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Rotary  
International  
District 5240,  
Inc.

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Operating  
Manual

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Working Copy  
(version 9.2)  
July 2, 2012

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# Rotary International District 5240, Inc. Amended and Restated Operating Manual

## Table of Contents

Article 1 – Name and Authority .....	3
Article 2 – Office .....	3
Article 3 – Mission.....	3
Article 4 – Members .....	4
Article 5 – Governance .....	4
1. District Governance Organizational Chart.....	4
2. The District Leadership Plan .....	4
3. Board of Directors .....	4
4. Governor.....	5
5. Council of Governors. ....	5
6. District Rotary Foundation Chair.....	6
7. District Staff.....	6
8. Regional Staff.....	7
Article 6 – Meetings, Education & Training.....	7
Article 7 – Awards .....	9
Article 8 – Financial.....	10
Article 9 – Records & Reports.....	13
Article 10 – Implementation.....	14
Article 11 – Amendments .....	14

# **Rotary International District 5240, Inc.**

## **Amended and Restated Operating Manual**

### **Article 1 – Name and Authority**

1. The name of this document is the Amended and Restated Operating Manual (hereinafter “Operating Manual”) for Rotary International District 5240, Inc.
2. The Operating Manual is authorized under Article 5.2 of the Amended and Restated Bylaws of Rotary International District 5240, Inc. which is incorporated herein in its entirety by reference.
3. If any provision of the Operating Manual is found to be inconsistent with any provision of the Bylaws, the Bylaws shall take precedence.
4. All specific titles assigned in the Bylaws shall have the same meaning in the Operating Manual.

### **Article 2 – Office**

1. Pursuant to Article 2.1 of the Bylaws, the District shall establish and maintain a space to be utilized as a centralized permanent office to provide continuity and safe keeping for the District records and data base information; to aid in the efficient storage and dissemination of Rotary International forms, documents, and materials for the use of District Clubs and Rotary Officers; and to assist each successor District Governor.
2. The District office address is hereby established as 3394 Bryon Ave, Simi Valley, CA 93063.
3. The mailing address and telephone number are hereby established as 3394 Bryon Ave, Simi Valley, CA 93063. and 805-578-1061.
4. The Office shall be managed by the District Governor, with the assistance of a Past District Governor or other experienced Rotary Officer, appointed by the District Governor, as may be appropriate or necessary.

### **Article 3 – Mission**

1. The purpose of this Operating Manual is to provide the structure for the District to help individual clubs advance the Object of Rotary.

2. The Operating Manual further defines the structure, policies and procedures to be followed by the District in achieving its mission statement as set forth in Article 3 of the Bylaws.

#### **Article 4 – Members**

1. Provisions regarding Member Clubs shall be as established by Rotary International Manual of Procedure.

#### **Article 5 – Governance**

##### **1. District Governance Organization**

- a. The District shall be administered by the District Governor under the guidance of the Board, and as further defined in the District Leadership Plan.

##### **2. The District Leadership Plan**

- a. The District Leadership Plan shall be maintained for the use, benefit and information of all district officers and Rotarians. The Leadership Plan, in addition to the Bylaws and the Operating Manual, shall be a primary and continuing source of uniform and consistent governance of the District. The Leadership Plan shall be reviewed annually and revised as deemed necessary for the subsequent year by the Governor Elect to provide useful guidance to District Officers in carrying out the District's functions and activities.

##### **3. Board of Directors**

- a. The Board of Directors (the Board) shall have overall fiduciary and financial responsibility for the administration of the District.
- b. The Board shall have the authority to negotiate and enter into Sister District agreements with other districts.
- c. The Board shall have the authority to approve Inter-Country Committees as requested from time-to-time.
- d. By definition of their election as District Governor Nominee Designate, these members assume a 5 year term on the Board and serve as Chairman of the Board during their year as District Governor.
- e. The Board Member at Large shall be nominated and elected in accordance with Article 5.4 of the Bylaws at the Board Meeting in conjunction with the District Assembly and shall serve a one year term from the following July 1<sup>st</sup> through June 30<sup>th</sup>.

