

ROTARY INTERNATIONAL AND THE ROTARY FOUNDATION  
**ANNUAL REPORT 2013-14**



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THE ROTARY FOUNDATION  
**ANNUAL REPORT 2013-14**



## WHO AND WHERE WE ARE

 **1,207,102**  
ROTARIANS

 **537**  
ROTARY DISTRICTS

 **34,823**  
ROTARY CLUBS

 **8,028**  
ROTARY COMMUNITY  
CORPS

## ROTARIANS BY REGION



## ROTARY'S NEW GRANT MODEL FINISHES FIRST YEAR SUPPORTING OUR SIX AREAS OF FOCUS

488 DISTRICT GRANTS  
**\$23.5m**



DISEASE PREVENTION AND TREATMENT  
Number of grants: 265 **\$14.2m**

868 GLOBAL GRANTS  
**\$47.3m**



WATER AND SANITATION  
198 **\$11.2m**

18 PACKAGED GRANTS  
**\$0.5m**



ECONOMIC AND COMMUNITY DEVELOPMENT  
148 **\$7.8m**



BASIC EDUCATION AND LITERACY  
121 **\$6.5m**



MATERNAL AND CHILD HEALTH  
69 **\$5.1m**



PEACE AND CONFLICT  
PREVENTION/RESOLUTION  
(excluding Rotary Peace Centers)  
67 **\$2.5m**

Rotary members teach women in Santa Catarina, Honduras, about microcredit loans provided by the Adelante Foundation as part of a global grant project supported by Rotary International. The loans help women become business owners.

Note: Totals represent global grants only.

A photograph of two men in dark blue suits standing in front of a textured, golden-brown wall. The man on the left is pointing towards the man on the right. Both are smiling. The man on the left has a red tie, and the man on the right has an orange tie.

**INCREASING OUR ABILITY  
TO BRING LASTING CHANGE**

## Message from our President and Trustee Chair

In Rotary, we know that what really matters is not how much we ourselves achieve — but how much all of us achieve together. With that in mind, in 2013-14 we worked strategically to serve our communities now, while ensuring Rotary’s ability to serve even more effectively in the future: with more members, more vibrant clubs, and a stronger Rotary Foundation.

Membership was a top priority in this Rotary year. We began to implement our new regional membership plans, helping Rotarians grow their clubs and districts in a way appropriate for them. We also reached out to younger members of the Rotary family through a series of New Generations conferences in Rotary countries around the world. The talent and dedication we saw at these events inspired us — and reminded us of how important it is to bring in younger members, to keep our clubs healthy, and to ensure quality leadership in years to come.

This was also a year of milestones in Foundation giving. Despite the globally challenging economic situation, we are closer than ever to our Every Rotarian, Every Year goal, with record Annual Fund giving of \$116.6 million.

We also successfully concluded the first year of our End Polio Now: Make History Today campaign. We fully met our agreement with the Bill & Melinda Gates Foundation, by which the \$35 million we committed to polio eradication was matched 2-to-1 by the Gates Foundation, resulting in \$105 million of new funding for eradication efforts. Your longstanding support helped all of Southeast Asia, including India, become certified polio-free this year. And the funds from this joint campaign will provide crucial support to the polio endgame plan and our goal of complete eradication by 2018.


Every Rotarian is a link in a chain that stretches back 109 years, to the days of Paul Harris. And every one of us knows that the more we give to Rotary, the more it gives back to us — in friendship, in new experiences, and in the joys of service. In the pages of this annual report, you will see the many ways that you, and your fellow Rotarians, have chosen to *Engage Rotary — Change Lives*.



Ron D. Burton  
2013-14 President  
Rotary International



Dong Kurn (D.K.) Lee  
2013-14 Trustee Chair  
The Rotary Foundation

A close-up photograph of a man with glasses, wearing a blue shirt and a yellow tie, administering a vaccine to a young child. The child is looking up at the man with an open mouth. The background is slightly blurred, showing other people in a community setting.

**“[Eradicating polio] in India was a monumental task, demanding an extraordinary effort by all levels of government and partners involved. Backed by more than 100,000 Rotarians across the country, we helped to ensure maximum support for everything from National Immunization Days to mop-up immunization rounds.”**

**— Deepak Kapur, chair  
India PolioPlus Committee**

## **ERADICATING POLIO**

From helping achieve milestone victories to rapidly quelling outbreaks, Rotary enabled the Global Polio Eradication Initiative (GPEI) to gain crucial ground in the fight to finish the disease. Rotary is a leading partner in the GPEI, along with the World Health Organization, UNICEF, the U.S. Centers for Disease Control and Prevention, and the Bill & Melinda Gates Foundation.

