



ARIZONA ROTARY LEADERSHIP ACADEMY

“UNDERSTANDING AND UTILIZING THE ROTARY FOUNDATION”

CHAPTER THREE: Giving to the Rotary Foundation

Many Rotarians are confused about giving to the Foundation. No wonder because we have all these acronyms like EREY, PHS, TRF. And we often hear the lament, “I gave to the Foundation, but my club did not receive proper recognition.”

Our aim in the chapter will be to dispel some of these concerns. We will discuss the three major funds and the characteristics of each fund. The table below identifies these funds:

- Annual Fund
- PolioPlus Fund
- Endowment Fund

We will also discuss how Rotary recognizes clubs and individuals for their donations.

Note: Rotarians can also donate directly to approved Global Grants. Rotarians earn Paul Harris credit for such donations.

Ways to Give to the Rotary Foundation

Fund	When spent	How spent	Goal	PHF credit?	Comment
Annual Fund (Share)	After 3 years	47.5% - World Fund*(global grants, etc) 47.5% - To district as District Designated Funds (district determines how to spend) 5% - Operation expenses	\$100 per capita per year	Y	3-yr earnings support operations of The Rotary Foundation
PolioPlus Fund	Immediately	Support polio eradication	\$1500 per club per year	Y	Eradication of polio is Rotary’s top priority
Endowment Fund	Never		\$2.025 billion by 2025	N	Earnings support a fund and area specified by donor

Donations promote peace, fight disease, provide clean water, save mothers and children, support education, and grow local economies through grants that:

- Bring peacebuilding seminars to 200 teachers and 1,300 students in Uganda.
- Distribute insecticide-treated mosquito nets and medical services that help prevent malaria in Mali.
- Train teachers who are establishing an early-childhood education center in South Africa.
- Provide water filters, toilet blocks, and hygiene training to prevent fluorosis in a community in India.
- Fund a scholarship for a medical professional to research ways to minimize mortality rates among premature babies in Italy.
- Protect children around the world from polio.

Annual Fund. Rotary asks every Rotarian to give at least \$100 per year to the Annual Fund. Thus the acronym EREY – Every Rotarian Every Year.

Contributions to the Annual Fund provide ongoing support today to humanitarian activities, including local projects in YOUR community and international projects.

Members receive Paul Harris Fellow credit for contributions to the Annual Fund.

Such contributions are extremely important to your club and district. Within three years after making the contribution, the district receives 47.5% of every dollar as District Designated Funds (DDF). Your district has complete control over expenditures of DDF. For example, the district may choose to use up to half of its DDF for a district grant; these funds can then be given directly to clubs to support qualifying club projects. Your district may also use its DDF to support global grant projects of the clubs. Other potential uses for DDF include support of PolioPlus and support of the Rotary Peace Centers, among others.

Also, three years after receiving the donations, Rotary transfers 47.5% of Annual Fund contributions to the World Fund. These funds are used to support Global Grants and other activities.

Rotary uses 5% of Annual Fund contributions to support operational expenses.

In summary, the funds contributed to the Annual Fund directly impact the amount of support available to support projects of your club. Your club can leverage Foundation funds to accomplish projects larger in scope than could be done otherwise. Your club can use DDF to support a project under a District Grant. Your club can use both DDF and the World Fund match to support a Global Grant project.

See pages 10-11 of The Rotary Foundation Reference Guide for more details about the Annual Fund.

PolioPlus Fund. Polio eradication is Rotary's top priority. Rotary asks each club to set a goal of contributing \$1500 to PolioPlus each year. Donors earn Paul Harris Fellow credit for donations to the PolioPlus Fund. Further, the Gates Foundation matches all donations (up to

\$50 million per year) two to one. So donations to PolioPlus go a long way to support the goal of a polio free world, and donors will soon be able to say they played a part in the eradication of polio from the earth, only the second time in history a human disease has ever been eradicated.

D5500 conducts the annual Ride to End Polio, one of the most successful polio fundraisers in history. This event has raised \$60 million over the past several years (counting the Gates match). D5500 invites your club to participate in this successful event in any one of several ways:

- If you have cyclists in your club, encourage them to ride and raise funds
- Form a team in the Indoor Ride to End Polio
- Donate to support a rider or a team

For details about the Ride to End Polio, see <https://polioride.org>.

Endowment Fund. Contributions to the Endowment Fund help secure Rotary's response to the pressing needs of tomorrow. These contributions are not spent, but are invested permanently. Spendable earnings from the Endowment Fund supplement the Annual Fund and support Rotary's highest priorities in perpetuity. Rotary met its 2017 goal of \$1 billion for the Endowment Fund. The new ambitious goal is \$2.025 billion by 2025.

Donors typically support the Endowment Fund through outright and planned gifts.

Opportunities for US donors include:

- Bequest commitments
- Life insurance
- Marketable securities
- Real estate
- Charitable trusts or annuities

Endowment Fund recognition opportunities include:

- Benefactor
- Bequest Society
- Major Donor
- Arch Klumph Society

INDIVIDUAL RECOGNITION OPPORTUNITIES

The Rotary Foundation shows its appreciation to individuals and clubs for personal outright contributions supporting its humanitarian and educational activities. See pages 17-24 of the Rotary Foundation Reference Guide for details about recognition.