

Rotary Australia Relief Fund (RARF) – a public benevolent institution.

IMPORTANT NOTICE: With the move to online Project Applications, it is **STRONGLY recommended that this document be PRINTED to ensure that all concerned read and understand the information presented.**

What is the Rotary Australia Relief Fund (RARF)?

RAWCS has established the **Rotary Australia Relief Fund (ABN: 80 595 697 237)** as a **Level 2 Deductible Gift Recipient (DGR)** fund to enable *collection of funds* for specific areas of **relief**.

Being a Public Benevolent Institution, the specific RARF relief fund established must have benevolent relief as its main purpose, and that relief must be provided to people in need. Benevolent relief includes working for the relief of **poverty or distress** (such as sickness, disability, destitution, suffering, misfortune, homelessness, or helplessness).

As a DGR 2 fund the RARF relief fund provides material help to those in need by funding projects registered under DGR 1 registered funds.

Level 2 DGR Funds are “giving” funds and CANNOT be spent directly on the provision of relief but must be transferred to a Level 1 DGR (a “doing fund”) Projects for the outworking of the relief aid.

RAWCS has two Level 1 DGR funds these being RAOAF and RABS including RACG. The projects registered under RAOAF or RABS (inc. RACG) be the recipients of RARF appeal funds.

Whichever Level 1 DGR projects are chosen for the allocation of the RARF funds these projects must strictly align to the purpose and for the specific beneficiaries for which the RARF fund was established. For example, appeal funds raised for bushfires, floods, other natural disasters, or calamities that have a significant impact on communities must be allocated for that purpose and to those specific beneficiaries. E.g. Fire relief funds raised for a specific state cannot be allocated from the RARF fund to flood victims in another state.

Establishing a RARF fund for a specific area of relief.

RARF uses the same mechanism of establishing a “RAWCS Project” to establish a DGR level 2 Project (Appeal) for a specific identified need or area of relief.

RARF is administered on a *National Basis*, fully utilising the RAWCS website and our online donation facility to minimise administration costs.

RARF DGR level 2 funds are designated by the establishment of a RARF Project (Appeal) which can only be registered with the agreement of the RAWCS Executive Committee and

must have the approval and recommendation of the RAWCS Treasurer or, in his absence, the RAWCS Chair or Secretary.

Before starting to register a RARF Project (Appeal), it is strongly suggested that you seek the advice of the RAWCS National Treasurer – treasurer@rawcs.org.au

The Project Manager for all RARF projects must be a current member of the RAWCS Board and Deputy Project Manager is also preferably a current member of the RAWCS Board, note for any national appeal the deputy must be a current member of the RAWCS Board.

All RARF relief funds /projects established must have benevolent relief as its main purpose and that relief must be specifically targeted at people in need and provided to relieve the needs of those people.

Benevolent Relief

The RARF Project must adequately describe the nature of the need and what is the purpose of the aid.

The **degree (level) of distress** is also important consideration and the RARF project only meets the definition if its purpose meets “a need” that is:

- significant enough (and the circumstances difficult enough) to arouse compassion in people in the community;
- beyond the suffering experienced as part of ordinary daily life, and
- concrete enough – aimed at helping people who are *recognisably in need of* benevolence.

If there is any doubt on the meaning of benevolent relief then the ACNC Commissioner has released the ACNC’s “*Interpretation Statement on Public Benevolent Institutions*”. The purpose of the Commissioner’s Interpretation Statement is to provide guidance on the ACNC’s view on the meaning and scope of the charity subtype of ‘public benevolent institution’ (PBI) and that of benevolent relief for ACNC purposes. The RARF Project and any subsequent DGR Level 1 project must be established to align with the definition of benevolent relief as used by the ACNC.

Targeting “people in need”.

The expected beneficiaries, defines which section of a community, group, cohort, or individual will be the target for the aid. In the process, we need to describe any intermediate and ultimate beneficiaries.

The RARF Project needs to describe what precise groups or individuals are being specifically targeted for funding either by age, gender, income, ethnic identity, situation, nature of distress, or other suitable descriptors.

Provision of aid to relieve the needs of those "people in need".

The type and character of the aid to be provided must be relevant, appropriate, pertinent, and applicable to relieve the specific needs as defined in the purpose for the benevolent relief of the defined beneficiaries. The aid must be well used and designed to reach the

most affected. The nature of the aid should have an immediate and lasting impact for the beneficiaries in the situation described in the purpose for the benevolent relief.

