



**MINUTES**  
**of the**  
**MAY 2021**  
**ROTARY FOUNDATION**  
**BOARD OF TRUSTEES MEETING**

**ROTARY FOUNDATION TRUSTEES**  
**2020–21**

**CHAIR**

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

**VICE CHAIR**

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

**CHAIR-ELECT**

**John F. Germ**  
Chattanooga, TN, USA  
(Rotary Club of Chattanooga)

**GENERAL SECRETARY**

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

**OTHER TRUSTEES**

**Jorge Aufranc**  
Guatemala City, Guatemala  
(Rotary Club of Guatemala Sur)

**Brenda M. Cressey**  
Wells, ME, USA  
(Rotary Club of Paso Robles)

**Marcelo Demétrio Haick**  
São Paulo, Brazil  
(Rotary Club of Santos-Praia)

**Per Høyen**  
Gelsted, Denmark  
(Rotary Club of Aarup)

**Hsiu-Ming Lin**  
Taipei, Taiwan  
(Rotary Club of Taipei Tungteh)

**Geeta Manek**  
Nairobi, Kenya  
(Rotary Club of Muthaiga)

**Aziz Memon**  
Karachi, Pakistan  
(Rotary Club of Karachi)

**Barry Rassin**  
Nassau, Bahamas  
(Rotary Club of Nassau)

**Ian H. S. Riseley**  
Black Rock, Victoria, Australia  
(Rotary Club of Sandringham)

**Dean Rohrs**  
British Columbia, Canada  
(Rotary Club of Langley Central)

**Gulam A. Vahanvaty**  
Mumbai, Mah., India (Rotary Club of Bombay)

**Sangkoo Yun**  
Jongro-Gu, Republic of Korea  
(Rotary Club of Sae Hanyang)

**SPECIAL ADVISER**

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

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**MINUTES**  
**of the**  
**May 2021**  
**Rotary Foundation Board of Trustees Meeting**

The Rotary Foundation Board of Trustees met virtually on 18 May 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, Paul Haisman, Eric Jones, Carol Pandak, Christian Pepera, Steven Routburg, Christine Sanders, Eric Schmelling, Tom Thorfinnson, Doris Xie, and Nora Zei. Nobuko Andrews and Eiko Terao served as staff interpreters.

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**130. Approval of the February 2021 Meeting Minutes**

*Statement:* The general secretary distributed the February 2021 Trustees meeting minutes to each trustee.

**DECISION:** The Trustees approve their February 2021 meeting minutes and request the chairman to sign the official copy of those minutes.

**131. Communications from the Board**

*Statement:* Board liaison to the Trustees, Floyd Lancia, reported that at its 7 May 2021 meeting, the Board took several decisions of interest to the Trustees.

**DECISION:** The Trustees note the following decisions from the 7 May 2021 Board meeting:

- 166. COVID-19 Travel Policy
- 167. Travel Cost Reductions
- 168. Sylvia Whitlock Leadership Award

**132. Rotarian-led Entities with Operations Potentially in Conflict with The Rotary Foundation**

*Statement:* In decision 18, August 2020, the Trustees requested the general secretary to review the activities and functions of other foundations or entities in India or elsewhere that may be involved in activities similar to The Rotary Foundation. The general secretary reported on several entities of concern and recommended that the Trustees request the Board to review its policy regarding the guidelines for multidistrict activities, projects, and organizations.

**DECISION:** The Trustees

1. note the entities with operations potentially in conflict with The Rotary Foundation and further note the entities with other conflicts, as shown in Appendix A;
2. request the RI Board to comprehensively review Rotary Code of Policies section 21.010. regarding the guidelines for multidistrict activities, projects, and organizations to:
  - a. ensure these entities publish transparent and full financial information and governance structures;
  - b. fully disclose the hiring of all staff and remuneration details;
  - c. fully disclose the use of subcontractors;
  - d. eliminate per capita fees;

- e. comply with RI brand standards;
  - f. limit training of club and district leaders by these entities;
  - g. consider requiring royalty fees to RI for use of the “Rotary” trademark or other trademarks in asking for their donations, such agreement to follow RI’s standard licensing terms and/or to consider requiring these entities to make an annual mandatory donation from a percentage of their fund-raising total to The Rotary Foundation;
  - h. limit approval to five years before renewal reconsideration by the RI Board and further dependent upon the entities’ full con-formity with these points above;
3. request the RI Board to ask the general secretary to follow-through with those entities operating not in accordance with Rotary Code of Policies section 21.010.