## 5. Governor.

- a. The District Governor, being an officer of Rotary International (.RI.), and having been nominated by Rotary International District 5240, Inc. and elected at an annual Convention of Rotary International, shall function under the general supervision of the RI Board of Directors and the guidance of the Board of Directors of Rotary District 5240.
- b. The District Governor is charged with the duty of furthering the Object of Rotary in exercising direct supervision of the clubs in the District. Additionally the District Governor shall be responsible for those duties described in Section 15.090 of the 2010 edition of the Bylaws of Rotary International in the 2010 edition of the RI Manual of Procedure, and charged with carrying out the Duties of a Governor as specified in the most current edition of the RI Manual of Procedure.
- c. **Term.** The governor's term of office begins on 1 July and continues for one year or until a successor is elected and qualified. (RIB 6.060.1.)
- d. **Qualifications.** At the time of taking office, the District Governor must continue to have the qualifications set forth below for the District Governor Nominee Designate. Further, he/she must have successfully completed the duties of the District Governor Elect. In addition a governor, at the time of taking office, must have completed seven years of membership in one or more clubs and have attended the governors-elect training seminar and International Assembly. (RIB 15.080.)
- e. **Code of Ethics.** The Governor must adhere to the code of ethics as set forth in the Rotary International Manual of Procedure.
- f. **Duties.** The governor is responsible for carrying out the duties and responsibilities set forth in the Rotary International Manual of Procedure.

## 6. Council of Governors.

- a. There shall be a Council of Governors comprised of any current, past and officially elected future officer of Rotary International residing in and currently a member of a Club within the District and desiring to participate. This group shall elect a Chairman for the ensuing Rotary year at its last meeting of the preceding year. The role of the Council is to offer advice, counsel and assistance upon request to the District Governor, the District Governor-Elect, and the District Governor Nominee, on matters affecting the District as referred to them. Meetings of the Council shall also serve as an opportunity for the District Governor to inform members regarding any items of interest or news involving the District and/or Rotary International. The

Council of Governors annual meeting will be held each year at the District's expense in conjunction with the District Conference.

## **7. District Rotary Foundation Chair (DRFC)**

- a. The DRFC shall be appointed in accordance with the policies of The Rotary Foundation for a three year term as further specified in the District Leadership Plan. The DRFC must be a Past District Governor or an experienced Rotarian. It will be the responsibility of the DRFC to assist the sub-committee chairs in their individual programs and to keep the Board of Directors and District Governor advised on the Foundation program throughout the year.
- b. The District Governor in consultation with the DRFC shall appoint a District Rotary Foundation Committee as further specified in the District Leadership Plan.

## **8. District Staff.**

- a. The administrative efforts of the District shall be organized as set forth in the District Leadership Plan as amended from time to time by the District Governor. At a minimum, the administrative staff will consist of Chief Operating Officer and the following positions and/or committees:
  - i. Administrative Aide
  - ii. District Treasurer
  - iii. District Secretary
  - iv. District Website Coordinator
  - v. District Special Events Coordinator
  - vi. Awards Committee
  - vii. Education & Training Committee
  - viii. Finance Committee \*
  - ix. Membership Committee
  - x. Resolutions Committee
  - xi. Avenue of Service – Club
  - xii. Avenue of Service – Community
  - xiii. Avenue of Service – International
  - xiv. Avenue of Service – New Generations
  - xv. Avenue of Service – Vocational
- b. The qualifications, appointment, term, duties and responsibilities of the District Staff shall be as set forth in the District Leadership Plan.

## 9. Regional Staff.

- a. The club facilitation efforts of the District shall be organized around four regional areas as follows:
  - Region 1: Eastern – Member Clubs in Groups 1, 2 and 3.
  - Region 2: Southern – Members Clubs in Groups 4, 5 and 6.
  - Region 3: Central – Member Clubs in Groups 7, 8 and 9.
  - Region 4: Northern – Member Clubs in Groups 10, 11 and 12.
- b. Each region shall have an Executive Assistant Governor who will be supported by
  - i. Three Assist Governors each responsible for one group of member clubs as further set forth in the District Leadership Plan and
  - ii. At a minimum, one Foundation Area Representative for the region.
- c. The qualifications, appointment, term, duties and responsibilities of the Regional Staff shall be as set forth in the District Leadership Plan.