For example, A RARF project established *“to provide free legal aid to poor women in order to pursue cases of maintenance against the estranged father(s) of their children.”* The aid can only be used for that purpose and legal aid cannot be provided to assist with other court matters that these women may have. Nor can the aid be provided to assist these women out of poverty by providing educational support.

A RARF project is established *“to provide relief and humanitarian support to fire victims in northwest Victoria.”* The aid can only be used for that purpose and aid cannot be provided to assist the CFA in training their staff to improve firefighting capacity in northwest Victoria. The aid must be directed to *“fire victims in northwest Victoria”* and be **relevant** to relieve the distress of the fire. Further, a charitable organisation in Northwest Victoria, which did not suffer any loss in the fire, requires a van to deliver food to fire victims. The RARF funds can be used to purchase food to help that organisation in its endeavours to assist fire victims but cannot be used to assist with purchase of the van. It is an “organisation” not people-in-need affected by the fire.

Regardless of how worthy a potential Rotary project, the ACNC definitions govern how RARF Funds are sourced and used.

With this in mind, be cognizant in the establishment process of a RARF Project as to the words used to define and describe:

- the nature and type of benevolent relief and the purpose of that relief;
- the specifically targeted, people group or individual in need and;
- how that the aid will relieve the needs of those people with an immediate and lasting impact.

This project brief along with ACNC definitions will be the governance documents for any projects that are the subject of the allocation of DGR 2 funds from the RARF Project.

Supplementary Information

You may also be asked for supplementary information to clarify certain criterion used in the Project Brief used to establish a RARF Project. This may be necessary where generic words are used as a descriptor. For example, from the examples we used above in this section you may be asked to elaborate further about the meaning of “poor women” – what level of income or situation defines “poor.”

Alternatively, a “fire victim,” does this mean a person who suffered material physical loss in the fire, or does it mean someone whose residence was located in a fire zone.

The supplementary information is used by the RAWCS Executive to clarify the understanding between the sponsor and the RAWCS Executive in the establishment process of suitable DGR 1 project when it is time for the allocation of funds from the DGR 2 RARF fund.

Types of RARF fund

National Appeals

RAWCS Executive on the recommendation of the National Treasurer may establish projects to raise “appeal funds” for bushfires, floods, other natural disasters, or calamities that have a significant impact on communities either locally within Australia or overseas.

The Project Manager and Deputy Project Manager for RARF National Appeal projects must be a current member of the RAWCS Board.

Rotary Club Sponsored Project

With the approval of the RAWCS Executive a Rotary Club may request that the RAWCS Executive Committee establish a RARF project so that they can attract more business donations to continue Rotary’s legacy of “going good in the world”.

The Rotary Club wishes to continue with their various projects based upon the Rotary themes and helping those in need in those specific Rotary areas of focus which are consistent with RARF ACNC status but at this point do not have specific projects to enable the use of the funds.

Rotary Club Sponsored RARF project will have at least one Rotary specific area of focus and have benevolent relief as its main purpose and that relief must be specifically targeted at people in need and provided to relieve the needs of those people.

The Project Manager for a Rotary Club Sponsored RARF projects must be a current member of the RAWCS Board and Deputy Project Manager other than a current member of the RAWCS Board may, upon request to the RAWCS Executive, be a suitably qualified Rotarian and a senior member of the sponsoring Rotary Club Board or other suitable qualified Rotarian as otherwise directed by the RAWCS Executive.

At a minimum once every 12 months the sponsoring Rotary Club Board through the RARF Rotary Club Sponsored Project Manager will recommend grants to the RAWCS Executive for the use by DGR 1 projects aligned and in keeping with the RARF project’s purpose and the RAWCS RARF project criteria.

Funds in a Rotary Club Sponsored RARF Project need to be utilised by DGR 1 projects in a timely manner and in keeping with ACNC guidelines.

These grant recommendations will be reviewed for suitability and compliance and approved by the RAWCS Executive sub-committee charged with that purpose to ensure that they are compliant with the RARF Project Criteria and the RARF Project Brief.

The RARF Rotary Club Sponsored Project Manager will need to report at a minimum every 6 months.

Un-allocated funds kept longer than 12 months will be reviewed by the RAWCS Executive and valid reasons will be required from the RARF Rotary Club Sponsored Project Manager and the sponsoring Rotary Club Board otherwise the RARF project may be terminated at the discretion of the RAWCS Board.

The RAWCS Executive may appoint a review committee to review and make recommendations including termination of the project and for the use of the unallocated funds. Any recommendation must be aligned and in keeping with the RARF project's purpose and the RAWCS RARF project criteria.

