

## **Rotary Foundation Goals 2010-11**

By Carl-Wilhelm Stenhammar, Rotary Foundation Trustee Chair-elect

I am here today to share with you our Foundation goals for the coming year. Basically, there are four main areas we need to concentrate on in 2010-11. First and foremost, of course, is PolioPlus. Our second goal is implementing the Future Vision Plan pilot. Third is rebuilding our Annual Programs Fund through Every Rotarian, Every Year, and fourth is continuing to build our Permanent Fund, which will assure Rotarians that our programs will be secure in the future.

Polio eradication has been, is, and will remain our top priority until the job is done. It started as a 3-H national immunization program in the Philippines in the late 1970s. It became so successful that Rotary decided to approach the World Health Assembly in Geneva, Switzerland, an annual gathering of health entities from all countries of the world. In 1988, immediately following the announcement of the success of our PolioPlus fundraising campaign, the 166 member states of the World Health Assembly unanimously adopted a resolution to stop the transmission of the wild poliovirus — our Global Polio Eradication Initiative was launched.

We shall never forget that this is our program. It was our resolution, we still speak at the World Health Assembly every year, we are in the driver's seat and will so remain until eradication is fulfilled. It is our program, even though we work in an alliance with the World Health Organization, UNICEF, the U.S. Centers for Disease Control and Prevention (CDC), and the United Nations Foundation.

We monitor the program through our International PolioPlus Committee and two polio eradication advocacy task forces — one for the United States only and one for the rest of the world. The chairmen of both these task forces are also members of IPPC. The reason for the split into two task forces is that we work with the United States through the U.S. Congress, and as the United States is our largest contributor of funds to the program, it is important that this task force consists of U.S. Rotarians. The members of the worldwide task force have the regular international flavor, and it also has to its disposal 27 PolioPlus national advocacy advisers spread all over the world.

Rotary also has regional and national PolioPlus committees in the remaining polio-affected areas of the world. These committees are charged with ensuring active Rotary participation on the ground in support of polio eradication activities, collaboration with national and local officials, and coordination with our partners in this effort.

In a very broad sense, one can say that WHO is in charge of the infrastructure of the program, UNICEF ensures availability of the vaccine — it has a large depot in Copenhagen, Denmark — and Rotary raises the funds.

The control of the funding of the program is done through the Polio Advocacy Group, or PAG. This group consists of one representative from each of the members of the above mentioned alliance, backed up by staff. Lately, the Bill & Melinda Gates Foundation has participated and complemented the work of this group. PAG's mission is to see that funds are available when needed, for instance, for vaccine when National Immunization Days take place in any given country. PAG's function is so important for the program that the group meets by phone every second Thursday all year around and face-to-face every three months when the hosting of the meeting circulates between the offices of the members of the alliance. For instance, the latest meeting took place at the UN Foundation in Washington, D.C., and the next meeting will be at WHO in Geneva. So far, PAG has secured almost USD 5 billion for the program, mostly from public sector donors. Yet it's interesting to note that PAG does not see one single penny. When funds are made available, they are transferred directly to the entity that is going to use them. For instance, Japan's contributions are often transferred to UNICEF for purchase of vaccine. When Sweden gave USD 30 million a few years back, the fund went straight to WHO. And the Gates Foundation contributions go straight to Rotary.

We are grateful that, so far, 39 governments have contributed to the program. The contributions of these governments represent the major portion of funding provided for this global effort, so we could not do without them. The largest contributor is the United States, but if you look at per capita contributions, Luxembourg is the largest contributor. Just a pity there are not many "capitas" in that country.

You will receive many more details on progress toward our top goal of global eradication efforts in just a few minutes.

The Future Vision Plan is off to a start in 2010-11 — your year. Why did we start a plan of this magnitude? Well, it has been done with great care and considerable background work. Two consulting firms, Grant Thornton and Jefferson Wells, examined The Rotary Foundation, and 10,000 Rotarians answered a comprehensive questionnaire. Based on the results from the answers received, the Future Vision Committee and the Foundation Trustees have worked very hard to come forward with the Future Vision Plan.

The Rotary Foundation has been very successful over the years. Yet, as the world is changing, it was felt that our Foundation needed to change with it. Cooperation with other organizations is today the future for many entities, and The Rotary Foundation must not miss getting onboard that train; if we were to continue to work as before, there is a big risk that we would. We need to change our vision and our ambition. Today, people don't just join organizations — they join causes. We need to take advantage of what we have learned from our polio eradication program. We need to think big.

