



MINUTES
of the
FEBRUARY 2021
ROTARY FOUNDATION
BOARD OF TRUSTEES MEETING

ROTARY FOUNDATION TRUSTEES
2020–21

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Colombo, Sri Lanka
(Rotary Club of Colombo)

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Somerset, England
(Rotary Club of Mendip)

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SPECIAL ADVISER

Akira Miki
Himeji Hyogo, Japan (Rotary Club of Himeji)

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MINUTES
of the
February 2021
Rotary Foundation Board of Trustees Meeting

The Rotary Foundation Board of Trustees met virtually on 16 February 2021.

Present were: Chair K.R. Ravindran, Vice Chair Michael F. Webb, Chair-elect John F. Germ, other Trustees Jorge Aufranc, Brenda M. Cressey, Marcelo Haick, Per Høyen, Hsiu Ming Lin, Geeta K. Manek, Aziz Memon, Barry Rassin, Ian H.S. Riseley, Dean Rohrs, Gulam A. Vahanvaty, Sangkoo Yun, and General Secretary John Hewko. Akira Miki attended as Special Advisor from Japan. President Holger Knaack attended as observer and Director Floyd Lancia attended as Board liaison. At the invitation of Chair Ravindran, incoming Trustees Mark Daniel Maloney and Larry Lunsford also attended the meeting.

Andrew McDonald served as secretary of the meeting with assistance from Matt Hohmann. Other staff present were David Alexander, Jim Barnes, Victor Barnes, Michele Berg, Julie Burke, Meredith Burlew, Faiz Hanif, Eric Jones, Carol Pandak, Steven Routburg, Eric Schmelling, Tom Thorfinnson, Doris Xie, and Nora Zei. Nobuko Andrews and Eiko Terao served as staff interpreters.

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83. Approval of the November 2020 Meeting Minutes

Statement: The general secretary distributed the November 2020 Trustees meeting minutes to each trustee.

DECISION: The Trustees approve their November 2020 meeting minutes and request the chairman to sign the official copy of those minutes.

84. COVID-19 Task Force Report

Statement: In decision 69, December 2020, the Board and Trustees in a special joint meeting created a joint task force to encourage and support Rotary and Rotaract clubs to promote the distribution of information promoting the

acceptance of COVID-19 vaccines and stopping the virus's spread, to engage Rotary's global participant network in supporting COVID-19 mitigation activities, and to align our efforts with those of our partners in the Global Polio Eradication Initiative. The task force met virtually on 18 and 29 January and 12 February 2021 and discussed the pandemic's status from a global perspective, an update from the communications team regarding messaging to help inform and inspire Rotarians to take action in local COVID-19 vaccination efforts, and the impact of the pandemic on select regions, among other topics. The task force recommended limiting the use of Foundation funds for purchasing COVID-19 vaccines.

DECISION: The Trustees

1. agree that Rotary Foundation funds shall not be used for the purchase of COVID-19 vaccines;
2. amend the Rotary Foundation Code of Policies regarding Global Grants and District Grants as follows:

33.050.3. Humanitarian Projects

Global grants support Rotary clubs and districts in their efforts to address humanitarian issues within the areas of focus and benefit communities in need.

[text omitted]

C. Eligibility

1. Global grants for humanitarian projects can fund [text omitted]
- f) immunization activities, including the purchase of polio vaccines, as long as polio vaccine is not the only vaccine that is being purchased, however, the purchase of COVID-19 vaccine shall not be allowed

33.070.2. Eligibility

- I. District grants can fund
[text omitted]

k) immunization activities including the purchase of polio vaccines, as long as polio vaccine is not the only vaccine that is being purchased, however, the purchase of COVID-19 vaccine shall not be allowed

85. Communications from the Board

Statement: At its January 2021 meeting, the Board took several decisions of interest to the Trustees. The Board requested the Trustees consolidate the Foundation's two regional leader teams in Zones 19 and 20a (Great Britain and Ireland) to align with the Board's action doing the same to RI's regional team structure.

DECISION: The Trustees

1. note the following decisions from the January 2021 Board meeting:

- 82. Communications from the Trustees
- 83. Rotary Foundation Trustee Election
- 86. 2021–22 RI Committee Appointments
- 98. 2020 Council on Resolutions Requests: Resolutions Requesting Trustee Action
- 101. Pandemic Response Task Force Report
- 102. COVID-19 Travel
- 104. 2021 RI (Taipei) Convention
- 105. Possible RI Convention in Honolulu, Hawaii
- 113. Regional Leader Teams

2. merge the two regional leader teams that support the twenty-five districts in Great Britain and Ireland (Zones 19 and 20a) into one team as of 1 July 2021 and agree that appointed regional leaders already serving on the combined regional leader teams for regions 20 and 21 shall be offered the opportunity to finish their second or third-year term but that future appointments will be made for only one RRFC, RC, RPIC, E/MGA and EPNC.