## Article 6 – Meetings, Education & Training

There shall be four (4) official District meetings held during any Governor's term. They are the District Conference, the S.T.E.P.S. Conference, the District Assembly, and the District Awards & Recognition Presentation. In addition, Presidents-Elect from each Member Club shall be required to attend the Presidents-Elect Training Seminar each year. Through the annual District Leadership Plan, the DG shall use his/her best efforts to utilize these meetings, and other District-wide meetings as efficiently as possible so as to minimize the impacts of District related meetings for Member Clubs.

1. It shall not be the purpose of these meetings to produce a profit or surplus. Rather, it shall be the purpose of the meetings to operate on the lowest feasible fees so as to encourage the widest possible attendance at such meetings. District-wide meetings shall be financed through registration fees paid by the participants, with supplementary District funds made available when budgeted for that specific purpose.
2. **The District Conference** shall be a meeting for all Rotarians, spouses, guests, and others held annually in the fall. The program and activities of the District Conference shall emphasize Rotary information, District activities, business matters, inspiration, and fellowship. The District Conference shall conform to Article 15.040 of the 2010 edition of the Bylaws of Rotary International.
3. **The Steps To Eliminate Poverty Sustainably (STEPS) Conference** shall be a meeting for all Rotarians, spouses, guests, and others held annual

in the winter. The program and activities of the STEPS Conference shall emphasize Rotary, Governmental and non-governmental organizations efforts to reduce world-wide poverty.

4. **The District Assembly** shall be directed particularly toward the incoming Officers, Directors and Committee members of the District and Member Club positions held annually in the spring. The Assembly program shall emphasize instruction and preparation of the participants for the Rotary year ahead, and shall follow as nearly as practical the guidelines furnished by Rotary International conforming to Article 15, 15.020 of the Bylaws of Rotary International. All Rotarians within the District are welcome and encouraged to attend.
5. **The District Awards & Recognition Presentation**, held annually in the summer, shall be the step-down party for the outgoing District Governor and an opportunity to present District and Foundation awards as appropriate.

## 6. Resolutions and Voting

### a. Resolutions Committee.

- i. The District shall have a Resolutions Committee consisting of three members, at least one of whom shall be a Past District Governor of District 5240, However, no Past District Governor shall serve more than three consecutive years on this Committee.
- ii. The District Parliamentarian shall be an Ad Hoc member of the Resolutions Committee.
- iii. The District Governor may appoint an attorney to the committee to act in an ex-officio, non-voting, capacity to advise and counsel the committee.
- iv. Prior to assuming office on July 1, each District Governor Elect shall appoint one new member to serve a three-year term. The three-year term will commence coincidental with the elected Governor who appointed them.
- v. The District Governor will fill vacancies on the Committee through appointments for the unexpired original term of office.
- vi. The District Governor Elect shall appoint one member of the Committee to be Chair during that Governor's year in office.
- vii. Duties
  1. To solicit, receive, publish and distribute to all clubs in the District, to the District Governor, to the District



Governor Elect and to the District Governor Nominee at least one month prior to the convening of a Business Meeting (or counting mail-in ballots) copies of all resolutions for changes to the Bylaws or Operating Manual of the District.

2. To convene and coordinate a presentation to the electors attending the Annual District Business Meeting of all the resolutions for changes to the Bylaws or Operating Manual, including explanation of the effects of the resolutions on the affairs of District 5240 or Rotary International.
  3. Following the Annual District Business Meeting, to prepare all passed resolutions in such a form that the District Bylaws or Operating Manual can be amended properly.
  4. Prepare and implement mail by ballot procedures in conformity with the Rotary International Manual of Procedures when such voting is required by the Bylaws of the District.
- b. **Club Electors.** Club Electors are to be determined in accordance with Article 13.2.a. of the Bylaws.
  - c. **Voting procedures.** Voting procedures are to be conducted as set forth in Article 13.2.b. of the Bylaws.
  - d. **Proxies.** Participation by Proxy shall be as established in Article 13.2.c. of the Bylaws.
  - e. **Quorum.** A Quorum shall be calculated as set forth in Article 13.2.d. of the Bylaws. If a Quorum is not established the resolution shall not be approved, however it may be resubmitted for consideration at a successive Annual District Business Meeting by re-submitting the resolution to the Resolutions Committee.