Besides placing two drops of vaccine into children’s mouths, Rotarians, along with health workers, helped change the hearts and minds of community leaders and parents opposed to immunization to allow children to be vaccinated. And our advocacy with government and business leaders, along with Rotarians’ generous contributions, pushed forward the polio endgame plan, aimed at certifying global eradication of the disease by 2018.

## Southeast Asia becomes polio-free

The World Health Organization's 11-country Southeast Asia region was certified polio-free in March. Representing more than 25 percent of the world's population, the region includes India, which just five years ago accounted for nearly half of all polio cases worldwide.

(Left page) A Rotary member immunizes a child in Moradabad, Uttar Pradesh, India.

## Nigeria close to ending polio

Relentless efforts by Rotary and its GPEI partners helped reduce the number of polio cases in Nigeria almost 90 percent as of 30 June, compared to the same time last year. The Nigeria PolioPlus Committee supported health camps that provided free checkups, immunization against polio and other diseases, and medications.

(Below) A Rotary field coordinator helps monitor the effectiveness of polio vaccination efforts in Kano during National Immunization Days.

## Only three countries are polio-endemic

The number of new polio cases has dropped more than 99 percent since the launch of the Global Polio Eradication Initiative, to just over 400 in 2013 from 350,000 in 1988.



of polio cases is the **most difficult** to prevent because the virus persists in the hardest-to-reach areas.



**“Rotarians have [gone] into remote areas of the country by car, canoe, motorbike, and even on foot to ensure every child gets the vaccine.”**

— Tunji Funsho, chair  
Nigeria PolioPlus Committee

PHOTO BY DIEGO IBARRA SÁNCHEZ

## OUT FRONT ON ADVOCATING POLIO ERADICATION

One of Rotary's chief responsibilities in the Global Polio Eradication Initiative (GPEI) is advocacy. In addition to contributing more than \$1.3 billion to the initiative, Rotary has helped secure over \$10 billion from donor governments since the GPEI was launched in 1988. Here are highlights from this past year:

**June 2014** — At Rotary's convention in Sydney, Australian Prime Minister Tony Abbott announces an AU\$100 million, five-year commitment to boost support for eradication efforts in Afghanistan, Nigeria, and Pakistan, where wild poliovirus transmission has never been stopped, and countries in North Africa and the Middle East that have experienced outbreaks. "Please do not applaud the Australian government for what it does," Abbott tells the audience. "Applaud yourselves for what you do."

More than 100,000 people from 171 countries participate in the World's Biggest Commercial, which sets a Guinness World Record as the largest photo awareness campaign.

**May** — A campaign involving Canadian Rotary Districts 5360 (parts of Alberta and Saskatchewan) and 5370 (parts of Alberta, British Columbia, Northwest Territories, and Saskatchewan) raises CA\$350,000 as part of a joint effort with the Alberta government, which matches that amount for a total of \$700,000.

**January** — U.S. President Barack Obama signs an omnibus appropriations bill that provides \$205 million to support polio eradication in 2014, through the Centers for Disease Control and Prevention and U.S. Agency for International Development. Rotary's Polio Eradication Advocacy Task Force for the United States leads Rotary's efforts to inform the U.S. government and other funding sources of the urgency and benefits of supporting the GPEI.

**November 2013** — Rotary, the government of Brazil, and the Pan American Health Organization sign a Declaration of Commitment and Collaboration Toward the Goal of a Polio-Free World at a symposium on strategies for eradicating the disease, in São Paulo.

**October** — A presentation in Chicago — World Polio Day: Making History — showcases the progress of the GPEI to a live audience and streams live to viewers worldwide. Co-hosted by Rotary and the Northwestern University Center for Global Health, the event is preceded by a reception that draws representatives from corporations, foundations, educational institutions, and government agencies.



Emmy Award-winning actor and Rotary polio eradication ambassador Archie Panjabi (right) joins Canadian Rotarian Jennifer Jones at the World Polio Day: Making History event, challenging everyone to play a part in the global effort.