DECISION 86–87
2020 Council on Resolutions

Statement: The 2020 Council on Resolutions met from 15 October through 15 November 2020 and adopted two resolutions for the Trustees consideration. At its January 2021 meeting, the Board reviewed these items and submitted them to the Trustees for consideration.

86. To Consider Including Measures for the Prevention and Elimination of Plastic Waste and Residues

Statement: Noting the threat to the world's rivers and oceans presented by the prolific use of plastics and microplastics, and further noting that the Foundation has added the Environment as a new area of focus, the 2020 Council on Resolutions approved Resolution 20R-25 proposed by the Rotary Clubs of Aarau, Switzerland, and Arlesheim, Switzerland, requesting the Trustees to include measures for the prevention and elimination of plastic waste and residues among the activities supported by The Rotary Foundation.

DECISION: The Trustees

- 1. thank the 2020 Council on Resolution for its resolution 20R-25;
- 2. note that the parameters for the environment area of focus and those for the water, sanitation, and hygiene area of focus are inclusive of activities that may address the prevention and elimination of plastic waste and related initiatives through global grants;
- 3. note that activities to address the prevention and elimination of plastic waste may also take place within district grants;
- 4. request the general secretary to inform the proposer of this proposal of the Trustees' decision and to refer the proposer to the updated Areas of Focus Policy Statements.

87. To Consider Allowing Districts to Use Their Own Scholarship Criteria When Awarding Scholarships for Which no World Fund Matching Funds are Used

Statement: Arguing that scholarships funded from the earnings of the Endowment Fund should be administered by the district making the contribution in accordance with donor wishes, the 2020 Council on Resolutions approved Resolution 20R-31 proposed by District 7570 (USA, parts of Tennessee and Virginia) requesting allowing districts to use their own scholarship criteria when awarding scholarships for which no World Fund matching funds are used.

DECISION: The Trustees

1. thank the 2020 Council on Resolutions for its resolution 20R-31;
2. noting that districts can use their own criteria for scholarships funded through district grants, does not agree to change its global grant scholarship criteria;
3. request the general secretary to inform the proposers of this resolution of the Trustees' decision and to encourage District 7570 (USA) to work within the existing framework for global grant scholarships.

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88. Contribution for New Rotary Peace Center

Statement: In decision 120, April 2018, the Trustees agreed to enhance the Rotary Peace Centers Master's degree program by offering peace fellows elective courses, certificates, and specialization tracks and further recommended that the Middle East/North Africa be selected as the initial pilot region for certificate program expansion. In decision 123, June 2020, the Trustees agreed that no further expansion of the Peace Centers shall be made until the program is self-funded. The general secretary reported that thanks to a generous gift from the Otto & Fran Walter Foundation, a new financial analysis indicates the program will be fully funded.

DECISION: The Trustees

1. gratefully accept a pledge of US\$10 million from the Otto & Fran Walter Foundation to fully fund a new Rotary Peace Center to be located in a Middle East or North African country, such pledge to be fully paid by 2025 when the new Center is approved;
2. accept a directed gift of \$250,000 in fiscal year 2021 and an additional directed gift of \$250,000 in fiscal year 2022 to provide start-up funds for the new Center's launch and site location search;
3. agree that the official name of the new Center shall be: The Otto & Fran Walter Rotary Peace Center;
4. agree to accept an additional commitment of approximately \$5 million on or before termination of the Otto & Fran Walter Foundation, no later than 2050, to provide general support to the Rotary Peace Centers;
5. noting this Rotary Peace Centers gift commitment of \$15.5 million, agree to a one-time exception to their

decision 123, June 2020 temporarily precluding further expansion of the Peace Centers, to enable the addition of a new Rotary Peace Center in the Middle East or North Africa.

89. Rotary Peace Centers Program Cost Analysis

Statement: In decision 123, June 2020, the Trustees requested the general secretary to analyze the policy and structure of the Peace Symposium to be a self-funded event, ways to reduce scholarship expenses, the amounts of university stipends, and the impact on prioritizing major gift fundraising to fully fund the Peace Centers program. The general secretary reported on potential Peace Symposium funding options (including registration fees, a significant contribution from the Otto & Fran Walter Foundation, and corporate sponsorships), and the feasibility of potential expense reductions (including a temporary reduction in the number of fellowship awarded, or possibly discontinuing a partnership—both options not recommended by the Future Planning Committee).