## Article 7 – Awards

1. Each year the District Governor Elect shall develop a list of awards to be presented during their gubernatorial year. With the exceptions of the specific subjective awards set forth below, the criterion for awards should be as objective as possible.
2. Each award criterion must provide sufficient obtainable achievements to present successful completion awards in three ranges:

- a. Governor's Gold Club of Distinction is the range with the highest number of achieved goals.
  - b. Governor's Silver Club of Distinction is the mid-range of successfully achieved goals.
  - c. Governor's Bronze Club of Distinction is the lowest range of recognizable achievement,
3. Multiple recipients are permitted for every award.
4. In general, awards will be certificates of achievement and will be presented at the annual Awards & Recognition Presentation.
5. The District Governor may also present subjective awards each year as provided in the Governance Documents. Subjective awards may include the following:
  - a. Samuel L. Green District 5240 Service Above Self Award
  - b. John Padilla Humanitarian of the Year Award
  - c. Rotarian of the Year Award
  - d. District Leadership Award
6. The District Governor shall have the authority to add additional subjective awards during his/her Rotary year. Such additional subjective awards are not binding on future Governors.

## **Article 8 – Financial**

1. As an over-riding policy, banking accounts established by the District Staff, any committee or project shall adhere to the following:
  - a. The account must be at a bank or financial institution covered by FDIC insurance.
  - b. The bank must offer “online banking” and all accounts must be enrolled in online banking. Log-in instructions must be provided to the District Treasurer and District Governor.
  - c. The District Treasurer and District Governor shall be included as signors on all accounts.
  - d. Any check to be drawn in excess of \$1,000 must be drawn on the District Operating fund and signed by the District Treasurer and District Governor. If such expenditure was to have originated from a project or committee account, the District Treasurer shall use online

banking to transfer those funds to the District Operating Fund to cover the disbursement.

2. A District Operating fund shall be established for the administration and development of Rotary activities in the District as provided in the Governance Documents. This Fund shall be developed through a per-capita levy of the Clubs in the District, plus any subsidy received from Rotary International. The total shall be sufficient to fund the activities of the District for the next Rotary year.
3. Further, the Treasurer shall be responsible for documenting and monitoring all District Funds including separate accounts such as may be maintained for Youth Exchange, RYLA, District Conference, etc. Quarterly financial reports shall be submitted by the District Treasurer to the Board of Directors and other committees and officers as may be appropriate. This quarterly statement and report shall include but not be limited to the following details:
  - a. All sources of the district's funds (RI, The Rotary Foundation, district, and club)
  - b. All funds received by or on behalf of the district from fundraising activities
  - c. Grants received from The Rotary Foundation or Rotary Foundation funds designated by the district for use
  - d. All financial transactions of district committees
  - e. All financial transactions of the governor by or on behalf of the district
  - f. All expenditures and commitments of the district's assets
  - g. All funds received by the governor from RI
4. An annual statement and report must be presented by the Immediate Past District Governor for discussion and adoption at the Annual District Business Meeting at the District Conference to which all clubs are entitled to send a representative and for which 30 days notice has been given that the statement and report of district finances will be presented for discussion and adoption. If no such district meeting is held, the statement and report shall be presented for discussion and adoption at the next district conference. (RIB 15.060.4.)
5. The annual statement and report must also be published in the District newsletter and posted on the District website.
6. The District Treasurer shall receive no compensation, but shall be reimbursed for appropriate out-of-pocket expenses. The Treasurer shall be

bonded in an amount approximating the total Funds of the District, the expense of such bond to be borne by the District.