## HELPING FUND THE FIGHT

Among the highlights:

**Rajashree Birla**, an Indian philanthropist and businesswoman, made a \$1 million gift to Rotary to help eradicate polio. Her son, Kumar Mangalam Birla, transformed the Aditya Birla Group into a Fortune 500 global conglomerate. Birla, who is an honorary member of the Rotary Clubs of Bombay and Mulund, has contributed more than \$7.2 million to PolioPlus.

**Sir Emeka Offor**, a Nigerian business leader and philanthropist, announced a \$1 million gift to Rotary for polio eradication efforts at Rotary's convention in Sydney. Sir Emeka is executive vice chair of the oil and gas conglomerate Chrome Group. A member of the Rotary Club of Awka G.R.A. and Rotary's PolioPlus ambassador in Nigeria, he has contributed \$2.25 million to PolioPlus.

**Terry and Barbara Caster** made a \$1.1 million gift to PolioPlus. Founder of A-1 Self Storage, Terry Caster is a member of the Rotary Club of La Mesa, California, USA.

A **bicycle rally** organized by Rotary members across Germany netted more than \$1 million.

**Rotarians and friends** raised more than \$730,000 through El Tour de Tucson in Arizona, USA. Seventy Rotary cyclists took part, including General Secretary John Hewko.

The **World's Greatest Meal to Help End Polio** raised more than \$210,000, supported by over 10,000 Rotary members in 30 countries.



## Responding to outbreaks

The World Health Organization in May declared the spread of wild poliovirus a “public health emergency of international concern” to protect the progress made and prevent further spread of the disease. To help quell outbreaks in the Horn of Africa and Middle East, Rotary raised public awareness and provided emergency funds, including a \$500,000 rapid response grant for Somalia and a \$500,000 grant for the Middle East to WHO to cover operational costs.

The Horn of Africa outbreak has slowed, but the threat of its spread persists until children in hard-to-reach areas receive the polio vaccine. Only one case of polio was reported in Syria in the first half of 2014.

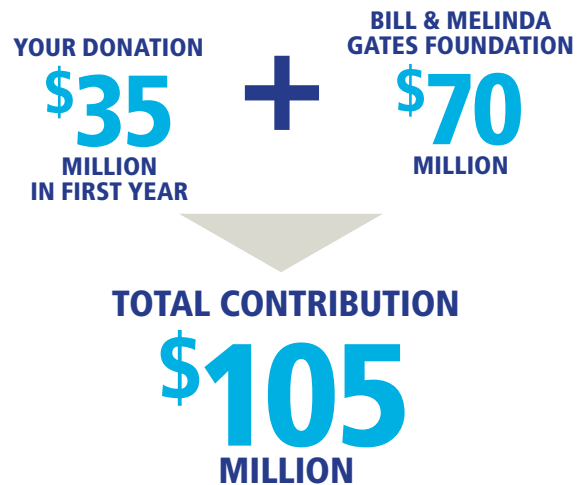
(Right) Rotarian Michel Jazzar immunizes a child in Lebanon.



PHOTO COURTESY OF MICHEL JAZZAR

## End Polio Now: Make History Today campaign

From 2013 to 2018, every \$1 Rotary commits to direct support for polio immunization will be matched 2-to-1 (up to \$35 million per year) by the Bill & Melinda Gates Foundation. If fully realized, the campaign will result in \$525 million for polio eradication.



**“A five-year-old boy asked me with fear in his eyes, ‘Is it a needle?’ When I showed him the vaccine’s bottle, he smiled, opened his mouth with confidence, swallowed the two drops, looked at me, and said ‘Thank you.’”**

— Michel Jazzar, Rotary International representative to the United Nations & member, Rotary Club of Kesrouan, Lebanon

Your donation can triple your impact! Make your contribution at [rotary.org/give](http://rotary.org/give).

## EARNING COMMUNITY TRUST DESPITE DANGER

In the face of intimidation from militant groups, Rotarians have established eight polio resource centers in Pakistan to build community trust in areas at high risk for the disease. The centers, along with individual Rotary clubs, sponsor a range of free health services. They also advocate for immunization of children in schools, and help to provide it. And they work with leading Islamic scholars through the Pakistan Ulema PolioPlus Committee, which strongly endorses the drive to rid the country of the disease.

(Right) A vaccinator from a Rotary-supported polio resource center immunizes children against polio in a village in Balochistan, Pakistan.



