Trustees John F. Germ, Per Høyen, Gulam Vahanvaty, and Sangkoo Yun also attended.

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, Thomas Thorfinnson, and Nora Zei. 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:

* * * * *

139. Approval of the April 2018 Meeting Minutes

Statement: The general secretary distributed the April 2018 Trustees meeting minutes to each trustee.

DECISION: The Trustees approve the minutes of their April 2018 meeting and request the chairman to sign the official copy of those minutes.

140. 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 23 February and 10 May 2018 by those authorized to do so.

141. General Secretary’s Report

Statement: The general secretary presented an update on the work at the Secretariat since the April 2018 Trustees meeting.

DECISION: The Trustees receive the general secretary’s report on the activities at the Secretariat since the April 2018 Trustees meeting.

142. Tentative Future Agenda

Statement: At each meeting, the Trustees review a tentative agenda for their next meeting.

DECISION: The Trustees receive the tentative agenda for their August 2018 meeting.

143. Communications from the Board

Statement: At its April and June 2018 meetings, the Board took several decisions of interest to the Trustees. The Trustees also noted a June 2018 Board decision that would discontinue funding for RI past presidents to attend the International Assembly.
**DECISION:** The Trustees

1. note the following decisions from the April 2018 Board meeting:

   131. Communications from the Trustees
   132. Possible Change in RI Tax Status
   138. Selection of Lead Facilitator for the Regional Coordinators Training Institute
   142. Member Benefits Committee Report
   153. Site Selection for the 2021 through 2025 International Assemblies
   154. Rotaractors at 2019 International Assembly
   156. Bidding Process for Convention Cities
   159. Joint Committee on Partnerships Report
   168. The Rotary Foundation Unrestricted Programs Budget for 2018–19

2. thank the Board for its report on certain projects and activities of the Foundation;

3. note the following decisions from the June 2018 Board meeting:

   172. Regional Leader Policy Revisions
   173. Regional Leader District Grouping
   176. Election Complaint in Zone 6A
   178. Strategic Planning Committee Report
   182. RI Tax Status Joint Task Force Report
   185. Finance Committee Report: Rotary Foundation Allocation

4. request the Board to reconsider its decision 187, June 2018 (Finance Committee Report: Past Presidents’ Attendance at the International Assembly) as the Trustees find merit in the RI Past Presidents’ attendance at the International Assembly.

**144. RI Tax Status Joint Task Force Report**

**Statement:** In decision 132, April 2018, the Board agreed to establish a six-member joint task force comprising three 2018–19 trustees appointed by the Trustee chair and three 2018–19 directors appointed by the RI president to study the issues relating to the possible change in RI’s tax status. The RI Tax Status Joint Task Force met on 14 June 2018 in Evanston, IL, USA, and discussed the development of an approach to analyzing the consequences of the possible conversion of RI from a Section 501(c)(4) tax exempt organization to a Section 501(c)(3) tax exempt organization.

**DECISION:** The Trustees thank the RI Tax Status Joint Task Force for its report.

**145. Regional Leader Policy Revisions**

**Statement:** In decision 124, April 2018, the Trustees revised policy regarding regional Rotary Foundation coordinators, and requested the general secretary to continue working with the Regional Leader Working Group to draft similar revisions to the endowment/major gifts advisers policy and similar policy suggestions for trustees related to their role and relationship with regional leaders. The working group suggested guidelines for teamwork, training, fundraising, and evaluation of the endowment/major gifts advisers and new relationship guidelines for trustees working with the EMGAs. The Trustees requested additional time to review these recommendations.

**DECISION:** The Trustees defer consideration of regional leader policy revisions until their August 2018 meeting.

**146. Regional Leader Task Force**

**Statement:** In August 2017, President Riseley and Trustee Chair Netzel appointed a task force to determine whether the new zones structure required changes regarding which districts are assigned to the regional teams. The committee met several times over the year and, based on feedback from regional and senior leaders, recommended several changes to the regional leader district groupings for the Trustees’ consideration.

**DECISION:** The Trustees

1. thank the Regional Leader Task Force for its report;

2. approve the revised list of districts assigned to each regional team, as shown in Appendix B (filed only with the official copy of these minutes), effective 1 July 2020, and requests the general secretary to implement accordingly.