To seek a distribution of RARF funding for a specific relief project.

DGR 1 Projects may be established to seek funds directed to specific areas of relief associated with RARF national appeals or "appeal funds" and Rotary Club Sponsored DGR 2 RARF Projects.

RAWCS prefers to have DGR Level 1 projects registered under RAOAF or RABS (inc. RACG) for the allocation of RARF funds, but it is not mandatory.

Any suitable "DGR 1" Project can apply through the RAWCS Disaster Response Committee to be considered for funds from any RARF National Appeal or special appeal fund or Rotary Club Sponsored DGR 2 RARF Projects.

1. For Appeal Funds, projects established in a RAWCS DGR level 1 fund or other suitable DGR 1 registered Project may apply.
2. Rotary Club Sponsored DGR 2 RARF Projects, any suitable DGR 1 Project can apply but it will also require the sponsoring Rotary Club Board through the RARF Rotary Club Sponsored Project Manager to recommend the use of funds for that project.

DGR Level 1 Project Conditions for allocation of RARF Funds.

The conditions that the DGR 1 Project must agree to for any allocation from RARF are:

- The DGR 1 project must utilise funds in the designated area of relief that the RARF appeal was set up for. That is, an appeal for a disaster in a specific area of relief must be spent on DGR1 projects set up to respond to that disaster. For example, Bushfire appeal monies cannot be used for a flood project. Similarly, in the case of the RARF Rotary Club Sponsored RARF Funds any project receiving funds must be aligned and in keeping with the RARF project's purpose and the RAWCS RARF project criteria.
- DGR 1 Projects committing or spending on activities or items not strictly aligned and in keeping with the RARF project's purpose, the RAWCS RARF project criteria or the ACNC definitions which govern how RARF Funds are sourced and used will, subject to review by the RAWCS Executive, be terminated and funds re-allocated.
- The monies must be spent in a timely manner, usually not greater than 12 months. National Appeal monies or any other RARF funds allocated to a project not committed or spent within 12 months will be subject to review by the RAWCS Executive which may decide to re-allocate those uncommitted funds from that DGR 1 project to another suitable project.
- Failure of the DGR 1 Project to keep to the regular record keeping and reporting requirements may also make that project subject to review and funds re-assignment.

The decision of which "DGR 1" Projects are selected to receive funds from the RARF is solely a decision of the RAWCS Executive Committee, in its absolute discretion.

Transfer of funds from a RARF Project account to a DGR1 Project account can only be made by a decision of the RAWCS Executive Committee.

Procedure for determination of RARF funds distribution:

1. A specific appeal (RARF Project) is registered to address an event requiring a relief response.
2. The designated RARF Project Manager or the RAWCS Disaster Response Committee will issue a call for Expressions of Interest from RAWCS DGR1 Projects, requesting funding to address the specific event response.
 - a. In the case of Rotary Club Sponsored DGR 2 RARF Projects, the sponsoring Rotary Club Board through the RARF Rotary Club Sponsored Project Manager may recommend the use of funds for a proposed project.
3. Expressions of Interest will include a Project Brief / Proposal for funding which will be referred to the RAWCS Disaster Response Committee for assessment.
4. The RARF Project Manager will advise the Disaster Response Committee of the total funds available for distribution.
5. The Disaster Response Committee will make recommendations regarding fund distribution to the RAWCS Executive Committee.
6. The RAWCS Executive Committee will approve the fund distribution and instruct the RARF Project Manager to transfer the allocated funds to the successful DGR1 Projects upon receipt of a written acknowledgement, from the DGR1 Project Managers, of the conditions for allocation of RARF funds including the reporting requirements for Projects receiving RARF funding.

Acceptance of a project proposal for distribution of RARF funding depends on:

- a convincing needs assessment;
- a credible results-based proposal that demonstrates that the project will provide the type of relief that is designated in the RARF appeal fund;
- organizational capacity of the implementing Rotary stakeholder and partners to deliver results;
- available funding and;
- DGR1 Projects accepting the conditions for allocation of RARF funds.

Other factors taken into consideration will include contributions of other donors and relief agencies and the financial participation and commitment of the Rotary Clubs and partners.

Key criteria for RAWCS evaluators:

- A. *Relevance*: assessment of the objectives of a proposal, particularly regarding their justification in the light of problems and needs of the relief effort associated with the RARF program. The project will also need to be relevant to Rotary's mission.
- B. *Effectiveness*: the degree to which the objectives of the project fulfill a solution for the designated relief effort and Rotary's purpose.
- C. *Efficiency*: a measure of how well the resources are used to produce achievements and results.
- D. *Impact*: effects attributable to the beneficiaries.