PHOTO COURTESY OF ASHER ALI

# FIGHTING DISEASE

## Reducing air pollution, improving health in Nepal

One in eight deaths worldwide is caused by air pollution, making it the largest environmental health risk, according to the World Health Organization. Household air pollution alone accounts for 4.3 million deaths a year.

“More than 3 billion people around the world cook on open fires and stoves, burning biomass fuels such as wood, dung, and crop waste,” says Yale Jones, a member of the Rotary Club of Taos-Milagro, New Mexico, USA. Along with causing widespread injuries, “this method also harms the environment through deforestation and producing carbon emissions,” he says.

To combat this epidemic in Nepal, the Taos-Milagro club mobilized clubs in several countries to support the Himalayan Stove Project. Founded by Rotarian George Basch, the organization has installed more

than 3,000 clean-burning stoves in Nepal with the help of Rotary and other sponsors.

(Right page) A woman in Nepal and her clean-burning stove.

## Drug wars, financial setbacks no match for Mexico clinic

Since 1980, the Guerrero Clinic in Chihuahua, Mexico, has withstood neighboring drug wars and financial setbacks to treat the poor. The governor of Chihuahua credits the clinic with providing 60 percent of the state’s indigent care.

Rotary clubs in southeast Texas, USA, and northern Mexico help the clinic sustain patient care through the support of volunteers, contributions, and Rotary grants. As often as six times a year, the clinic offers free health care services such as cataract and cleft palate surgeries, cancer screenings, and pap smears to as many as 1,000 patients a week. Some people have traveled 1,200 miles for treatment.

(Below) A patient at the Guerrero Clinic receives an eye exam.



**“It’s one thing to hear about the work being done. But [only] until you see the profound change made in the lives of the people who get their vision back or have a cleft palate surgery, do you see how wonderful it is.”**

**– Celso Reyes, member, Rotary Club of Torreón Chihuahua, Mexico**

PHOTO COURTESY OF THE GUERRERO CLINIC

**“Since the project was piloted in 2010, indoor air pollution has been reduced by 90%. Fuel use has been reduced by 75% and food is cooked faster.”**

**— Yale Jones, member  
Rotary Club of Taos-Milagro  
New Mexico, USA**





# PROVIDING CLEAN WATER

**“This [effort] is enabling the Burangi community to break the cycle of poverty.”**

**— Water & Sanitation Rotarian Action Group**

## Water system grows local economy in Kenya

The Rotary Club of Malindi teamed up with U.S. Rotary Districts 7630 (Maryland) and 5400 (Idaho), four other U.S. clubs, and Genesis World Mission to create a rainwater catchment system to provide clean drinking water, irrigate crops, and establish fish farms in Burangi, Kenya. The Rotary global grant-funded project is multiplying crop yields and improving health for community residents. And two culverts protect the village's only road from flooding, giving farmers access to markets to sell the additional produce and increase their incomes.

(Left page) Kenyan and U.S. Rotarians in front of a culvert before its installation.

## New club boosts access to water in Uganda

Despite three years of economic growth, Entebbe, Uganda, is still mired in high poverty rates,

inadequate health care, and water insecurity. Michael Muriithi connected with friends in the Rotary Club of Entebbe to establish a new club to address concerns in one of the city's largest communities, Nkumba.

The Rotary Club of Nkumba has 40 members whose average age is 35. The club raised more than \$2,000 to dig and construct a new latrine pit for the Kitala Health Centre after the old one was closed due to unsanitary conditions. They also constructed latrines and renovated a major water well, increasing clean water availability by 40 percent, with plans to install four more wells by the end of the year.

Learn more about how Rotary clubs are innovating to increase membership and serve their communities at [rotary.org](http://rotary.org).

(Below) Members of the Rotary Club of Nkumba, Uganda, help refurbish a water well.



**“Our success will only be defined by the work we do. This club is made of the people who are dedicated to making a change. That’s the Rotary way.”**

**— Michael Muriithi, president  
Rotary Club of Nkumba, Uganda**

PHOTO COURTESY OF MICHAEL MURIITHI

Learn more about Rotary grants or contribute to the water and sanitation fund at [rotary.org](http://rotary.org).