### 133. Level III Grant Requests

*Statement:* Global Grants requesting over US\$200,000 from the World Fund must be reviewed by the Trustees. The Trustees reviewed one such Global Grant application at this meeting.

**DECISION:** The Trustees award Global Grant 2012567, a basic education and literacy grant, sponsored by the Rotary Clubs of Windsor-Roseland, ON, Canada (District 6400) and Quetzaltenango, Guatemala (District 4250) to be carried out with Cooperative for Education, to provide teachers with training in reading instruction and student engagement, new textbooks, computer training, and a youth development program in schools located in the western and central highlands of Guatemala in the amount of US\$104,897 from the World Fund (total project cost of \$507,692).

### 134. Grant Travel COVID-19 Restrictions

*Statement:* In decision 69, December 2020, the Trustees, in a joint meeting with the RI Board, created a COVID-19 Task Force to address various matters regarding the ongoing pandemic. At a May 2021 meeting, the Task Force reviewed the issue of grant travel and recommended that both domestic and international non-essential travel remain ineligible for funding in district and global grants until 30 September 2021.

**DECISION:** The Trustees agree that non-essential travel is ineligible for grant funding through 30 September 2021.

### 135. Use of Rotary Masterbrand Signature for Programs of Scale Awardee(s)

*Statement:* The general secretary noted that since Programs of Scale awardees are not Rotary entities, new brand standards for these awardees are necessary to allow for the use of the Rotary Masterbrand Signature in conjunction with the program name during the implementation of each Programs of Scale award.

**DECISION:** The Trustees agree in concept to Programs of Scale awardees using the “Rotary” trademark, masterbrand signature, simplified signature, or mark of excellence to better accommodate the program’s promotional and branding goals, and requests the Board at its June 2021 meeting to amend the Rotary Code of Policies accordingly to provide for this use.

### 136. 25 Percent Travel Cost Reductions

*Statement:* At a joint session with the RI Board, the Trustees discussed the lessons had been learned from travel cost savings during the COVID-19 pandemic and how Rotary might use these lessons to realize continued travel cost savings. Following this meeting, both boards’ Executive Committees met to discuss the matter further.

**DECISION:** The Trustees

1. receive the report of the Executive Committee regarding opportunities for travel cost reductions;
2. agree to the following actions that will result in reductions to the 2021–22 budget:
  - a. the PolioPlus Committee will hold two virtual meetings and one in-person meeting;
  - b. the Fund Development Committee will hold one of two meetings virtually;
  - c. the Strategic Planning Committee will only meet virtually unless the Board takes a contrary position;
  - d. the Programs Committee will hold only one in-person meeting, which shall be held at the International Assembly;

- e. Trustee attendance at the Council on Legislation will be limited to three Trustees plus the official Trustee representative;
  - f. the Rotary Peace Center Committee will meet only virtually;
  - g. defer consideration of funding trustees, trustees-elect, and their partners to attend the International Assembly and International Convention until their June 2021 meeting pending the Board's decision on funding directors, directors-elect, and their partners to attend the International Assembly and International Convention;
  - h. reduce End Polio Now Coordinator in-person training to include only first year EPNC's;
  - i. reduce individual regional leader and assistant coordinator allocations by 15 percent and agree to evaluate results at the June 2022 Trustees meeting;
  - j. the Regional Leaders Global Institute training planning meetings in 2021–22 and 2022–23 will be virtual meetings;
3. request the Executive Committee to review whether to remove future funding for the activities identified in point 2., for report to the Trustees at their June 2021 meeting;
  4. requests the general secretary to incorporate the appropriate reductions into the budget.

### 137. TRF Finance Committee Report

*Statement:* The TRF Finance Committee met virtually on 3–6 May 2021 and discussed the fiscal year 2022 budget and plan overview, the funding model sources and uses for the 2021–22 budget, an update on Finance Committee's goals, an update from the Allocation Working Group, and the status of enterprise projects, among other topics.