- E. *Time is of the Essence*: preference will be given to those projects which can respond quickly and effectively to a disaster situation and the problems and needs of the relief effort.
- F. *Viability*: the degree to which the desired effects of a project last beyond its end.
- G. *Visibility*: the degree to which the project is committed to providing information and material to showcase Rotary as the pre-eminent not-for-profit Community Service organisation.

Eligibility and Project Criteria:

Applicants must submit a Project Brief / Proposal for RARF Funding Distribution

All projects requesting a RARF distribution are required to provide a “Project Brief / Proposal” as to the nature, rationale, and purpose of the project:

- Must align to the designated relief effort associated with the RARF program. A brief explanation of “why this project” is required for the funding assessment.
- The project design is based on a thorough assessment of the humanitarian situation and the need.
- Time is of the essence; the project plan and activities need to demonstrate a timely response to the relief situation.
- The proposed solution is a logical response to address a significant problem.
- Make sure the proposal reflects RAWCS assessment process and articulates a good understanding of the humanitarian situation facing the project. Also, needs to show that it has been coordinated with other key stakeholders and other projects in the overall relief effort. RAWCS seeks to support project activities that are based on a full awareness of the whole humanitarian situation in the relief effort. This would include information regarding:
 - i. Beneficiaries. The expected beneficiaries, which community or individual will be the target for the aid. Describes intermediate and ultimate beneficiaries. Describes what specific groups are being specifically targeted by age, gender, income, ethnic identity, or other suitable descriptions. When considering the purpose of the Project for the Beneficiaries contemplate:
 - ii. If Participation of Beneficiaries will be in the project – is it a handout or a hand up;
 - iii. Local Delivery Partnerships and Capacity Building;
 - iv. Communication and Coordination;
 - v. Environment; and
 - vi. Sustainability.
- The proposal is realistic and achievable within the requested budget and time frame.
- The proposal is logical and makes sense and that the writing style is clear, simple, and well edited. There should be a sufficient level of detail even if information and

hard facts are scarce. The proposal needs to build in a degree of flexibility.

- The risks facing the project have been considered and strategies articulated to manage them.
- A description of the experience and capacity of the Rotary Club and/or delivery partner to achieve results.
- It has a budget and project plan.
- The proposal narrative and the budget are consistent.
- The proposal is aligned with RAWCS overall programme strategy and RAWCS comparative advantage.
- Note for Disaster Relief Projects:

Disaster Relief projects both in Australia and outside Australia must be for relief provided to people in need. Relief includes working for the relief of **poverty or distress** (such as sickness, disability, destitution, suffering, misfortune, homelessness, or helplessness).

Project applications must have an MOU explaining who is acting in the community to distribute the relief (usually it will be a Rotary Club or District), how the relief benefit will be given and the people who will benefit from the relief given.

It is a Rotary Project.

The project needs to be substantially a Rotary project, and the proposal should clearly demonstrate Rotary's capacity, both locally and globally. This is to include governance requirements.

All "DGR 1" projects which request or use Rotary Australia Relief Fund (RARF) funds must:

A. **Meet RAWCS project governance** requirement for a DGR 1 project this being:

- have the approval and support of their Australian Rotary Club. Known as the Sponsoring Club.
- The Sponsoring Club Board will appoint a Project Manager and a committee of at least three to manage the Project.
- The committee at minimum will be a Project Manager, Deputy Project Manager and one other. Two (2) of whom must be members of the Sponsoring Club.
- The Project Manager must be an active Rotarian of the Sponsoring Club and one other member must also be a Rotarian.

B. **Rotary Project Capability**

- The Rotary Club and/or delivery partner must have experience and capacity to achieve results directly relevant to the Project requirements, to Rotary's purpose and mission and for RARF program it was designed for;
- All parties involved in the delivery of a RAWCS RARF funded project including any non-Rotary partners must ensure that the "Project" be

only for humanitarian aid proposes and for the benefit of communities or non-Rotarians it was proposed for and as designated by the RARF appeal and at no time can projects engage in any illegal, fraudulent, corrupt or unethical activity, nor for the purposes of funding any form of terrorism, money laundering, bribery, corruption, financial impropriety or used for the exploitation or abuse of vulnerable individuals or communities.