7. To coordinate with the Treasurer's preparation of the budget as defined in Article 9.2 of the Bylaws, all District committees and operations that anticipate either income or expense, or that are requesting funds from the District treasury, shall submit their proposed Committee budgets and fund requests to the Treasurer by the 31st day of December of each year, or at other times if so requested by the Governor.
8. The Treasurer is responsible for the management of District funds including the current year's Budget Fund. The Treasurer will also have oversight of any other District Funds such as may be required for PRLS, RYLA, Youth Exchange, and the District Conference, as well as providing assistance to the District Governor in preparation of the budget for the District Conference.
9. The Treasurer may authorize expenditures of up to One Thousand and No/100 Dollars (\$1,000.00) from the District Operating Fund provided the expenditure is anticipated in the current year budget.
10. At the District Governor's discretion, designated budgeted funds up to \$5,000 in any one year may be adjusted on a line-item basis. The District Treasurer shall be notified promptly of any such adjustments and these changes must be specifically noted in the next quarter's financial report.
11. It is recognized that in addition to the regular and normal activities of the District, which are paid for either by reimbursement from Rotary International, by the District's per-capita levy, or by allotment of District Reserve funds, there may be special Club, District, or Rotary International programs, activities or functions which require or encourage the District Governor's participation and use of District funds. The Board of Directors will establish budget parameters for reasonable reimbursement for such expenses.
12. All District committees which have their own checking or savings accounts or which have received funds from the District treasury shall make a complete itemized accounting of all income and expenses to the District Treasurer 4 times per year no later than 30 days prior to the end of each fiscal quarter. Exceptions to requirements of this paragraph will be permitted only upon written approval of the Board of Directors. The District Treasurer shall be required to close any funds wherein there is a failure by the fund manager to provide such accounting for two consecutive quarters.
13. Where funds are raised for specific purposes or for District programs, such as for Youth Exchange, the District Conference, or multi-District activities such as RYLA, a separate budget and bank account may be established if approved by the Board of Directors. At least quarterly, no later than 30 days prior to

the end of each fiscal quarter, the Chair or Treasurer of that respective activity shall submit a financial report to the District Treasurer for inclusion in the District Financial Report. The District Treasurer shall be required to close any funds wherein there is a failure by the fund manager to provide such accounting for two consecutive quarters.

#### 14. Governors Expenses

- a. **Basic Expenses Reimbursed by RI.** At the beginning of each term of office, the Governor is provided with an allocation to reimburse reasonable and necessary expenses associated with carrying out the governor's duties and responsibilities within the district, including those mandated duties performed during the terms as Governor-Elect and Governor Elect Nominee in accordance with the RI constitutional documents and established policies.
- b. Governors may choose to deposit such funding into their personal account or into the District Operating account. If the funds are deposited into their personal account, the Governor does not need to accounts for such sums to the District, but also forgoes any additional potential reimbursement from District Funds. If the Governor chooses to deposit these funds in the District Operating Account, the Governor may budget this income and allocate it and other district resources against reasonable expense reimbursement.

### Article 9 – Records & Reports

1. **Annual Statement and Report of District Finances.** The Governor must provide an annual statement of the District finances to each club in the District within three months of the completion of the Governor's year in office. This annual statement shall also be presented, discussed (if need be) and formally adopted at the next District meeting to which all clubs are entitled to send a representative and for which 30 days notice has been given that the statement of District finances will be presented for adoption or if no such meeting is held by the following District Conference. This annual statement and report shall include but not be limited to details of:
  - a. all sources of the District's funds (RI, The Rotary Foundation, District and club);
  - b. all financial transactions of District committees;
  - c. all financial transactions of the Governor by or on behalf of the District;
  - d. all expenditures of the District's funds; and

- e. All funds received by the Governor from RI.

#### **Article 10 – Implementation**

1. This Amended and Restated Operating Manual was enacted by a majority vote of the board of directors on July 2, 2012.

#### **Article 11 – Amendments**

1. The Operating Manual of District 5240 may be amended by an affirmative vote of a majority of the Board of Directors or by a two-thirds majority of the Club Electors as set forth in Article 13 of the Bylaws of the District.
2. Proposed amendments to either the Bylaws or the Operating Manual must be filed with the Resolutions Committee no later than 60 days prior to the Annual District Business Meeting held in conjunction with the District Conference.