**147. Strategic Planning Committee Report**

**Statement:** The Strategic Planning Committee met on 25–26 April 2018 in Evanston, IL, USA and discussed club-level implementation plans for the new strategic
plan, findings from strategic planning focus groups, lessons learned from the Foundation’s Future Vision, an update from the Communications Working Group regarding communicating the new strategic plan across the Rotary world, and final adjustments to the plan before submission to the Board and Trustees for adoption, among other topics.

**DECISION:** The Trustees

1. thank the Strategic Planning Committee for its report;

2. adopt the strategic plan as shown in Appendix C.

**DECISIONS 148–151**

**International PolioPlus Committee Report**
Meeting 20–21 June 2018, Toronto, Canada

148. **International PolioPlus Committee Report**

**Statement:** The International PolioPlus Committee discussed the status of the polio eradication program, vaccine supply and community-based vaccinations in high-risk districts, an update on the activities of the Bill & Melinda Gates Foundation, the Global Polio Eradication Initiative (GPEI) polio transition planning update, GPEI post-certification strategy update, a report on international advocacy activities, a proposed revision of terms of reference for the Polio Eradication Task Force for the United States and the National Advocacy Advisers, a progress report from the End Polio Now: Countdown to History campaign, and a PolioPlus communications report, among other topics.

**DECISION:** The Trustees thanks the International PolioPlus Committee for its report.

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

**Statement:** The World Health Organization African regional office (WHO/AFRO) and UNICEF requested grants for technical assistance in Nigeria and West and Central Africa; operational support in Cameroon, Central Africa Republic, Chad, Guinea, Madagascar, Mali, Niger, Nigeria, Sierra Leone, and South Sudan; outbreak response support for Democratic Republic Congo; and social mobilization support in Nigeria.

**DECISION:** The Trustees

1. approve a PolioPlus grant of up to US$575,350 to UNICEF for technical assistance for the following countries:
   - Nigeria: $107,533
   - West and Central Africa: $467,817

   this grant to be released in accordance with Trustee policies;

2. approve a PolioPlus grant of up to $4,145,707 to WHO for operational support for the following countries:
   - Cameroon: $98,588
   - Central Africa Republic: $394,391
   - Chad: $511,747
   - Guinea: $527,321
   - Madagascar: $690,012
   - Mali: $923,201
   - Niger: $85,273
   - Sierra Leone: $245,308
   - South Sudan: $669,866

   this grant to be released in accordance with Trustee policies;

3. approve a PolioPlus grant of up to $1,761,688 to WHO for outbreak response support in DR Congo, this grant to be released in accordance with Trustee policies;

4. approve a PolioPlus grant of up to $8,179,010 to UNICEF for social mobilization support in Nigeria, this grant to be released in accordance with Trustee policies;

5. approve a PolioPlus grant of up to $494,799 to UNICEF for operational support in Nigeria, 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 August 2019, 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:

- Cameroon from: $21,708,594 to $21,807,182;
- Central Africa Republic from: $1,760,699 to $2,155,090;
- Chad from: $44,736,678 to $45,248,425;
- DR Congo from: $59,977,738 to $61,739,426;
- Guinea from: $3,727,361 to $4,254,682;
- Madagascar from: $3,750,822 to $4,440,834;
- Mali from: $5,382,603 to $6,305,804;
- Niger from: $28,636,935 to $28,722,208;
- Nigeria from: $241,826,306 to $250,607,648;
- Sierra Leone from: $1,282,042 to $1,527,350;
- South Sudan from: $44,424,132 to $45,093,998;
- West and Central Africa from: $10,783,015 to $11,250,832.

