

**ROTARY INTERNATIONAL  
DISTRICT 6540 OPERATING PRACTICES  
July 1, 2010**

**PREAMBLE:**

The Operating Practices of the District are established to address the details of the operation of Rotary District 6540 and to highlight specific practices, not specifically detailed in the District Bylaws. These operating practices shall in no way conflict with the Constitution and Bylaws of Rotary International, the Manual of Procedure of Rotary International, the District Bylaws, the standard Club constitution and Bylaws, nor the policies and directives of the Board of Directors of Rotary International. These Practices are subordinated to the aforementioned documents.

**I. ROTARY INTERNATIONAL LEGAL STATUS:**

**A. FEDERAL INCOME TAX CODE:**

Rotary International is organized as a 501(c)(4) Corporation under the U.S. Internal Revenue Service code which includes Civic Leagues and Social Welfare Organizations. To qualify for exemption under this section, the organization's net earnings must be devoted only to charitable, educational or recreational purposes. The District and the individual clubs should seek council as to the tax reporting requirements and limitations covering this section of the tax code.

**B. STATE TAX MATTERS.**

The Rotary District 6540 is tax exempt for sales tax purposes on certain purchases. Clubs should seek council as to the limit on activities where this exemption would apply. The District office has a copy of the exemption certificate that may be required to allow exemption.

**II. INSURANCE ISSUES:**

The Rotary International Board of Directors has approved adding Directors & Officers/Employment Practices Liability (D&O/EPL) insurance effective January 1, 2010 as part of the annual dues.

- A. **Directors & Officers Liability (D&O) insurance** provides coverage for claims made against club/district directors and officers that result from their activities, such as managing the financial affairs of and establishing policies for the organization. D&O insurance would protect the club/district as an organization and each director and officer individually against claims/lawsuits arising out of alleged wrongful acts committed in good faith, subject to policy terms and conditions.
- B. **Employment Practices Liability (EPL) insurance** provides coverage for claims arising out of club/district employment/membership related practices, such as sexual harassment, wrongful termination, or discrimination. **Note:** Club members are included in the policy definition of employee.
- C. The club should seek the advice of an expert as to the risk involved in their activities and functions. They may also want to consult with the District Insurance Chair.

### **III. QUALIFICATIONS AND DUTIES OF OFFICERS:**

#### **A. Assistant District Governor Coordinator (ADGC).**

- The District Governor may at their discretion appoint an Assistant District Governor Coordinator (ADGC)
- The role of the ADGC is to help the District Governor with the administrative duties of the Assistant District Governors (ADGs). The ADGC supports district activities as directed by the District Governor with a focus on:
- Provide direction to ADG's in implementing successful projects that address the needs of the District and respective clubs.
- Assist the ADG's in the identification and development of leaders capable of serving Rotary beyond the club level.
- Assist ADG's in working with club leaders to establish goals based on the elements of an effective club.
- Performs other functionally related duties as assigned by the District Governor.

Refer to the ADGC's job description for additional details.

#### **B. Assistant District Governors (ADGs).**

##### **1.. ADGs qualifications:**

- Membership in good standing in a club in the district.
- Served as a club president for a full term.
- Willingness and ability to accept the responsibilities of assistant governor.
- Have received training as an Assistant District Governor.
- Potential for future leadership in the district.

##### **2. Responsibilities of Assistant District Governors:**

- To conduct club assemblies (other than their home club) at their assigned clubs and complete reports to the governor regarding these assemblies and the status of the club;
- To meet with the President, Secretary and other Officers and the Board of Directors of their assigned clubs at least one week prior to the District Governor's Official Visit to review the club's "Plans and Objectives" with them, to discuss club strengths and weaknesses, to obtain information or data sought by the District Governor, and to otherwise prepare the club for the Governor's Official Visit;
- To attend the District Governor's Official visit for each of the assigned clubs.
- To attend at least one regularly scheduled meeting of each of their assigned clubs each quarter;
- To contact the President of each of the assigned clubs at least monthly;
- To serve as a resource for each assigned club, to provide them with information and advice and to put them in touch with District committees or other resources to assist each club in achieving their plans and objectives.

- To serve as a liaison between each assigned club and the District Governor, other District officers and District committees; and
  - To undertake such other duties and responsibilities as requested by the District Governor.
3. Area assignments have been established by geographic area and may be revised by the District Governor as deemed feasible.