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

### 138. Rotary Foundation Financial Review

*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 finances.

### 139. Investment Committee Report

*Statement:* The Investment Committee met virtually on 12 May 2021 and discussed updates from the chief investment officer on several matters regarding Rotary's investments, investment policy and strategy, and an investment performance update, among other topics.

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

### 140. Administrative Cost Exception for Bendigo and Adelaide Bank Ltd. Contributions

*Statement:* The general secretary reported on an opportunity for the Foundation to secure funding from Bendigo and Adelaide Bank Ltd. (the fifth largest bank in Australia) to support significant COVID-19 relief projects through global grant projects in India. The general secretary noted that through the proposal, a two and a half percent administrative cost would be assessed by TRF and Bendigo to the funds raised instead of the five percent required on directed gifts by Trustee policy. The general secretary further noted that due to the relative urgency of these proposed COVID-19 relief projects, other grant policies may require exceptions for the proposal to move forward.

**DECISION:** The Trustees

1. receive the request for a reduction in the standard five percent administrative cost for directed gifts assessed by the Foundation on Bendigo and Adelaide Bank Ltd. (Bendigo) contributions on an exception basis;
2. agree that COVID-19 relief projects undertaken by The Rotary Foundation Australia (PBI) Ltd., which are funded by Bendigo, should incur a two and a half percent administrative cost for directed gifts to global grants of US\$200,000 or more;
3. agree to waive the preapproval Cadre review and authorize the general secretary to approve any Level 3 global grants for COVID-19 relief with funding from directed gifts from Bendigo on an exception basis.

**Adjournment**

The foregoing is a true record of the proceedings at the  
18 May 2021 Trustees meetings.

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K. R. Ravindran, Chair  
The Rotary Foundation

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Andrew McDonald  
Secretary of the Meeting

**ATTEST:**

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John Hewko  
General Secretary, RI

## APPENDIX A

### ROTARIAN-LED ENTITIES WITH OPERATIONS POTENTIALLY IN CONFLICT WITH THE ROTARY FOUNDATION AND ENTITIES WITH SECONDARY ISSUES

(Decision 125)

#### Significantly Similar Entities (in regional order)

##### 1. Chung Hwa Rotary Education Foundation 中華扶輪教育獎學金

Provides scholarships to Masters and PhD candidates

###### *Region*

Asia - Zone 9 (Trustee Lin & Director Liu)

###### *Significant risk issues*

- Fundraise using the name of Rotary
- Each Taiwan district is expected to set fund-raising goals for this foundation
- Over US\$2 million is raised annually
- Donors can contribute to Pooled Fund, Individual Giving, or Endowment Fund
- Offers recognition to donors

###### *Secondary issues*

- Not brand-compliant
- Financials are non-transparent

##### 2. Espoire en tete

Fundraising for brain research/illnesses

###### *Region*

Europe - Zone 13 (Trustee Webb and Director Lhors)

###### *Significant risk issues*

- Fundraise using the name of Rotary;
- They host annual Rotary fundraisers at cinemas. (very visible to community)
- Raised euro 14M to date for 78 projects. Approx \$1M a year

###### *Secondary issues*

- Not brand-compliant
- Non-transparent financials
- Non-transparent governance structure

##### 3. Fundacao Rotaria Portuguesa

Fundraising for scholarships for Portuguese recipients and other cultural activities

###### *Region*

Europe - Zone 20C (Trustee Webb and Director Black)

###### *Significant risk issues*

- Fundraise using the name of Rotary;
- Each Portuguese Rotarian is charged five euros per month (US\$72 per year). As context, in FY 2020, 3,264 Rotarians in these two districts had Annual Fund per capita giving of \$31.

###### *Secondary issues*

- Not a multidistrict organization

##### 4. MINEX

Fundraising for mine removal and victims of mines

###### *Region*

Europe Zone 16 (Trustee Høyen and Director Ket)

###### *Significant risk issues*

- Fundraise using the name of Rotary
- Minex annually raises three times the amount of TRF contributions from the three Swiss districts based on their direct mailings to Rotarians.