150. 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 operational support in Pakistan, Afghanistan, Somalia, and Sudan.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US$6,955,000 to UNICEF for social mobilization support in Afghanistan; this grant to be released in accordance with Trustee policies;

2. approve a PolioPlus grant of up to $9,630,000 to UNICEF for operational support in Pakistan; this grant to be released in accordance with Trustee policies;

3. approve a PolioPlus grant of up to $16,440,479 to WHO for operational support in the following countries:

- Afghanistan: $9,095,000
- Pakistan: $4,012,500
- Somalia: $776,194
- Sudan: $2,556,785

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 2019, 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:

- Afghanistan from: $137,119,650 to $153,169,650;
- Pakistan from: $184,001,774 to $197,644,274;
- Somalia from: $45,987,374 to $46,763,568;
- Sudan from: $41,360,823 to $43,917,608.

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

Statement: The World Health Organization Polio Research Committee requested a grant for operational support of the Polio Research Committee, and for research activities in Chad, Niger, Israel, and Nepal.

DECISION: The Trustees

1. approve a PolioPlus grant of up to US$1,441,076 for the period of 2019–20 for the operational support of the Polio Research Committee;

2. approve a PolioPlus grant of up to $494,966 to WHO for the implementation of polio eradication research
activities in Chad, Niger, Israel, and Nepal as proposed by the Polio Research Committee;

3. 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;

4. note that this is a two-year grant that must be fully expended by 31 August 2020;

5. note that this grant, if fully expended, will bring the total PolioPlus grants to WHO/Research to $32,509,051.

*****

152. Level III Grant Requests

Statement: Global Grants requesting over US$100,000 from the World Fund must be reviewed by the Trustees. Three such Global Grant applications were reviewed and awarded by the Trustees at this meeting.

DECISION: The Trustees agree to award

1. Global Grant 1528367, a Disease Prevent and Treatment grant sponsored by the Rotary Clubs of Castro Valley, CA, USA (District 5170) and Finot, Addis Ababa, Ethiopia (District 9212) to build an oxygen generator plant at Nejo Hospital that will provide a steady and reliable source of oxygen for six hospitals in the region, in the amount of US$140,357 from the World Fund (total project cost of $370,236);

2. Global Grant 1752923, a Basic Education and Literacy grant sponsored by the Rotary Clubs of Calgary, AB, Canada (District 5360) and Guatemala La Reforma, Guatemala (District 4250) to develop a primary school reading program, provide middle-school students with access to textbooks and computer centers, and create a youth development program, in the amount of $200,000 from the World Fund (total project cost of $694,092);

3. Global Grant 1860858, a Water and Sanitation grant sponsored by the Rotary Clubs of Minneapolis City of Lakes, MN, USA (District 5950) and Santa Rosa de Copán, Copán, Honduras (District 4250) to help increase water access and reduce waterborne diseases by providing a water distribution system, safe sanitation facilities, and hygiene and sanitation training to 20 communities, 20 schools, and nine healthcare facilities of the Lempira and Ocotepeque Departments, Honduras, in the amount of $141,787 from the World Fund (total project cost of $800,000).

153. Global Grant Appeals

Statement: Per Rotary Foundation Code of Policies section 2.020., the general secretary is authorized to approve all grant awards up to US$100,000. Any appeals of the general secretary’s action in this regard will be reviewed and acted upon by the Trustees’ Executive Committee. The general secretary received an appeal to global grant applications that had been previously denied.

DECISION: The Trustees agree to uphold the decision of the general secretary to decline Global Grant 1860189, a basic education and literacy grant sponsored by the Rotary Clubs of Ramat Hasharon, Israel (District 2490) and Küsnacht-Zürich, Switzerland (District 2000) to establish a therapeutic garden and animal center for children in Israel, in the amount of US$17,321 from the World Fund (total project cost of $45,963).

154. Disaster Relief

Statement: In January 2018, the Trustees discussed how Rotary currently responds to districts that have been impacted by natural disasters. The Trustees expressed interest in establishing a policy that clarifies their position on this issue. The general secretary reported on ways that Rotary International and The Rotary Foundation can assist districts that are impacted by a disaster, and made several recommendations to the Trustees on how best to respond to Rotarians wanting to contribute donations towards disaster relief.

