

The Rotary Foundation – a Personal View

My original purpose when writing this was purely to write it for a Club Officer who asked about Rotary and Foundation. I hadn't thought to do so but other Officers urged me to send it to all members.

So here it is.

Introduction

The general public are not really aware of what Rotary has done Locally, Nationally and Internationally. The achievements are incredible. But we do not shout from the rooftops.

Take Polio: a Rotarian in the Philippines eradicated Polio in his area in the late 1970's. This led to Rotary undertaking Polio Plus in the mid 1980's. Eradication of Polio worldwide and Plus being other diseases. This at a time when there were 200-300,000 polio cases worldwide.

Today we are down to 50 cases of wild polio. It is thought around 20,000,000 lives have become free of the ravages of polio. When I was a kid, there were lots of children with callipers on their legs and or withered arms. Of course, polio is no longer an issue in this country, so people think it is not a problem. But it is only an aircraft flight away.

One of the most effective Polio fundraisers in the world is a friend of mine. She visited the Burnham Club when she stayed with us. We stayed with her in Cairns after the Sydney Convention. She had polio as a child it has returned in the last few years. She is still pushing for funds.

That is why the Foundation is still so important.

History

Rotary was founded in Chicago on 23rd February 1905 by Paul Harris a Chicago Lawyer.

He had contacted business friends for a meeting. They were Gustavus Loehr, Silvester Schiele, Hiram Shorey, and Paul P. Harris. This continued with the group meeting in each other's offices, rotating the venues, hence the name **Rotary!**

As it became popular more people joined them and other groups were formed, initially as a networking group. The group's original structure of just one member for each profession. One Lawyer, one Banker, one Stock Broker etc. The idea grew.

This continued for a while, then the decision was made to undertake Rotary's very first public service project. This was the construction of public comfort stations (public toilets) in Chicago, Illinois, in 1907. Rotary it seemed was becoming popular across the USA. The first Rotary Club established outside the United States was the Rotary Club of Winnipeg in Manitoba Canada. It was chartered in April 1912, officially making Rotary an international organisation.

The first European Club was the Rotary Club of London, also formed in 1912.

Like any organisation established in a time when not all people were treated equally, the Rotary Club has been involved in some exclusionary practices over the years. For example, the club was a male-only organisation until the U.S. Supreme Court ruled that they had to open the membership to women in 1987.

Rotary Foundation

Arch Klumph was one of the founder members of the Rotary Club of Cleveland in December 1910. He was elected president of Rotary International in 1916. He conceived the idea of a Rotary Club Endowment and convinced Rotarians to begin the endowment fund during the Atlanta Convention 1917.

A fund 'To Do Good In The World'

This Fund was set up using the profits from the Convention (\$26.50). As good as the idea seemed at the time, its growth was nonetheless very slow.

In 1928, the endowment was renamed The Rotary Foundation (Charity) and, important to note, became a distinct entity within Rotary International. In 1929, the Foundation made its first gift of \$500 to the International Society for Crippled Children.

What is the Rotary Foundation today?

It has changed enormously over the years but basically lives up to the original concept of *Doing Good In The World*.

The Rotary Foundation is a non-profit corporation that supports the efforts of Rotary International to achieve world understanding and peace through international humanitarian, educational, and cultural exchange programmes.

It is supported solely by voluntary contributions. The contributions used to be primarily from Rotarians, this has changed. As Foundation supports activities and organisations outside of Rotary, it was felt okay to accept donations from outside sources.

Educational programmes

Scholarships

Founded in 1947, the Ambassadorial Scholarships programme was the largest non-governmental and most international scholarship programme in the world.

Scholars studied in a country other than their own where they serve as unofficial ambassadors of goodwill. Over 37,000 scholars from some 110 countries received scholarships at a cost of almost US\$446 million.

The programme ended in 2013, unfortunately, and scholarships are now funded by district and global grants and are offered directly through Rotary clubs.

In 2000 I was mentor to an Ambassadorial Scholar from Japan for two years, while she was based in Colchester, studying Applied Linguistics. Her sponsoring Rotary Club in Japan underwrote some of the cost.

Group Study Exchange (GSE)

These annual awards were made to paired Rotary districts to provide travel expenses for a team of non-Rotarians from a variety of vocations. Rotarian hosts organised a four to six-week itinerary of educational and cultural points of interest.

Since 1965, almost 48,000 individuals in more than 11,000 teams from more than 100 countries have participated at a cost of US\$85 million. Brian Cottam led a team several years back. I do not think the GSE Programme is still functioning, again sadly. I was involved directly with the GSE Teams from Brazil and Japan.

Rotary Peace Fellowships

Up to 100 fellows are selected every year in a globally competitive process based on personal, academic, and professional achievements. Fellows earn a master's-level degree or a professional development certificate in peace and conflict studies at one of six Rotary Peace Centres at leading universities in Australia, England (Bradford), Sweden, Japan, the United States and Thailand. An incredibly worthwhile programme of the Rotary Foundation.

Grants Programme

This has changed enormously over the years but basically grants are available for a variety of projects that pass the required criteria. They can be small grants that are at club level granted by District.

For example, some years back the Club used to take a group of special needs children each year on a Narrow Boat on the Chelmer from Paper Mill Lock. It

included lunch, one year we applied for a grant to fund the trip. It was granted and we received around £500.