###### *Secondary issues*

- Not brand-compliant
- Non-transparent financials
- Non-transparent governance structure
- Provide training to club and district leadership

##### 5. Rotary India Literacy Mission

Fundraising to promote literacy. Main focus is "Asha Kiran" providing literacy initiatives for economically-disadvantaged girls.

###### *Region*

South Asia (Zones 4-7 Trustees Vahanvaty and Directors Pandya and Sanghvi)

###### *Significant risk issues*

- Fundraise using the name of Rotary;

- Overlap or conflict of organization roles with existing Rotary roles
- Use of subcontractors for service

*Secondary issues*

- Club and District training: significant volunteer hours from Rotarians in program implementation and different levels of trainings.

**6. Rotary Australia World Community Service (RAWCS)**

Initially organized travel for Rotarians participating in overseas projects. Has evolved to deliver a range of charitable activities.

*Region*

South Pacific (Zone 8 Trustee Riseley and Director Liu)

*Significant risk issues*

- Fundraise using the name of Rotary;
- A financial infrastructure system that facilitates fundraising for projects that deliver humanitarian aid and charitable support in Australia and overseas
- Annual Revenue of AUD 24.6 million
- 2.75% fee on all pass through transaction
- Other charities are used as subcontractors for service
- Overlap or conflict of organization roles with existing Rotary roles

*Secondary issues*

- Club and District training: significant volunteer hours from Rotarians in program implementation and different levels of trainings

**7. Rotary New Zealand World Community Service (RNZWCS)**

Fundraising to support club projects

*Region*

South Pacific (Zone 8 Trustee Riseley and Director Liu)

*Significant risk issues*

- Fundraise using the name of Rotary;
- 2.5% fee on all pass through transactions
- Use subcontractors for service
- Overlap or conflict of organization roles with existing Rotary roles

*Secondary issues*

- Not consistently brand-compliant
- Club and District training: significant volunteer hours from Rotarians in program implementation and different levels of trainings

**8. Rotary Oceania Medical Aid for Children (ROMAC)**

Fundraising to provide surgery for children with deformities in third world countries

*Region*

South Pacific (Zone 8 Trustee Riseley and Director Liu)

*Significant risk issues*

- Fundraise using the name of Rotary;
- Use subcontractors for service
- Overlap or conflict of organization roles with existing Rotary roles

*Secondary issues*

- Club and District training: significant volunteer hours from Rotarians in program implementation and different levels of trainings

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**Entities with Secondary Issues**

**1. Rotary Wind of Hope Scholarship**

Issues: non-transparent financials and non-brand compliant.

**2. Rotary Yoneyama Memorial Foundation**

Issues: provide training to club and district leadership

**3. Yayasan Kelab-Kelab Rotary Malaysia**

Issues: non-transparent financials, non-brand compliant; website lists Rotary as a sponsor/partner

**4. FURMEX (Fundo Rotario Mexico)**

Issues: non-transparent financials and non-brand compliant.

**5. Fundacion Humanitaria de los Rotarios Espanoles**

Issues: not-compliant with brand and multidistrict organization policy

**6. Rotary clubs for Development**

Issues: non-transparent financials and non-brand compliant

**7. Rotary Doctors Nederland**

Issues: non-brand compliant

**8. Rotary Doctors Sweden**

Issue: non-brand compliant

**9. District 6450 Charitable Foundation**

Issue: non-transparent financials

**10. Gift of Life International**

Issues: non-transparent financials and not-compliant with multidistrict organization policy

**11. Fundação de Rotarianos de Santos**

Issues: non-transparent financials and not compliant with brand or multidistrict organization policy

**12. Fundação de Rotarianos de São Caetano do Sul**

Issues: non-transparent financials and not compliant with brand or multidistrict organization policy

**13. Fundação de Rotarianos de São Paulo**

Issues: non-transparent financials and not-compliant with brand or multidistrict organization policy

**14. Australia Rotary Health (ARH)**

Issues: Differing views here. Some say they make the effort to be brand compliant and others say that they have no consistent brand compliance and complain they use Rotary's name and do not pay royalties.

**15. Bowel Scan**

Issues: non-transparent financials and non-brand compliant

**16. New Zealand Rotary Clubs Charitable Trust (NZRCCT)**

Issues: non-transparent financials

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