DECISION: The Trustees

1. note that Rotary clubs and districts traditionally have provided effective disaster relief when needed and that the role of Rotary International and The Rotary Foundation has been to be a resource and to assist in long term disaster recovery;

2. request that the general secretary create a separate disaster relief page on rotary.org, to include procedures that a district in a disaster area should follow, stories and images of Rotarians participating in disaster relief efforts, and information on where
donations are being accepted in support of a particular disaster relief effort;

3. encourage the Disaster Network of Assistance Rotarian Action Group to publish on its website a list of Rotarians with disaster response experience and a list of organizations that work with Rotary;

4. request that when a disaster is reported to Rotary International, the Rotary president send a sympathy letter containing disaster relief-related resources to the affected districts;

5. request the general secretary to direct those donors interested in making immediate donations to a disaster relief effort to a local established disaster relief committee, not The Rotary Foundation, to avoid delays, unnecessary processing, and expectations of financial stewardship;

6. noting that the immediate need for districts impacted by disasters is typically cash, discourage donations of goods, unless requested by a local committee;

7. request the general secretary to research
   a. allowing The Rotary Foundation to receive disaster-related donated funds and to immediately distribute the funds to affected districts;
   b. providing for districts to contribute district designated funds to a disaster relief fund that will be passed to an established district disaster committee.

155. Rotary International and the Institute for Economics and Peace Strategic Partnership

Statement: In decision 179, June 2017, the Board approved the partnership concept between Rotary International and the Institute for Economics and Peace, and authorized 2017–18 program award expenditures of US$30,000 from unrestricted contributions in support of this pilot partnership. For the second year of the pilot project, the general secretary recommended that additional funds would be needed to implement and test a sustainable, high-impact Positive Peace Program global curriculum for use by Rotary clubs and districts.

DEcision: The Trustees approve 2018–19 program award expenditures budget variance of US$55,000 from unrestricted contributions to support the development of a Positive Peace global curriculum for Rotary clubs and districts.

156. Peace Program Manager

Statement: In decision 120, April 2018, the Trustees agreed to enhance the Rotary Peace Centers master’s degree program by 2022 to focus more broadly on peace and international development. Trustee Boyd recommended that due to the complex nature of the future planning process, the Trustees consider requesting the general secretary to consider a staffing structure that would facilitate the growth and expansion of the Peace Center programs. The Trustees also considered new information regarding its April 2018 decision to conduct a scoping mission to the Middle East/North Africa as a possible pilot region for the new certificate program.

DEcision: The Trustees

1. request the general secretary to put in place an appropriate staffing structure to coordinate and integrate the myriad peace activities within Rotary and to coordinate peace functions across fund development, alumni relations, external affairs, programs and grants, and senior Rotarian leadership-initiated peace activities;

2. request 2018-19 Chair Burton to appoint a three-member Peace Programs Oversight Committee to work closely with the general secretary;

3. rescind point 5 of its decision 120, April 2018, approving a scoping mission to the Middle East/North Africa and requests Cadre Technical Advisor for Peace and Conflict Resolution Dr. Dan Shanit to continue exploring possible opportunities in the region, for report to the Trustees at their October 2018 meeting.

157. Areas of Focus Review Committee

Statement: Section 11.070.3.3. of The Rotary Foundation Code of Policies requires that the areas of focus be evaluated every nine years. According to the Future Vision model, any changes to the Foundation’s areas of focus were restricted for nine years. As 2018–19 is the first year the Trustees can consider changes to the grants model, Chair-elect Burton recommended that an Areas of
Focus Evaluation Committee assist the general secretary in this review.

**DECISION:** The Trustees

1. request 2018–19 Chair Burton to appoint a five-member Areas of Focus Evaluation Committee to review and make recommendations to the Trustees in accordance with the 2018–19 Areas of Focus review, for report at the April 2019 Trustees meeting;

2. approve a 2018–19 budget variance of $60,000 to cover the cost of the committee meeting twice before the April 2019 meeting.

Note: Trustee Growney Selene requested her no vote be recorded.

**158. Philanthropic Support Model**

*Statement:* In decision 100, April 2018, the Trustees approved the additional review of the countries selected for possible expansion of philanthropic support models, beginning with Taiwan and Philippines and, upon completion, followed by Italy and/or France and requested a report on this review at this meeting. The general secretary reported on tax exempt status of Rotary in the Philippines, and the steps being taken to find an alternative organizational structure that could fulfill this role.

