

# RESOLUTION 25R-31

To request the Trustees to consider providing the amount of available investment income derived from contributions to the Endowment-SHARE

**Proposer(s):** Rotary Club of Wonju, District 3730, Korea

1 WHEREAS, annual fund contributions support the general programs of The Rotary  
2 Foundation. The funds are invested for three years to cover the operating expenses of  
3 The Rotary Foundation. At the end of the three-year investment period, 47.5 percent  
4 of the contributions go to the District Designated Fund and 47.5 percent go to the  
5 World Fund, and  
6

7 WHEREAS, the term “Rotary Foundation Endowment” is used to refer to the  
8 Foundation's permanent fund, the earnings of which alone are used to support the  
9 Foundation's programs. The earnings from Endowment investments are provided for  
10 the programs and operations of The Rotary Foundation and are distributed annually  
11 under the SHARE system set forth in Article 52 of The Rotary Foundation Code of  
12 Policies, and  
13

14 WHEREAS, the district is required to pay dividends to the clubs in proportion to the  
15 amount of donations, but there are cases where these dividends are used for other  
16 projects at the district's unilateral decision, which causes unnecessary distrust and  
17 conflict between the district and the club, and  
18

19 WHEREAS, in case of contributions to the Endowment-SHARE without the  
20 establishment of a named endowed fund, detailed information on the resulting  
21 earnings is not made available to the contributing club, and the corresponding  
22 dividends are also allocated solely to the district  
23

24 IT IS RESOLVED by Rotary International that the Board of Directors of Rotary  
25 International consider requesting the Board of Trustees of The Rotary Foundation to,  
26 upon request by the Rotary club to which the contributing member belongs, provide  
27 the amount of available investment income derived from contributions to the  
28 Endowment-SHARE, when no named endowed fund has been established.

(End of Text)

## PURPOSE AND EFFECT

29 Each club raises the necessary funds for service activities from its membership  
30 dues, the Annual Fund-SHARE, and the Endowment-SHARE. Therefore, it is  
31 very important to know how much of the income from the Endowment Fund is  
32 distributed, even if the amount is small. Therefore, if a club requests it, the

1 Foundation should provide accurate information on the distribution of the club's  
2 Endowment Fund income for that year. This will help build consensus among the  
3 clubs in the district about the usefulness of the Endowment Fund. This measure  
4 will help motivate clubs to support the Endowment Fund, and we are confident  
5 that the result will be an increase in donations to The Rotary Foundation.

### **FINANCIAL IMPACT**

6 This enactment could have a financial impact on The Rotary Foundation which  
7 cannot be determined at this time. Costs would be dependent on the scope and  
8 extent of support provided by the The Rotary Foundation to accomplish this goal.  
9  
10 Currently, The Rotary Foundation does not have the ability to report the  
11 spendable amount derived from individual general contributions to the  
12 Endowment-SHARE.