DECISION: The Trustees receive the general secretary's report on the Rotary Peace Centers program, including analysis on the policy and structure of the Peace Symposium to be a self-funded event, ways to reduce scholarship expenses, the amounts of university stipends, and the impact on prioritizing major gift fundraising to fully fund the Peace Centers program.

DECISIONS 90–95

International PolioPlus Committee Report

Virtual meeting 29 January 2021

90. 2020–21 PolioPlus International Service Awards

Statement: The International PolioPlus Committee reviewed nominations for the 2020–21 PolioPlus International Service awards and forwarded their recommendations to the Trustees.

DECISION: The Trustees approve the following three nominations for the International Service Award for a Polio-Free World:

Nauman ABBASI
Shirley GRIFFIN
John OCKENFELS

91. 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 operational support in the Central African Republic, Ethiopia, Guinea, Chad, and South Sudan; social mobilization support in the Democratic Republic of Congo and Nigeria; and for surveillance support in the African region.

DECISION: The Trustees

1. approve a PolioPlus grant in the amount of US\$7,645,426 to WHO for operational support for the following countries:

- Central African Rep.: \$884,068
- Ethiopia: \$4,939,120
- Guinea: \$858,198
- South Sudan: \$964,040

this grant to be released in accordance with Trustee policies;

2. approve a PolioPlus grant in the amount of US\$3,307,096 to UNICEF for social mobilization support for the following countries:

- DR Congo: \$882,753
- Nigeria: \$2,424,343

this grant to be released in accordance with Trustee policies;

3. approve a PolioPlus grant in the amount of \$353,100 to UNICEF for operational support in DR Congo, this grant to be released in accordance with Trustee policies;
4. approve a PolioPlus grant in the amount of \$5,033,120 to WHO for surveillance support in the African region, this grant to be released in accordance with Trustee policies;
5. approve a PolioPlus grant in the amount of \$91,331 and agree to reallocate US\$1,690,000 from unspent funds from previous grants to WHO for operational support in Chad, this grant to be released in accordance with Trustee policies;

6. authorize the general secretary to execute agreement letters with UNICEF and WHO to convey the funds on a scheduled basis. UNICEF and WHO 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 March 2022, 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:	\$235,187,064	to:	\$240,220,184
Central African Republic			
from:	\$2,155,090	to:	\$3,039,158
Chad			
from:	\$49,836,261	to:	\$49,927,592
DR Congo			
from:	\$86,279,316	to:	\$87,515,169
Ethiopia			
from:	\$25,334,709	to:	\$30,273,829
Guinea			
from:	\$4,254,682	to:	\$5,112,880
Nigeria			
from:	\$279,296,058	to:	\$281,720,401
South Sudan			
from:	\$50,760,889	to:	\$51,724,929

92. 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 operational support, social mobilization, and technical assistance support in Afghanistan and Pakistan.

DECISION: The Trustees

1. approve a PolioPlus grant in the amount of US\$7,271,058 to UNICEF for operational support in the following countries:
 - Afghanistan: \$1,822,946
 - Pakistan: \$5,448,112

this grant to be released in accordance with Trustee policies;

2. approve a PolioPlus grant in the amount of \$6,920,546 to UNICEF for social mobilization support in the following countries:

- Afghanistan: \$711,550
- Pakistan: \$6,208,996

this grant to be released in accordance with Trustee policies;

3. approve a PolioPlus grant in the amount of \$2,264,910 to UNICEF for technical assistance in the following countries:

- Afghanistan: \$1,073,101
- Pakistan: \$1,191,809

this grant to be released in accordance with Trustee policies;

4. approve a PolioPlus grant in the amount of \$4,472,600 to WHO for operational support in Afghanistan, 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 March 2022, 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:

Afghanistan			
from:	\$198,662,920	to:	\$206,743,117
Pakistan			
from:	\$277,669,618	to:	\$290,518,535

93. PolioPlus Grants: World Health Organization mOPV2 Stockpile Grant Request

Statement: The World Health Organization requested a grant for the replenishment of the mOPV2 vaccine stockpile.

DECISION: The Trustees

1. approve a PolioPlus grant in the amount of US\$12,360,000 to WHO for the replenishment of the mOPV2 stockpile;
2. authorize the general secretary to execute an agreement letter with WHO. WHO will apply the funds to the appropriate project 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 March 2022;
4. note that this grant, if fully expended, will bring the total PolioPlus grants to WHO/Vaccine to \$49,102,523.

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

Statement: The World Health Organization Polio Research Committee requested grant to support the implementation of polio eradication research activities in India.

