

# RESOLUTION 25R-30

To request the Trustees to consider consolidating districts' DDF for district and global grants

**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 sustainable economic development of the  
3 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 as well as to engage in projects with a  
8 broader, more global focus, and

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10 WHEREAS, of the contributions from club members to The Rotary Foundation, only  
11 23.75 percent of such funds will be available to clubs and districts as district grants  
12 and an equal percentage as global grants by way of District Designated Funds (DDF)  
13 after three years, and

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15 WHEREAS, depending on the specifics of its individual situation, each district should  
16 have discretionary authority over how such grant funds are to be used

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18 IT IS RESOLVED by Rotary International that the Board of Directors of Rotary  
19 International consider requesting the Trustees of The Rotary Foundation to consider  
20 consolidating districts' DDF for district and global grants, rather than separating  
21 them, thereby leaving the districts to manage the use of their own grant funds.

(End of Text)

## PURPOSE AND EFFECT

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

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30 Rotary activity is strong, but membership continues to decline and club  
31 membership is declining commensurately in many communities. Rotary clubs  
32 cannot exist without the maintenance and growth of the community's population

1 and sustainable economic development of the community. Community-based  
2 service activities that are accepted by the community and aimed at solving local  
3 issues are now required of Rotary.

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5 Likewise, in some areas, there is a demand to view local communities from a  
6 global perspective and actively engage in volunteer activities with a global focus.

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8 Districts, clubs, and members should be allowed to focus their attention on  
9 different service activities based on their own individual situations. If district  
10 grants and global grants, which are generated from annual giving DDF, are  
11 divided at a fixed rate as they currently are, there would be either a surplus or a  
12 deficit of funds in each specific case, thereby leading to an overall decrease in  
13 such activities. Therefore, respecting each district as its own first and best  
14 steward of its own funds, eliminating the fixed rate for the usage of grant funds,  
15 combining district grants and global grants into district grants and leaving the  
16 use of grant funds to the discretion of the districts would create more active  
17 service activities, enhance our public image, increase our membership and grow  
18 Rotary. Furthermore, Rotarians and Rotary clubs will be more willing to  
19 contribute to the Annual Fund, leading to increased contributions.

## **FINANCIAL IMPACT**

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

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25 This would be a significant policy change within the Foundation. Both Rotary's  
26 financial management system and Rotary's grant management databases would  
27 require substantial modifications.