**DECISION:** The Trustees

1. receive the general secretary’s report on philanthropic support models and requests a further update at the October 2018 Trustees meeting;

2. request the general secretary to take efforts to establish a new entity in the Philippines before the August 2018 Trustees meeting if the current tax appeal is rejected.

**159. Audit Committee Report**

*Statement:* The Audit Committee met via webinar on 6 June 2018, and discussed the audit plan for fiscal year 2018–19, recently completed audits, and the summary of management action plans, among other topics.

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

**160. Investment Committee Report**

*Statement:* The Investment Committee met on 7 May 2018 in Evanston, IL, USA, and discussed the equity structure, private market investments, hedge funds, an overlay program, cyber risk, the status of investments, and a report from BNY Mellon’s wealth management group, among other topics.

**DECISION:** The Trustees thank the Investment Committee for its report.

**DECISIONS 161–162**

**TRF Finance Committee Report**
Meeting 9–11 May and 4 June 2018
Evanston, IL, USA

**161. Budget for 2018-19 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. thank the RI and TRF Finance Committees for their joint meeting report;

2. reaffirm the 2018–19 budget for contribution, net investment return, other income and program awards approved in decision 133, April 2018 and approve the 2018–19 Rotary Foundation operating budget as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions:</td>
<td>$314,710,000</td>
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<tr>
<td>Net Investment Return:</td>
<td>43,269,000</td>
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<tr>
<td>Other Income:</td>
<td>1,406,000</td>
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<tr>
<td><strong>Total Revenues:</strong></td>
<td><strong>359,385,000</strong></td>
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<tr>
<td>Program awards:</td>
<td>274,151,000</td>
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<tr>
<td>Operating Budget:</td>
<td></td>
</tr>
<tr>
<td>Program Operations:</td>
<td>29,485,000</td>
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<tr>
<td>Fund Development:</td>
<td>22,081,000</td>
</tr>
<tr>
<td>General Administration:</td>
<td>6,191,000</td>
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<tr>
<td><strong>Total Operating Budget:</strong></td>
<td><strong>57,756,000</strong></td>
</tr>
<tr>
<td><strong>Total Expenses:</strong></td>
<td><strong>331,907,000</strong></td>
</tr>
</tbody>
</table>
Minutes of the June 2018 Rotary Foundation Trustees Meeting

Reserve against pledges receivable: 250,000
Increase in net assets: $27,229,000

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.

162. RI/TRF Allocation

Statement: The Finance Committee annually reviews the allocation methodology for services paid by The Rotary Foundation to Rotary International and recommends any necessary changes in this methodology to the Trustees.

DECISION: The Trustees

1. receive the Finance Committee’s update on the allocation of expenses between Rotary International and The Rotary Foundation;

2. approve the 17 May 2017 Administrative Services Agreement and updated schedules, as shown in Appendix D, filed only with the official copy of these minutes.

2017-18 Budget Review

- The Approved 2017-18 Rotary Foundation’s budget.

<table>
<thead>
<tr>
<th>2017-18 Budget</th>
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<tbody>
<tr>
<td>Revenues:</td>
<td>US$353,017,000</td>
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<tr>
<td>Program Awards:</td>
<td>275,514,000</td>
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<td>Program Operations:</td>
<td>24,917,000</td>
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<td>Operating Expenses:</td>
<td>26,322,000</td>
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<td>Total Expenses:</td>
<td>326,753,000</td>
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<tr>
<td>Change in net assets before variances:</td>
<td>26,264,000</td>
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<tr>
<td>Net total of revenue and reserve funding over expenses:</td>
<td>$25,063,500</td>
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- 2017–18 budget variances:

<table>
<thead>
<tr>
<th>Revenues:</th>
<th></th>
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<tbody>
<tr>
<td>September 2017 meeting:</td>
<td>6,450,000</td>
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<tr>
<td>Total 2017–18 Trustee meeting revenue:</td>
<td>$6,450,000</td>
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<table>
<thead>
<tr>
<th>Program Awards:</th>
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<tbody>
<tr>
<td>September 2017 meeting:</td>
<td>5,000,000</td>
</tr>
<tr>
<td>April 2018 meeting:</td>
<td>2,000,000</td>
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</tbody>
</table>