# SAVING MOTHERS AND CHILDREN

**“A high number of mothers and newborn children are getting humanitarian and healthy treatment. A lot of early born babies get the chance to be alive.”**

**— Kerstin Jeska-Thorwart  
past governor, District 1950 (Germany)**

PHOTO COURTESY OF KERSTIN JESKA-THORWART

## WHO WE WORK WITH

Rotary works with many local and international organizations and educational institutions to carry out our worldwide humanitarian efforts. Learn more about our partners at [rotary.org](http://rotary.org).

### Polio eradication partners

Rotary International is a leading partner in the Global Polio Eradication Initiative along with:

- World Health Organization
- UNICEF
- U.S. Centers for Disease Control and Prevention
- Bill & Melinda Gates Foundation
- Donor governments

### United Nations

Rotary International appoints representatives to work with several United Nations agencies and global organizations.

### Strategic partners

Rotary has strategic partnerships with the following organizations to offer service opportunities for Rotarians:

- Aga Khan University
- UNESCO-IHE Institute for Water Education

### Project partner

ShelterBox is Rotary’s partner in disaster relief efforts.

### Service partners

These organizations support club activities and offer opportunities for collaboration on local Rotary projects:



## Sustaining high-level care in Sri Lanka

It has taken Sri Lanka years to rebuild hospitals, schools, and other facilities destroyed by the 2004 tsunami. But Rotarians know that bringing about lasting change comes only with sustained commitment.

Rotarians in Germany and the Helmut Kohl Foundation joined in funding reconstruction of the Mahamodara Maternity Hospital in Galle, Sri Lanka. After the hospital's completion in 2012, Rotary members in Colombo and District 1950 (Germany) provided medical equipment, funded by a \$450,000 Rotary grant. Since then, more than 140,000 babies and 2 million mothers have been treated with the help of the equipment.

(Left page) A mother and her baby at Mahamodara Maternity Hospital in Galle, Sri Lanka, which received critically needed medical equipment from Rotary.

## Educating health professionals in East Africa

Maternal and infant mortality rates are high in East Africa, mainly due to inadequate health care, the HIV/AIDS crisis, and poverty. In response, The Rotary Foundation and Aga Khan University have connected to provide scholarships to nursing and midwifery students at Aga Khan's campuses in Nairobi, Kenya; Dar es Salaam, Tanzania; and Kampala, Uganda.

The first class of 24 students, whose scholarships were funded by Rotary grants, graduated from the two-year program in February with either a Registered Nurse or Bachelor of Science in Nursing degree. The students also attended Rotary club meetings, volunteered at Rotary service projects, shared challenges with Rotary members who mentored them, and learned how to become leaders in local communities.

(Above) Annet King'wa (far right) examines a child during a medical camp at a clinic in Kibera, Nairobi, as part of her Rotary Scholarship requirements.

**“In rural Kenya, having a nurse or midwife present during childbirth can mean the difference between life and death. This class of highly trained nurses will help ensure that mothers and their infants receive the best health care possible.”**

— Geeta Manek, member  
Rotary Club of Muthaiga, Kenya

Learn more about Rotary grants and how Rotary is saving mothers and children at [rotary.org](http://rotary.org).

- Dolly Parton's Imagination Library
- Global FoodBanking Network
- International Reading Association
- Peace Corps, which is participating with Rotary in a one-year pilot program in the Philippines, Thailand, and Togo to promote global development and volunteer service
- YSA (Youth Service America)

### Government partners

The RI-USAID International H2O Collaboration is an alliance between Rotary International and the U.S. Agency for International Development to support and facilitate water and sanitation projects.

### Rotary Peace Centers

The Rotary Foundation partners with the following universities to offer fellowships leading to degrees or certificates in areas of study related to peace and conflict prevention and resolution:

- Chulalongkorn University, Bangkok, Thailand (professional development center)
- Duke University and University of North Carolina at Chapel Hill, USA
- International Christian University, Tokyo, Japan
- University of Bradford, West Yorkshire, England
- University of Queensland, Brisbane, Australia
- Uppsala University, Sweden

A photograph of two young women, likely students, looking intently at tablets. The woman on the left is wearing a pink floral shirt, and the woman on the right is wearing a yellow floral shirt. They are standing in front of a window with a metal grid. The text 'SUPPORTING EDUCATION' is overlaid on the top right of the image.