#### **IV. COMMITTEES:**

- A. Foundation Committee. The District Governor Elect shall appoint a Foundation Committee Chair in coordination with and cooperation with the District Governor. Refer to District Bylaws regarding term limits. The Foundation Chair in cooperation with the District Governor elect will identify and appoint Chairs(s) for the following Foundation subcommittees:

- Permanent Fund Chair
- Annual Giving Chair
- Ambassadorial Scholarships
- PolioPlus Chair
- Simplified Grants Chair
- Matching Grants Chair
- Group Study Exchange (GSE) Chair
- Alumni Chair

Continuity and consistency should be considered in the appointment of subcommittee chairs, keeping mind term limits contained in the District Bylaws.

Responsibilities include the promotion of the objectives and programs of The Rotary Foundation and may include holding Foundation Seminars to educate Rotarians and their clubs and further to instill a sense of personal responsibility for the Foundation, its programs and its out reach.

- B. International Youth Exchange Committee. The District Governor Elect shall appoint a Youth Exchange Chair in coordination and cooperation with the District Governor. Refer to District Bylaws regarding term limits. The Youth Exchange Chair in cooperation with the District Governor Elect shall identify and appoint Chairs(s) for the following Youth Exchange Subcommittee's:

- Long Term Exchange
- Short Term Exchange

- C. Rotary Youth Leadership Awards (RYLA) Committee. The District Governor Elect shall appoint a RYLA Chair in cooperation with the District Governor. Refer to District Bylaws regarding term limits.

- D. World Affairs Conference (WAC) Committee. The District Governor Elect shall appoint a World Affairs Conference Chair in cooperation with the District Governor. Refer to District Bylaws regarding term limits.
- E. Membership Development & Retention Committee. The District Governor Elect shall appoint a Membership Development Committee Chair. Refer to District Bylaws regarding term limits.
- F. Club Extension. The District Governor Elect shall appoint an Club Extension Committee Chair. Refer to District Bylaws regarding term limits.
- G. District Conference Committee is established to organize, direct and promote the annual District Conference. This annual meeting is to further the program of Rotary through fellowship, inspirational addresses and the discussion of matters relating to club and district affairs. It is open to all Rotarians and their families.
- H. Public Relations. This committee should develop and implement plans to provide the public with information about Rotary and to promote the district and its club's service project and activities.
- I. District Conference Committee. This committee should work with the Governor to develop a solid program for presentation to the clubs and their membership. Focus on the education and development of the clubs and their membership joining in fellowship to celebrate the successes realized during the Rotary year.
- J. PETS Planning Committee. The Governor will appoint a committee to represent the District in the Planning of the Multi District PETS training program.
- K. The District Governor Elect may establish additional committees as deemed feasible to support both the district and its club's activity. Such committees may include:
- Community Service
  - Vocational Service
  - Club Service
  - Interact
  - Speech Contest
- Refer to District Bylaws regarding term limits.

## **V. CONFERENCES & MEETINGS:**

- A. Assistant District Governor's (ADGs) Training is to motivate and educate ADGs to insure the programs and areas of special interest to the District Governor Elect are understood. Plans and programs for the coming year will be the focus of this meeting.
- Training will be conducted at a time between the Zone Institute and before the Presidents Elect Training Seminar (PETS).

- The training session is the responsibility of the District Governor Elect and must be conducted in a manner that will insure coordinated leadership within the district for the coming Rotary year. The District Trainer will facilitate the planning and implementation of the seminar.
- B. Presidents Elect Training Seminar (PETS) is to motivate and educate incoming club Presidents so they may provide effective leadership at the club level. Its focus is the development of skills of incoming club presidents, awareness of the Presidents Elect to develop their plans and objectives and to create an awareness of the plans, goals and programs of the District governor Elect for the ensuing year.
- In accordance with the Manual of Procedure, all club Presidents Elect are required to attend PETS unless excused by the incoming governor in accordance with Art.9 Sec.5 © of the RI Standard Club Constitution.  
If the President Elect is unable to attend they must advise the District Governor elect and nominate a representative from their club to attend and to report to the President Elect the details of the PETS meeting.
  - PETS is to be conducted within one month after the International Assembly (District Governor Training session).
  - PETS is the responsibility of the District Governor Elect in consultation with the District Governor. The District Trainer will facilitate the planning and implementation of the seminar.
  - Assistant District Governors are encouraged to attend PETS to assist in the training of the Presidents Elect.
- C. District Assembly and/or Club Officer Training Seminar (COTS) is to provide training for club officers (Presidents, Secretaries, Treasurers, Directors, committee chairs) in the responsibilities and skills required for successful completion of their duties and to inform them of new developments and programs in Rotary.
- COTS will be held after PETS and before the District Conference, but may be held in conjunction with either.
  - Responsibility for COTS is that of the District Governor Elect in consultation with the District Governor. It is the responsibility of the District Trainer to facilitate planning and implementation of the meeting.
- D. The District Conference is the responsibility of the District Governor. The host club and site for the Conference should be selected during the Rotary year prior to the Conference year after the Governor Elect has been selected. The selection may be made by the District Governor Nominee in conjunction with their conference committee and confirmed by the District

Governor with the consent of the Club Presidents or by the incoming Presidents in accordance with the RI ByLaws. (Article 15, Section 15.040).