Expenses:
- July 2017 meeting: 0
- September 2017 meeting: 617,900
- January 2018 meeting: 32,600
- April 2018 meeting: 0

Total 2017–18 Trustee meeting expense: $650,500

Total 2017–18 change in net assets including variances: $25,063,500

- Decisions taken at this meeting, impacting future years:

<table>
<thead>
<tr>
<th>2017-18</th>
<th>2018-19</th>
<th>2019-20</th>
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<tbody>
<tr>
<td>Program Awards</td>
<td>$0</td>
<td>$55,000</td>
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<tr>
<td>Expenses</td>
<td>Dec. 155 RI and IEP Strat. Part.</td>
<td>-</td>
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<tr>
<td>Total Expenses:</td>
<td>$0</td>
<td>$60,000</td>
</tr>
<tr>
<td>Net Surplus/(Deficit):</td>
<td>0</td>
<td>(115,000)</td>
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</tbody>
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Adjournment

The foregoing is a true record of the proceedings at the fifth meeting of the 2017–18 Rotary Foundation Trustees held on 28 June 2018 in Toronto, Ontario, Canada.

Paul A. Netzel, 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 140)

Citation for Meritorious Service Awards
- 57 award recipients.

TRF Cadre of Technical Advisers
- The cadre reviewed 65 grants, including two advance site visits, two grant model evaluation beneficiary interviews, two grant model evaluation sustainability visits, one India stewardship assessments, 22 interim monitoring visits, one operational audit, six routine audits, two targeted audits, and 27 technical reviews.

PolioPlus Partner Grants
- US$334,300 of PolioPlus Partners funds for the 2017–18 Democratic Republic Congo polio social mobilization activities;
- $53,750 of PolioPlus Partners funds for the 2017–18 India social mobilization activities;
- $150,00 of PolioPlus Partners funds for the 2017–18 Cote d’Ivoire social mobilization activities

Foundation Programs
- 309 global grants awarded for a total of $9,058,432 in World Fund;
- 54 district grants awarded for a total of $1,586,606 in DDF.

Waivers
- **Districts/Clubs:** District 3262, India
  **Decision:** Chairman Netzel waived the requirement for an advance site visit and review by the full board of Trustees for a global grant to fund a mobile health unit. The grant is funded with a CSR gift of $325,000, and the donors had placed a condition that the project be completed within 60 days of the gift. The waiver was issued to give the Foundation the opportunity to test the agility of the sponsor clubs and TRF in processing the application and carrying out the project in the hopes of informing future changes to the CSR pilot.

- **Districts/Clubs:** Rotary Club of Sarnico e Valle Cavallina, Italy (District 2041) and Rotary Club of Accra-Ring Road, Ghana (District 9102)
  **Decision:** The general secretary waived the requirements around scholarships and vocational training teams to fund five Ghanaian doctors to travel to Italy to obtain training in pediatric cardiac surgery. While initially submitted as a vocational training team, it was confirmed through the review process that the doctors from Ghana would be attending The International Heart School in Bergamo, Italy and receive a second level master’s degree in Cardiovascular Surgery and Cardio anesthesia at the end of the one-year training. Since the doctors would participate in a degree seeking program, this would technically qualify the application as a scholarship funding multiple scholars, which the Foundation typically does not permit. Given that the master’s program is focused on providing high-level medical skills, and provides the doctors with a specialist certification at the end of the training, the general secretary waived the requirements to allow a vocational training team grant to support the participation in a degree-seeking program.
Together, we see a world where people unite and take action to create lasting change—across the globe, in our communities, and in ourselves.

Since we were founded in 1905, forging significant personal and professional connections, as well as serving the needs of others, have been at the heart of the Rotary experience. Our ability to deliver this experience is a testament to the strength of our members around the world.

But it’s not enough to be satisfied with what we have achieved to date. As we stand on the cusp of eliminating polio, we need to move toward realizing a new vision, where Rotary brings more people together, increases our impact, and drives toward achieving lasting change.

