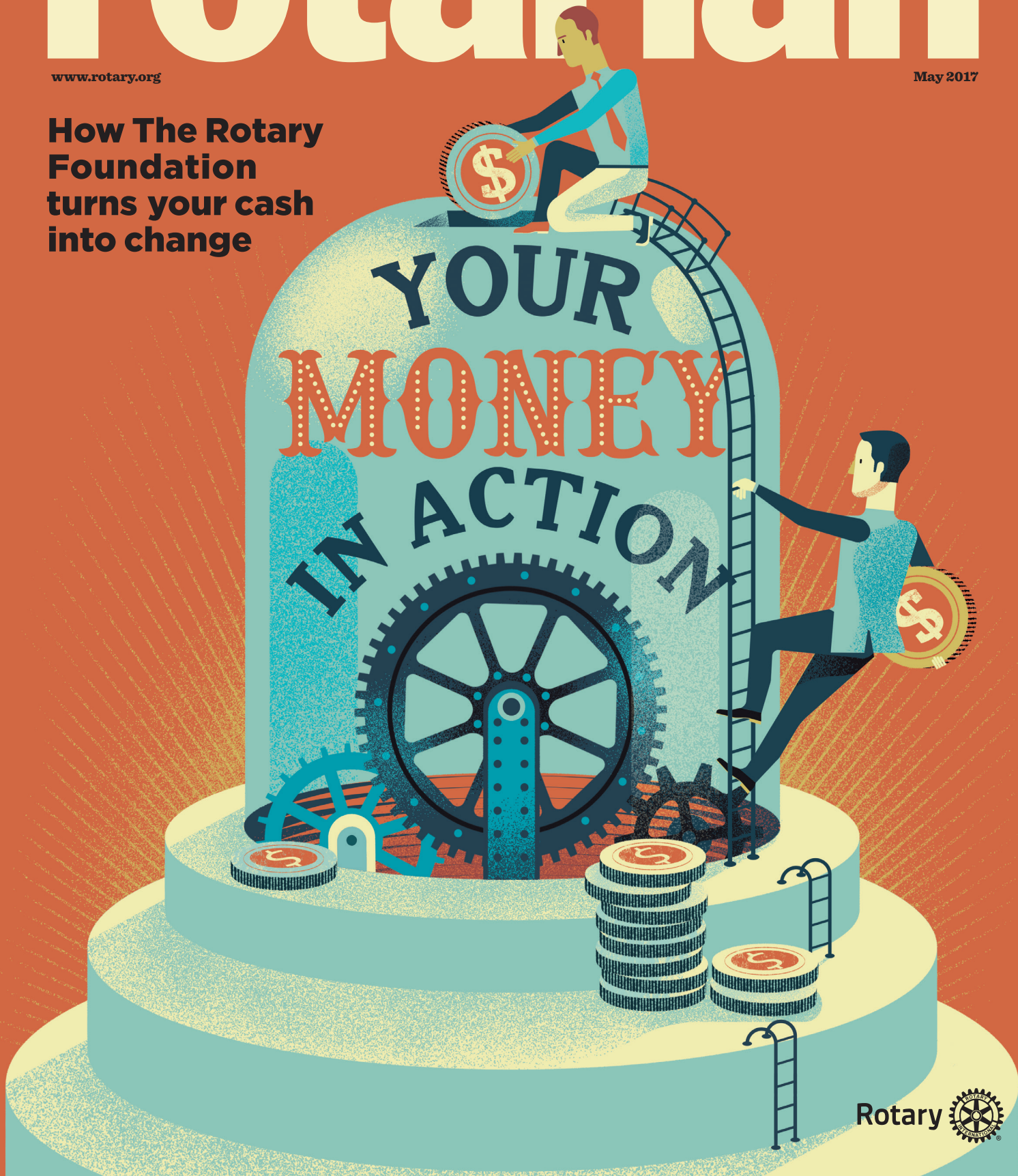


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**How The Rotary  
Foundation  
turns your cash  
into change**



# YOUR GIFT: FROM START to FINISH

**The Rotary Foundation  
is the best steward for  
your money. Here's why**

Illustrations by Gwen Kereval





In 2016, The Rotary Foundation received the highest possible score from Charity Navigator – 100 of 100 points – for its strong financial health and commitment to accountability and transparency. It was the ninth straight year the Foundation earned a four-star rating from the independent evaluator of charities across the U.S., a distinction only 1 percent of charities have attained. The Association of Fundraising Professionals likewise named the Foundation the World’s Outstanding Foundation for 2016, an award previously given to other familiar names such as Kellogg and MacArthur. These organizations agree: **When you donate to The Rotary Foundation, you’re investing wisely.** We followed your money from start to finish to discover how the Foundation ensures that your gift makes an impact for years to come.

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## Directing your donation

There’s a reason Rotarians donate to The Rotary Foundation: It’s a simple way to achieve your philanthropic goals – whether it’s supporting clean water, the eradication of polio, or a particular global grant. “Even the smallest of gifts can be donated to a specific fund – a global grant, polio, or an area of focus within the World Fund,” says April Jensen, a member of the Rotary Club of Evanston, Ill., who works in fund development for the Foundation. **You can also leave your gift unrestricted so that the Foundation has the flexibility to use the money where it is needed most.**

**Any gift can be donated to a specific fund – End Polio Now, an individual global grant, or one of Rotary’s areas of focus.**

Do you ever wish you could set up a scholarship or your own family’s foundation but don’t want the headache of administering it? Let The Rotary Foundation handle it. When you make a gift over \$25,000, you will receive personalized reports detailing the projects you are supporting. You can make your gift in the way that suits your financial situation best – such as cash, stocks, or bequests.