B. Rotary Awareness

- It is a requirement for the project to provide, on a Regular Basis, information, reports, stories, and material to showcase Rotary. “Regular Basis” means monthly for the first 6 months and then quarterly thereafter. Given the size and scale of the funding distribution and the nature of the relief effort, RAWCS may at its discretion, request the project to provide information monthly for the first 6-12 months. This requirement will be determined at the time of the funding transfer. This is a **MANDATORY** requirement for any request for Rotary Australia Relief Fund (RARF) funds and one that Project Managers need to pay close attention to and adherence to.
- Note: **If the Rotary Awareness material is more than 3 months in arrears, the Project may be marked SUSPENDED**

D. Payments

- After RARF funds have been transferred to a RAWCS project account, ALL payments for the project expenditure will be made by the RAWCS National Secretariat upon the request of the Project Manager.
- The Project Manager can authorise expenditure of funds from the Project account. Regular payments to suppliers in Australia are made upon request of the Project Manager by authorising an invoice for payment and forward to RAWCS National Secretariat. For outside of Australia, Project Managers must complete a “Request to Transfer Funds Form” available from the RAWCS website at Rotarians Centre/Operational Guidelines & Templates. The signed and completed form along with the associated artefacts verifying the expenditure should be emailed to the National Secretariat.
- The Project Manager is SOLELY responsible for ensuring that the Sponsoring Club management and Board is informed and aware of financial transactions in a Project.

E. Surplus or Uncommitted Funds

- If there are any surplus funds in the Project Account at the completion of the project, these funds must be returned to RARF for distribution.
- If funds are not utilised in a timely manner or left uncommitted for longer than 12 months, then the RAWCS National Treasurer may authorise the transfer of uncommitted funds to a different account or project.
- If a Project is “suspended” for any considerable length of time the RAWCS National Treasurer may authorise the transfer of funds to a different account or project.

Record Keeping and Reporting

Financial records must be maintained by the Project Manager. Financial records are documents that:

- show the project's financial transactions, position, and performance; and
- allow financial reports to be prepared and audited. These records include receipts, invoices, banking records, details of any contracts, details of any grant payments, salary records (if employees), and other similar documents.
- Reporting on a Regular Basis by the Project Manager. As a minimum, the Project Managers or, in their absence, the Deputy Project Manager will be responsible to complete and **submit online project reports every three months for the first 12 months**. RAWCS may require this to be monthly for the first 6 months. An email will be sent to them with a link to the report. The Report needs to be completed online and then submitted. A copy will be sent to the Sponsoring Club, District Governor, District RAWCS Chair, Regional RAWCS Chair and the National Projects Manager as well as being placed on the project file.
- Auditability. All projects can be subject to audit at any time by National and Regional officers of RAWCS or officers of the ACNC. Project Managers need to ensure that the Financial and Operational records are kept in such a manner to assess whether:
 - the project continues to be an eligible project. For example, the documents should show what activities are being undertaken for charitable purposes; and
 - the project is complying with its responsibilities and requirements under the ACNC Act or other applicable Government statutory requirements.

Operational records are any other documents about operations connected with the Project. These may include meeting minutes, reports, and written details of charities activities, programs, or services

Note on Reporting: **If a report is more than 3 months in arrears, the Project will be marked **SUSPENDED**, and the Project funds will be frozen until the report is submitted. If a report has been outstanding for more than 6 months, the Project will be marked as **SUSPENDED** and the funds in the Project Account will be re-distributed to another Project by the RAWCS Board.**

Summary of Specific Requirements to be acknowledged by RAWCS DGR1 Project Managers when receiving an allocation of RARF funds:

In addition to the standard RAWCS requirements of non-RARF funded projects, Project Managers of projects receiving RARF funds must:

- Utilise the RARF Funds in the designated area of relief that the RARF appeal was set up for and aligned and in keeping with the RARF project's purpose and the RAWCS RARF project criteria.



- Committing or spending on activities or items not strictly aligned and in keeping with the area of relief of the RARF appeal, the RARF project's purpose, the RAWCS RARF project criteria or the ACNC definitions which govern how RARF Funds are sourced and used may, subject to review by the RAWCS Executive, result in project termination and funds re-allocation.
- The monies must be spent in a timely manner, or be subject to review by the RAWCS Executive which may decide to re-allocate uncommitted funds
- Failure to adhere to the regular record keeping and reporting requirements may also make the project subject to review and funds re-assignment.
- Provide monthly reports and stories with photographs to showcase the project's progress and impact. These monthly reports are to be submitted to the RARF Project Manager for each of the first six months of the project, the "Rotary Awareness" undertaking.
- Submit on-line project reports every three months for the first twelve months of the project.
- Undertake to complete the project within two years of RARF funds being received.