The world today is not the same as it was in 1905. Demographics have shifted, the pace of change has accelerated, and technology has created new platforms for connection and service. What hasn’t changed is a need for the values Rotary has long held at its core: diversity, integrity, fellowship, service, and leadership. By honoring our past and embracing the future, we can evolve and forge a path that ensures Rotary not only remains relevant but thrives going forward.

To achieve the vision of Rotary International and The Rotary Foundation, we have identified four key priorities that direct and provide a framework for our work over the next 5 years.

**Increase our impact**

Rotarians strive to positively impact the lives of others. Our members invest volunteer and financial resources in a broad range of service activities, but we are not yet strong at measuring results and outcomes of our work. To remain competitive as an international humanitarian service organization, and continue to attract members, partners and donors, our programs must become more focused—producing evidence of change and lasting impact.

**Objectives**

- Eradicate polio and leverage the legacy
- Focus our programs and offerings
- Improve our ability to achieve and measure impact

**Expand our reach**

There’s magic in experiencing Rotary. We need to create opportunities for more individuals and entities to be part of that magic. Clubs will continue to be important going forward. But to strengthen our global reach, we need to augment our existing structure with innovative models that welcome more participants into Rotary and give them meaningful ways to unite and take action.

**Objectives**

- Grow and diversify our membership and participation
- Create new channels into Rotary
- Increase Rotary’s openness and appeal
- Build awareness of our impact and brand

**Enhance participant engagement**

Recognizing the challenges our clubs face in today’s changing world, it is essential to further support clubs’ efforts to deliver an experience that engages and retains members. By helping clubs better focus on the member experience and value, our members and other participants will have the opportunity to serve together, connect with each other, and have a more satisfying experience with Rotary.

**Objectives**

- Support clubs to better engage their members
- Develop a participant-centered approach to deliver value
- Offer new opportunities for personal and professional connection
- Provide leadership development and skills training
Increase our ability to adapt
To achieve our vision and keep pace with changing global trends, our structure and culture must be appropriately aligned. We must ensure our operating and governance structures are efficient, flexible, and effective in delivering services to the clubs and all participants in the Rotary experience.

Objectives
a. Build a culture of research, innovation, and willingness to take risks
b. Streamline governance, structure, and processes
c. Review governance to foster more diverse perspectives in decision-making
INDEX

All references are to decision numbers unless otherwise noted

-A-
Agenda, tentative future, 142
Allocation, RI/TRF, 162 (App. D*)
Area of focus review committee, 157
Audit committee report, 159

-B-
Budget for operation expenses, 161

-C-
Committee report
area of focus review, 157
audit, 159
finance, 161–162 (App. D*)
international polioplus, 148–151
investment, 160
strategic planning, 147 (App. C)
Communications from the Board, 143

-D-
Decisions taken on behalf of the
Trustees, 140 (App. A)
Disaster relief, 154

-G-
General secretary’s report, 141
Global grant appeals, 153

-I-
International polioplus committee
report, 148–151
Institute for Economics and Peace
Strategic Partnership, RI, 155
Investment committee report, 160

-J-
Joint task force, RI tax status, 144

-L-
Level III grant requests, 152

-M-
Minutes of the April 2018 meeting,
139

-O-
Operating expenses, budget for
2018–19, 161

-P-
Peace program manager, 156

Philanthropic support model, 158
Policy revisions, regional leader, 145
Polioplus grants
WHO African region UNICEF
grant request, 149
WHO Eastern Mediterranean
region and UNICEF grant
request, 150
WHO polio research committee
grant request, 151

Regional leader
policy revisions, 145
task force, 146 (App. B*)
Report of the general secretary, 141
RI/TRF allocation, 162 (App. D*)
Rotary International and the Institute
for Economics and Peace Strategic
Partnership, 155

Strategic planning committee report,
147 (App. C)

Task force, RI tax status, 144
Trustees, decisions taken on behalf
of, 140 (App. A)

WHO
African region UNICEF grant
request, polioplus grants, 149
Eastern Mediterranean region and
UNICEF grant request, 150
polio research committee grant
request, 151

* Filed only with the official copy of these minutes