## Investing your money

In 2015-16, **91 percent of the money the Foundation spent went to programs and grants, with only 9 percent of expenses going toward administration.**

How does the Foundation make sure that the bulk of your donation supports the sustainable programs you want it to? “To ensure that the funds for the project are there when needed,” says past Rotary International President Ron D. Burton, chair of the Foundation’s Investment Committee, “all contributions to the Foundation’s Annual Fund are invested for three years.” The Investment Committee includes three Foundation

trustees and six Rotarians who are professionals in the field, who make sure that your money is invested responsibly during this period. When the three years is up, the investment earnings on your gift go toward the operating expenses of the Foundation. **“I don’t know of any other organization like ours that has a system like this,”** Jensen says. “It’s brilliant.” Your principal is split 50/50, with half going to your District Designated Fund and half going into the World Fund, a pool that the Trustees of The Rotary Foundation use to match grants where they are most needed.

**After three years,  
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## Awarding grants

When the Foundation awards a grant to fund a project, how does it ensure that your money will have lasting impact? “Sustainability begins with the community assessment,” explains Philip J. Silvers, a past RI director and chair of the Foundation’s Cadre of Technical Advisers. Before Rotarians design projects, they talk to people in the community – fathers, mothers, children, elders, political leaders – to understand the broader context behind what the community needs. “Then whatever project emerges, the community can see their fingerprints on it,” he says. “It’s not buy-in you want. We all know about buyer’s remorse. What we really want is community ownership right from the beginning.”

Six elements of sustainability must be addressed in the design of a global grant project: start with the community, encourage local ownership, provide training, buy local, find local funding, and measure your success. These ensure that the project provides long-term solutions that the community itself can support after the grant ends.

Project sponsors don’t have to figure out all this on their own. **The Rotary Foundation provides staff to help with your project design** – grant officers are knowledgeable about regional and cultural issues, and area of focus managers have significant field experience in their specialties.

### Six elements of sustainability must be addressed in the design of a global grant project:

- Start with the community
- Encourage local ownership
- Provide training
- Buy local
- Find local funding
- Measure your success

By connecting clubs with local and regional experts for guidance on developing sustainable, large-scale global grants early in the planning process, Rotary is committed to funding projects with lasting impact in communities. **Your district’s international service chair**, a Rotarian appointed by your district governor, can help you connect with a network of local Rotarian experts – such as members of Rotarian Action Groups, Rotaractors, and peace fellows and other alumni – who have volunteered to help with projects and global grant planning.

## Ensuring strong grant projects

The Rotary Foundation has a network of Rotarian volunteers available to provide expertise and advice, called the Cadre of Technical Advisers. With a database of 700 experts in Rotary's six areas of focus as well as other specialties – mediators, diplomats, obstetricians, engineers, bankers, and agronomists, for example – there is sure to be someone who can help if an obstacle comes up.

Cadre members play an important role in ensuring that **donors' funds make a long-term impact**. On behalf of The Rotary Foundation, cadre members do a technical review of the feasibility of larger grants before they are awarded and perform site visits to evaluate how the grants are being carried out. "Rotarians want to know if something is not working out or if they can do something better," says Francis "Tusu" Tusubira, a member of the cadre from the Rotary Club of Kampala-North, Uganda. "The cadre is there to give as much support as possible." **Cadre members also perform random financial audits** to help the Foundation ensure that grant funding is being used as approved.

"The cadre provides accountability and quality assurance in general, and protects our investors – the people who donate – and also the beneficiaries," Silvers says. "In doing that, we also protect the Rotary brand. We make a commitment to our beneficiaries; we want to make sure this is high quality. Our name – and more than our name, our commitment – is at stake."



## Monitoring success and sustainability

Monitoring and evaluation of grants are built in through the project design. “From the community assessment, we learn what kind of lasting change we can create together,” Silvers says. “How can we measure that? How do we know that change will continue? How can we show our donors and our beneficiaries that we really made a difference?”

Rotary Family Health Days have been recognized as a Rotary Foundation noteworthy global grant project (see page 35 for details). They are held in several countries in Africa where both incidence of HIV/AIDS and the stigma surrounding being tested for the virus were great. Built into the project was a follow-up step in which Rotaractors and Rotary Community Corps members called patients who had received health care through the project. Explains Silvers: “They’d ask, ‘What brought you to Rotary Family Health Days this year?’ It might have been that they needed a tooth pulled. ‘Anything else?’ From that sequence of questions, 71 percent of respondents said they got checked for HIV. That’s a huge cultural turnaround.” **Project sponsors write a final report when their grant closes.** This includes initial measures of impact. Because Rotarians design sustainability into a project at the very beginning, its benefits are ongoing.

Just as the Foundation asks project sponsors to monitor the impact of their grants, the organization also performs a triennial evaluation of its grant model. Foundation Trustees are using the feedback from the most recent evaluation, conducted in 2015-16, to adjust the grant process in ways such as improving how clubs and districts find partners, evaluating requirements for the community needs assessment, and helping project sponsors scale up their efforts with support from the cadre and other partners.

For everything the Foundation does to ensure that gifts make a lasting impact, **the greatest check and balance of all may be Rotarians themselves**, says Eric Kimani, regional Rotary Foundation coordinator for Zone 20A and a member of the Rotary Club of Nairobi-Muthaiga North, Kenya. “When you have good Rotarians, it is your best measure of stewardship,” he says. “Anyone who knows Rotarians sees how we give of our time and resources. They know their money is in good hands.” ■

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