

RESOLUTION 24R-31

To request the Trustees to consider increasing the percentage of funds distributed to districts

Proposer(s): Rotary Club of Kobe Naka, District 2680, Japan

1 WHEREAS, the foundation of a Rotary club is the community to which it belongs.
2 Rotary clubs cannot exist without the maintenance and growth of the community's
3 population, as well as the sustainable economic development of the community, and
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5 WHEREAS, in order for clubs to be accepted by the community and enhance their
6 public image, it is essential for them to conduct service activities that are relevant and
7 responsive to the issues the community faces, and
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9 WHEREAS, to be more active in community service, Rotary clubs need more funding
10 than ever before, and
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12 WHEREAS, if contributions from club members to The Rotary Foundation are set at
13 100 percent, only 23.75 percent of such funds will be available to clubs and districts
14 as district grants after three years
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16 IT IS RESOLVED by Rotary International that the Board of Directors of Rotary
17 International consider requesting the Trustees of The Rotary Foundation to consider
18 increasing the percentage of funds distributed to districts in connection with their
19 Annual Fund-SHARE contributions and Endowment Fund earnings from 23.75
20 percent to 34.2 percent as follows:
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- 22 • Change the ratio of the DDF (District Designated Fund) and World Fund
23 SHARE system based on annual contributions from 50:50 to 60:40.
- 24 • Change the distribution of district grants and global grants in the DDF based
25 on annual contributions from 50:50 to 60:40.

(End of Text)

PURPOSE AND EFFECT

26 One of the priorities of the 2024-25 annual goals for RI and The Rotary
27 Foundation is to "Increase our impact" and encourage community assessments
28 and measurement of projects and programs at the club, district, and international
29 level. The second and third goals are to "Expand our reach" and "Enhance
30 participant engagement." In addition, the "Increase our ability to adapt" goal
31 encourages members to support regional adaptability by testing innovative
32 approaches to foster greater collaboration and operating efficiencies. Rotary

1 activity is strong, but membership continues to decline and club membership is
2 declining commensurately in many communities. Rotary clubs cannot exist
3 without the maintenance and growth of the community's population and
4 sustainable economic development of the community. Community-based service
5 activities that are accepted by the community and aimed at solving local issues
6 are now required of Rotary.

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8 By increasing the SHARE percentage of DDF and district grants, The Rotary
9 Foundation will enable clubs and districts to expand and diversify those service
10 activities that most effectively contribute to the sustainable development of their
11 communities.

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13 Clubs that engage in local community service activities will receive recognition
14 from their communities, retain and grow their membership, and help to
15 positively impact Rotary's public image.

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17 Also, an increase in the DDF SHARE percentage and district grants would
18 incentivize contributions from Rotarians and clubs to the Annual Fund.

FINANCIAL IMPACT

19 If implemented, this resolution would have a financial impact on The Rotary
20 Foundation which cannot be determined at this time. Cost would be dependent
21 on the scope and extent of support provided by the Trustees to accomplish this
22 goal. This resolution would put significant pressure on the World Fund.