# SUPPORTING EDUCATION

**“Ultimately, [this project] is not about me, it’s not about Rotary. It’s about what they need to empower their community to create positive change for the future.”**

**– Kelsi Cox, Rotary Scholar**



## Tablet technology brings the world to students in Fiji

Rotarians and the Auckland University of Technology in New Zealand started an e-learning project in Fiji, donating 70 computer tablets to two schools. The Rotary grant-funded effort was co-sponsored by the Rotary Clubs of Taveuni Island, Fiji, and Newmarket, New Zealand.

Kelsi Cox, a Rotary Scholar at the University of Auckland, helped deliver the tablets and train students to use them to learn science and math, and take photos and videos.

“We could bring a library of books to a school,” says Cox, also program coordinator for the Digital Learning Room, a project that advances technology in schools in the South Pacific. “Or, we could bring this tablet technology that is small but holds a world of

information that can take people to places far beyond the classroom.”

(Left page) Students in Fiji try out their new tablets.

## Encouraging children in Brazil to read

When Rotarians in District 4420 (part of São Paulo, Brazil) learned area literacy rates had fallen to 50 percent from 55 percent in four years, they took action. Twelve clubs teamed up to launch Project READ, building 13 reading centers in hospitals, meeting places, and other public facilities in poor communities.

With the help of a Rotary district grant, the project equipped each center with books and toys that encourage reading among children ages five to 12. A local monitor supervises each reading room and tutors students.

(Below) Rotarian Marcos Franco teaches disadvantaged children at a Rotary-sponsored community reading center in São Paulo, Brazil.



Find out more about Rotary grants and how Rotary is supporting basic education and literacy at [rotary.org](http://rotary.org).

# GROWING LOCAL ECONOMIES

## Helping women in Honduras become entrepreneurs

In the Lenca Corridor of Honduras, the Adelante Foundation is helping women out of poverty by becoming self-sufficient business owners.

Adelante is a global grant partner with the Rotary Clubs of Real de Minas-Tegucigalpa (Honduras) and Poway-Scripps (California, USA), and several clubs in District 5340 (California). It offers non-collateralized group loans rather than individual loans. With Rotary's help, Adelante was able to provide an additional 600 loans and business training to its current client base.

"It is a big help what Adelante and Rotary have given us," says Maria Ninfa Lopez Vasquez, a vegetable stand owner. "The loans have allowed us to buy the goods we need to make money and grow our businesses."

(Right page, counter-clockwise from top) Higinia Reyes' convenience store now sells tortillas. Remigia Dominguez heads a weaving co-op employing 12 women. Marta Lopez bakes up to 100 goods a day. Rosa Dilia Flores runs a growing shoe-repair business.

## Empowering families to end poverty in Peru

*Pachamama Raymi* means "Fiesta of Mother Earth" in Quechua, the language predominantly spoken by indigenous people in Peru. It also stands for an innovative methodology the Rotary Club of Inka Cusco is implementing to improve the lives of residents in the Ccarhuayo district, Cusco's poorest region.

The club and local municipality are combating poverty and environmental issues by teaching indigenous families in 13 rural villages about farming, forestation, and good health habits.

The project involved finding local families that had already improved their quality of life to become

examples for other families to follow. Successful farmers also lent their expertise.

Families in Ccarhuayo have improved their lives through better diets, visits to local health services, and higher incomes from raising alpacas, guinea pigs, and trout. They also helped prevent deforestation and soil erosion by planting more than 1 million trees.

(Below) Residents in Cusco, Peru, have increased their income by raising crops and livestock more efficiently.