When we received the substantial contributions from the Bill & Melinda Gates Foundation, we could easily handle those size funds because over a period of 20 years we have built up an administration for it. But if we were to receive similar size funds, or more, for water, for instance, I am not so sure that clubs and districts would be prepared to effectively manage and utilize the funding or that the Foundation's administration, as it stands today, could handle such gifts. And there is a good possibility that we can get substantial contributions for other programs outside polio. That's why we have another much smaller pilot on water together with USAID in three countries: Ghana, the Philippines, and the Dominican Republic. If this pilot becomes successful — and there is no reason to believe otherwise — it might open up for us substantial future contributions, and we must be ready.

One hundred districts have been selected for the Future Vision pilot, and they have been specially trained here in San Diego for a couple of days. This does not mean that the other 431 districts shall lean back and just watch what the pilot districts are doing. It is extremely important that all districts, pilot or not, stay aware of the evolution of the Future Vision Plan and start looking for ways to align your projects and activities with its goals and the six areas of focus as soon as possible. The Future Vision Plan is here to stay. The pilot is intended to identify what may not work at all or what can be improved or what proves to be so successful that such section of the pilot should be expanded to improve the Future Vision Plan even further. We know a lot, but we just don't know it all; corrections will be needed. Thus we need the pilot and the feedback from districts throughout the world.

The Future Vision Plan will move more responsibility, control, and flexibility to any given district or club to monitor its own funds. Please remember that The Rotary Foundation is your Foundation.

By districts and clubs taking advantage of this, it opens up for staff at our headquarters to work with other issues that will enhance the future of The Rotary Foundation. More details of this great improvement of our Foundation will follow at the plenary session after lunch today.

Fundraising is a vital part of the success of The Rotary Foundation. Every Rotarian, Every Year is a slogan we have used during the last few years. We want to see all Rotarians make a contribution every year. I know that USD 100 can be a lot for some, but at the same time many, many of us can give much, much more. Let's all contribute according to our means and possibilities.

Only 25 percent of Rotarians are giving to our Foundation — 75 percent are not. Think about what it could mean if we could alter those numbers or have 100 percent of Rotarians become donors.

We have several fundraising initiatives going on simultaneously. First and foremost is the contribution to our annual fund, the Every Rotarian, Every Year effort. Traditionally, these

contributions have been invested for three years; the earnings have paid for all our administration, and then the contributions were paid back to districts/clubs through our SHARE system. Our investment strategy has been tremendously successful, and during the late 1990s the strong investment returns enabled us to direct almost USD 100 million of earnings to programs such as Children's Opportunities Grants, PolioPlus, and Matching Grants. However, in September 2008, the markets worldwide fell like a rock into water, and our investments followed. Normally, if a market falls, it is a limited sector, but this time it cut like a knife across all sectors. No sector produced positive returns and, therefore, diversification of our investments did not help. While our Rotarians were very generous in their contributions to eradicate polio, contributions to the Annual Programs Fund fell. Due to the decline in the assets, the Annual Programs Fund will not be able to finance our administration expenses from investment returns. It must be done from program contributions.

In light of this, the general secretary has taken several steps to cut costs, such as cutting down on committee meetings, reducing staff travel, and eliminating staff salary increases. A subcommittee to restore the Foundation's operating reserve has been named and has met twice already. The Foundation Investment Advisory Committee is looking at a new investment policy to suggest to the Foundation's Board of Trustees. We have been forced to reduce the number of Matching Grants, to limit Group Study Exchange to every second year starting 2010-11, and to accelerate the Future Vision Plan's phase out of six programs: Multi-Year Ambassadorial Scholarships, Cultural Ambassadorial Scholarships, Rotary Grants for University Teachers, Volunteer Service Grants, and Disaster Recovery Grants. 3-H grants are now limited to water projects in conjunction with USAID.

I have now focused on the annual fund, but we must not forget the Permanent Fund, which originally was designed to provide financial support to Annual Programs Fund programs, and our Rotary Centers for International Studies in peace and conflict resolution, in my opinion what might become the flagship program for our Foundation.

Now, more than ever, we need your support in the form of contributions. I understand that this is a difficult sell — to ask for higher contributions at the same time we are giving less back. We are in a difficult situation, and we need your help. If we get that support from you, we can bridge over this difficult time, and The Rotary Foundation will remain sound and healthy. Thank you for your support.