At the other end of the scale are the Global Grants. To qualify, the criteria is a lot more difficult to achieve. There has to be a Rotary Club or District where the final project is planned for, as well as the group applying. The Action Group Against Slavery recently completed a Global Grant in Vietnam for \$400,000.

The money given in grants comes from the money contributed by Rotarians to Foundation. In this country it is given to RFUK, Rotary Foundation in United Kingdom.

Where does the money come from?

Every Rotarian Every Year (EREY)

The programme asks every dues-paying Rotarian to voluntarily contribute a personal gift to the **Annual Fund** every year. This is instead of asking a few people to donate large amounts.

EREY relies on a team effort where every member participates at a level they can afford. The suggestion is that if every Rotarian were to donate the equivalent of \$100 per year (currently just over £75), then so many more projects and programmes could be undertaken and completed.

In the early days contributions to Rotary Foundation were fairly slow moving.

This changed with the introduction of The Paul Harris Fellowship. That is when an individual donates, or has a donation made in their name of **US \$1,000 (about £750)** or more to The Rotary Foundation.

Across the world, there are over a million Paul Harris Fellows. They contribute tens of millions of dollars each year. This makes up the vast majority of personal giving to the Foundation.

In the UK, Clubs can make somebody a Paul Harris Fellow in recognition for any number of things. The recipient can be a Rotarian or non-Rotarian. The Burnham Club, indeed most Rotary Clubs, accumulate 'Paul Harris Credits'. We have used some of these credits in the recent past to award PHF to Rotarians and Non-Rotarians.

The beginning of the Paul Harris Fellowship

Paul Harris, died in 1947 after a prolonged illness. As his health deteriorated he had stated that he did not want statues or even flowers. Instead, he had suggested a donation could be made to the Rotary Foundation when he died.

At the time of his death the Foundation had accumulated around \$50,000 since 1917 when the endowment fund was set up. Memorial donations to Paul Harris, in just around eighteen months, raised \$1.3 million. This funded the first graduate study Scholarships.

Donations from Rotarians to Foundation had, from the beginning, been slow. I read somewhere Arch Klumph at times was less than popular, I cannot vouch for that though.

The Depression and the Second World War could have played a part too. By 1956 the total donations/contributions to Foundation, (our Charity remember), amounted to a little under \$500,000 for

that year, a vast improvement. The Foundation Trustees wanted to raise more money for the increased programmes that were coming along, but how?

They came up with an idea of getting some Rotarians to make a donation of \$1,000 (a lot of money in 1957), and in return they were given public recognition. It was also suggested they could be called Paul Harris Fellows.

This was set up in 1957 and has made an incredible difference to the Rotary Foundation.

Although this has changed from time to time, basically a donation of \$1,000 to Foundation or End Polio Now, will bring a Paul Harris Fellowship to the recipient.

These days, for each \$1,000 donation a Club or individual makes, they will get a PHF or a Paul Harris Credit. Donations can be accumulated over a period or donated as a lump sum. So, each year our club receives from members a donation for Foundation. This collective sum goes to Rotary and the Club will receive one PHF credit for each \$1,000 donated.

Some members, myself included, are Sustaining Members of Foundation.

Sustaining Members donate at least the equivalent of \$100 (£75) per annum direct to RFUK, that is Rotary Foundation in United Kingdom. When it reaches \$1,000 PHF credits go to the individual.

The awarding of a PHF is viewed differently from country to country, even club to club. I have experienced vastly differing views over the years but there

is nothing to be gained by highlighting any here. My own PHF was awarded to me back in the 80's. The guy who awarded it to me had been a Rotarian for more than 60 years - longer than he had been married. I always found time to sit and chat to him at District events.

Did the introduction of PHF help raise the level giving to Our Charity? YES. In 1956 Annual giving to Rotary Foundation was marginally under \$500,000 per annum. Today, that figure is nearly \$500,000,000 that is raised per year. A major proportion of those funds come from individuals being named Paul Harris Fellows.

Why do we need the money, what do we do with it?

Rotary funds the largest educational trust in the world. It supports Global Grants, supporting innumerable projects around the world. Since the mid 1980's it has striven to eradicate Polio through its End Polio Now programme. Contributing more than \$3 Billion.

Bill Gates trusts Rotary enough to come alongside our efforts.

Clubs can apply to The Rotary Foundation for Grants to support their projects. As a club we may not make use of the Grant system, but by supporting 'Our Charity' other Clubs can.

A lot of time has elapsed since Arch Klumph suggested Rotary set up an Endowment **to do good in the world** it was started with \$26.50. It **is** doing good in the world, far more than I know or can

tell you. We are talking Billions of Dollars.

Do not listen to the voices that say, they have enough money they do not want more. The Rotary Foundation allocates approximately 91% of all donations directly to its charitable programmes and service projects.

Program Funding Breakdown •

- **Charitable Programmes:** 91% goes to humanitarian grants, educational awards, and global initiatives like polio eradication.
- **Administration and Overheads:** The remaining balance covers operational costs. •
- **Investment Strategy:** Operational costs are largely managed by investing contributions for three years and using the generated interest rather than pulling heavily from active donations.

I hope that this has given you an insight into the Foundation, its good work and history.

Please do consider making a donation to the Foundation!

YIR

Harry Payne

Rotary Club of Burnham on Crouch and
Dengie Hundred

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