PHOTO COURTESY OF WILLEM VAN IMMERZEEL

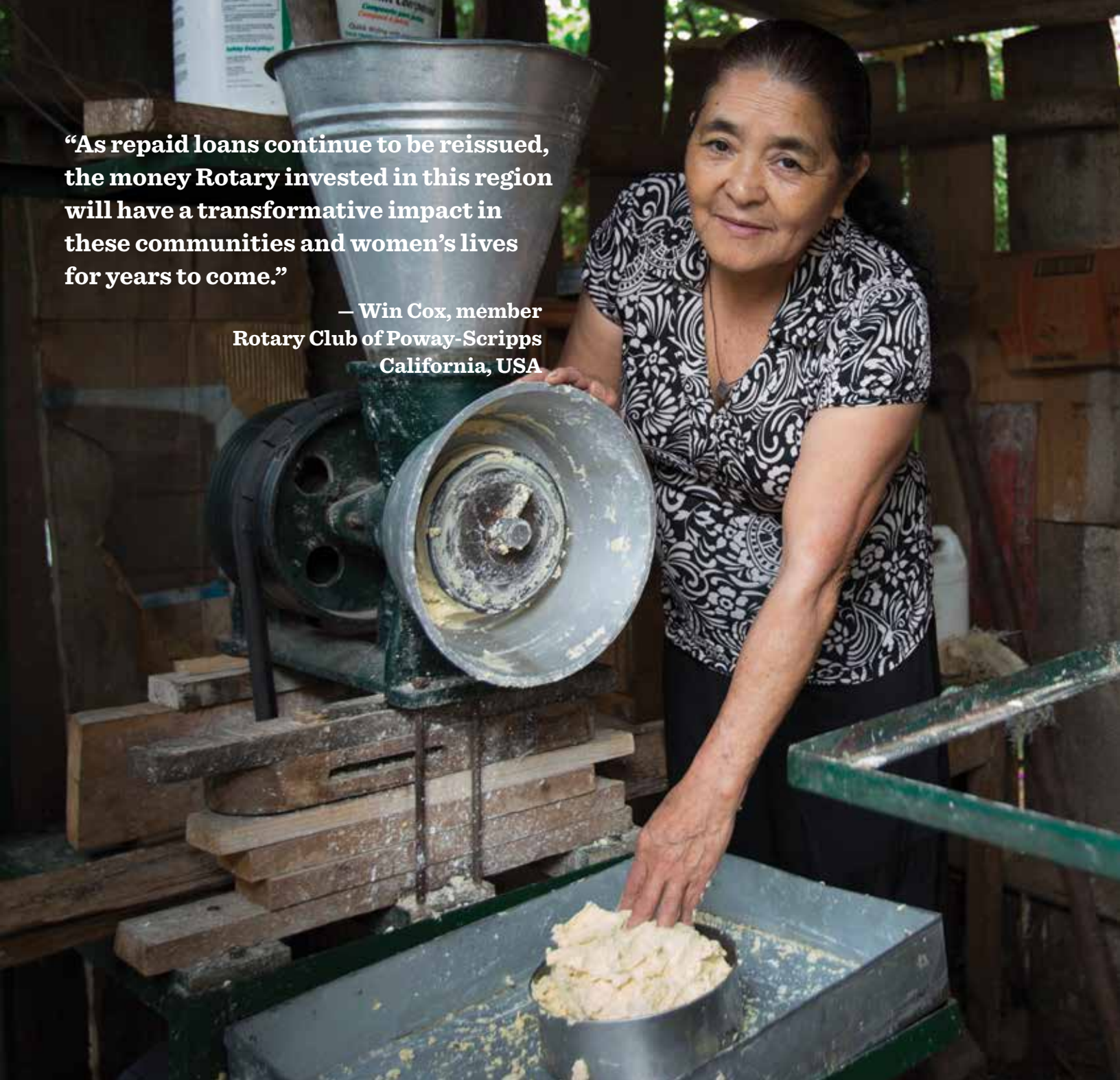
**"By using the Pachamama methodology, we have impacted the lives of over 40,000 people in the poorest districts of Peru."**

**— Willem van Immerzeel,  
methodology founder & member  
Rotary Club of Inka Cusco, Peru**

Find out more about Rotary grants and how Rotary is growing local economies at [rotary.org](https://rotary.org).

**“As repaid loans continue to be reissued, the money Rotary invested in this region will have a transformative impact in these communities and women’s lives for years to come.”**

**— Win Cox, member  
Rotary Club of Poway-Scripps  
California, USA**



PHOTOS BY MONIKA LOZINSKA

# PROMOTING PEACE



**“This is my dream job. I’m in a unique position where I must face conflict head on.”**

**— Justin Peele, U.S. Diplomatic Security Service agent & former Rotary Peace Fellow**

## **Rotary Peace Fellow defends global diplomacy**

Justin Peele’s work as a U.S. Diplomatic Security Service agent can make the difference between escalating conflict and peace. A former Rotary Peace Fellow, Peele served at the U.S. Embassy in Mali in 2013 during fighting between insurgent groups and the government.

One day, an embassy worker and four Malian colleagues were unable to leave the National Institute of Health in Bamako because of violent protests between students and the police. Peele and a driver jumped into an armored vehicle and navigated through the chaos.