## **V. SHARE ALLOCATION:**

The decision regarding how the district will use its District Designated Funds (DDF) is to be made by the District Governor, the immediate Past District Governor, the Governor Elect, the Governor Nominee (if known), and the current District Foundation Committee Chair. A report of their recommendation will be submitted to the Administrative Council for their review and approval.

The District is notified in November of each year indicating share monies available. The initial allocation Deadline is February 1<sup>st</sup>.

## **VI. CLUB FAILURE TO FUNCTION:**

In accordance with the RI bylaws, the RI Board is responsible for ensuring that all member clubs of the association are functioning, and defines a functioning club as:

- a) having paid its per capita dues to Rotary International;
- b) meeting regularly;
- c) ensuring that its members subscribe to THE ROTARIAN or an approved regional magazine;
- d) implementing service projects that address the needs in the local community and/or in other countries;
- e) receiving the visit of the governor, assistant governor, or any other officer of Rotary International;
- f) maintaining appropriate general liability insurance as provided in section 71.080. of the Rotary Code of Policies. (RCP 2.010.1)

With the recommendation of the governor and on behalf of the RI Board, the general secretary is authorized to terminate a club for “failure to function” when, in the general secretary’s opinion, the club has failed to function according to the above criteria. Prior to taking such action, the governor or the general secretary shall inform the club of the situation and ask for it’s comments on the allegations.

## **VII. OTHER PRACTICES:**

The District has certain traditions, customs and practices that are deemed important consideration to the continued growth and success of the District. These include:

- The District Governor’s lapel pin is owned by the District and will be passed to the incoming Governor upon their installation into office. The District Governor will also pass on the District Gavel and Bell. Installation of the Governor will generally take place at their “Home” club at a time and place convenient to both the outgoing District Governor and the incoming District Governor.
- The outgoing Governor will select a Past Governor pin to be paid by their District Funds during their year. The pin should not exceed 14 carat gold and an inset diamond or ruby equivalent not to exceed .10 carat weight. The retiring District

Governor shall also be presented a plaque or equivalent recognition also paid by District funds from their year. These items shall be presented by the incoming governor at a time and place in accordance with the retiring Governor's wishes.

- The District Governor may also provide gifts to the Rotary International President's Representative at the District Conference, the GSE team leader, the GSE outbound host District Governor, keynote speakers at the Conference and/or Foundation programs. Such expenses are to be reimbursed from District Funds.
- The District Governor's budget will include the cost and expense of the ADG training, PETS and COTS (Assembly); District Conference; and the travel and lodging required for the District Governor Elect and spouse's attendance at and participation at the Zone Institute, International Assembly, and the International Convention.
- The District Governor's budget will include the cost and expense for travel and lodging required for the District Governor and spouse's attendance at the Zone Institute and International Convention.
- The District Governor will prepare a District Directory to include the data pertinent to the individual club Presidents and Secretaries, District Committees and Chairs and other District and International information important to District membership. The Directory should be prepared to be available by July 1<sup>st</sup> when the District Governor Elect assumes leadership. The District Budget will include the cost of preparation and distribution of the Directory.
- A Past District Governors council may be called by the District Governor in the fall of each year. All Past District Governors, the District Governor Elect and the District Governor Nominee shall be invited to attend along with other key district leaders. The meeting is intended to promote fellowship, exchange ideas, share knowledge and where appropriate, advise the District Governor on district business. The Governor may also hold a leadership pre-conference reception and/or dinner. Such an event will be to introduce the District leadership team to the RI President's Representative and may include: ADG's, PDG's, DGE, DGN, District Trainer and others at the discretion of the District Governor as part of the event. Expenses for such events will be included in the District Budget as such.
- As provided in the Bylaws, the District Budget will include a provision to cover expenses incurred by the District Governor Elect in preparation for assuming office. Such expenses would include, but not be limited to: business cards, letterheads, envelopes, pins, local travel, postage, etc.

The Operating Practices shall remain in place subject to annual review and approval at the District Business meeting generally held at the District Conference.

Approved at District Conference 5/20/00

Revision Approved at District Conference 5/4/2003

Revision Approved at District Conference 10/30/2004

Revision Approved at District Conference 05/02/2006 - effective July 1, 2008

Revision Approved at District Conference 04/30/10 – effective July 1, 2010