DECISION: The Trustees

1. approve a PolioPlus grant in the amount of US\$280,813 to WHO for the implementation of polio eradication research activities in India 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 March 2023;
4. note that this grant, if fully expended, will bring the total PolioPlus grants to WHO/Research to \$36,786,061.

95. PolioPlus Grants: Combined World Health Organization and UNICEF Reprograming of Funds Grant Request

Statement: The World Health Organization and UNICEF requested permission to reprogram US\$6,591,829 in existing unused funds from previous grants approved for polio outbreak response activities in Cameroon, Chad, and the Democratic Republic of Congo.

DECISION: The Trustees

1. agree to reprogram US\$1,182,074 from unused funds from a previous grant approved for UNICEF for preventive campaigns in Cameroon to outbreak response activities in Cameroon;
2. agree to reprogram \$855,915 from unused funds from a previous grant approved for UNICEF for preventive campaigns in Chad to support outbreak response activities in Chad;
3. agree to reprogram \$1,360,840 from unused funds approved from a previous grant for WHO for preventive campaigns in Cameroon to outbreak response activities in Cameroon;
4. agree to reprogram \$3,193,000 from unused funds approved from a previous grant for WHO for preventive campaigns in DR Congo to outbreak response activities in DR Congo;
5. authorize the general secretary to execute an agreement letter with UNICEF and WHO. UNICEF and WHO will apply the funds to the appropriate project under such controls and conditions as the agreement specifies;
6. note that these grants must be fully expended by 30 June 2021.

* * * * *

96. Rotary Foundation Financial Overview

Statement: To ensure that the Trustees are fully aware of the status of TRF finances before they consider Trustee items with potential financial impact, the chair of the Rotary Foundation Finance Committee reviews the current status of Foundation finances, including current and future revenues and expenses, with the Trustees at the outset of each meeting.

DECISION: The Trustees thank Trustee Riseley for his report on the status of TRF finance.

97. Finance Committee Report

Statement: The Foundation Finance Committee met virtually with the RI Finance Committee on 20 January 2021, and the Foundation Finance Committee met virtually on 4 February 2021, and discussed fiscal year

2022 budget assumptions, an update on the new financial management system (Project RENEW), Foundation allocated expenses, the Otto & Fran Walter Foundation gift for the new Rotary Peace Center, and the December 2020 financial results, among other topics.

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

98. Investment Committee Charter Amendment

Statement: Rotary Foundation Code of Policies section 23.050. outlines the Investment Committee structure and currently states that the committee shall have nine members, three of whom are trustees, including the Foundation Finance Committee chair and vice chair. Each non-trustee member serves for six years, with terms staggered so that a new non-trustee member is appointed annually. Chair-elect Germ recommended the Trustees consider that the Code be revised to reflect a new, smaller committee structure of only six members, four of whom will be non-trustees, to better reflect the changing role of the Investment Committee within the Foundation.

DECISION: The Trustees

1. amend the Investment Committee Charter found in Rotary Foundation Code of Policies section 23.050.2.1. as follows:

3.0 Membership

- 3.1 The IC shall consist of ~~nine~~ six voting members, of whom ~~six~~ four will be Rotarians with investment and/or foundation/endowment experience, and ~~three~~ two will be Trustees, including the chair ~~and/or~~ and vice-chair of the Finance Committee ~~and/or~~ and one other Trustee who has investment or other financial experience.
- 3.2 It is desirable for non-Trustee members to have institutional investment experience.
- ~~3.3 It is desirable for at least two non-Trustee members to have experience with alternative investments~~
- ~~3.4 It is desirable for non-Trustee members to have an investment professional designation, such as the CFA or CAIA, and/or an MBA.~~
- ~~3.35~~ All members must be fluent in English.
- ~~3.46~~ Each non-Trustee member will be appointed for a ~~six~~ four-year term. Terms will be staggered so that one non-Trustee member is appointed or re-appointed each year for a ~~six~~ four-year term. A non-Trustee member may serve up to two consecutive terms.
- ~~3.57~~ There will be one two attendees from the RIFC, including its chair and another RIFC member

appointed by its chair. RIFC attendees will have voting rights with respect to appointments and terminations of investment managers utilized by RI and other matters that impact RI's investment portfolio.

2. agree to phase-in this decision effective with all new appointments to allow the committee's current members to complete their six-year terms.

Adjournment

The foregoing is a true record of the proceedings at the 16 February 2021 Trustees meetings.

K. R. Ravindran, Chair
The Rotary Foundation

Andrew McDonald
Secretary of the Meeting

ATTEST:

John Hewko
General Secretary, RI

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