“I could see the smoke and tear gas from a long distance,” says Peele. “We found them, hurried them into the vehicle, and were able to get out of there safely and bring them back to the embassy without harm.”

Peele received the U.S. State Department’s Meritorious Honor Award for “courageous, efficient, and decisive action taken.”

Justin Peele gets off a plane during his assignment protecting U.S. Secretary of State John Kerry.

## Reducing inner city violence in England

When Erinma Bell wanted to organize a “guns amnesty” program to curb violent street crime in Manchester, England, the Home Office insisted she get the names of the gun owners. But Bell convinced the agency that getting guns off the streets was more important, and the weapons were collected in dustbins outside police stations.

“I had spoken to parents and grandparents who knew that a family member had a deadly weapon under his bed, but out of love for their child or grandchild would not bring it to the police’s attention,” says Bell, head and co-founder of CARISMA (Community Alliance for Renewal Inner South Manchester Area) and a former Rotary Peace Fellow.

CARISMA provides young people alternatives to gun and gang crime through peace and conflict resolution workshops and projects, helping raise awareness and generate social capital for grassroots responses to community problems and issues. The group has developed a peace tool kit, helped create PeaceFM radio station, organized Peace Weeks, and conducted dialogue between young people and police. Efforts by CARISMA in coalition with others helped reduce firearm offences in Manchester by more than 90 percent in four years.

Under Bell’s leadership, CARISMA has also shared expertise with police and community groups in Australia, Pakistan, the United States, and other countries.

(Right) CARISMA head and co-founder Erinma Bell.

**“Advocating for people is not about speaking for them but giving them a platform so they can speak for themselves.”**

**— Erinma Bell, CEO and co-founder of CARISMA & former Rotary Peace Fellow**

## PEACE CORPS AND ROTARY KICKOFF HISTORIC COLLABORATION

Rotary and Peace Corps agreed to participate in a one-year pilot program in the Philippines, Thailand, and Togo to promote global development and volunteer service. Under the agreement, Rotary clubs and Peace Corps volunteers are encouraged to share their resources and knowledge to boost the impact of development projects in the three countries.

Opportunities for collaboration include supporting community projects, training, networking, and community education. Through the Peace Corps Partnership Program, Rotary clubs can continue to provide small grants to support volunteers and their communities. The two organizations also agreed to explore expanding the collaboration to more countries based on the results of the pilot.

## YOUR SUPPORT HELPS MAKE PEACE POSSIBLE

Rotary Peace Centers enable future world and community leaders to pursue a master’s degree or professional development certificate in peace studies, conflict prevention and resolution, or a related field. Naming opportunities in support of Rotary Peace Center activities are available.



Learn more or contribute to the Rotary Peace Centers at [rotary.org](http://rotary.org).

# EMPOWERING YOUNG PEOPLE

## New Generations conferences bring young leaders into Rotary

Rotary President Ron Burton hosted several conferences to share ideas on engaging young people, each partly organized by local Rotaractors and including a community service component.

In Chennai, India, conference participants collected thousands of donated books to establish libraries in rural areas, held a rubella awareness camp hosted by local doctors, and offered free vaccinations. They

PHOTO COURTESY OF ROTARACT CLUB OF MILIMANI



**“I learned decision making and communication skills, how to be a team player and handle crucial situations, and last but not least, I learned the power of Rotary.”**

— Ramkumar Raju, member, Rotaract Club of Madras Central, Tamil Nadu, India

also broke a Guinness World Record by organizing the world’s biggest high-five — 7,084 people stood together to form what was recognized as the largest human image of a hand.

In Kampala, Uganda, young people and community leaders organized a hand-washing campaign, distributed mosquito nets, and held blood drives. The gathering in Rosario, Argentina, drew 1,600 people from 29 countries. And a final conference and celebration took place at the Rotary convention in Sydney.

(Left) Participants at the New Generations conference in Kampala, Uganda.

## Rotaractors provide clean water in Burundi

Some 100 Rotaractors from Kenya, Uganda, Rwanda, and Burundi taught residents in the Burundian city of Buterere how to purify water and hand-washing techniques, and distributed water cans, bars of soap, and educational flyers on hygiene and sanitation. The project was hosted by the Rotaract clubs of Inyenyeri and Bujumbura, UNICEF, the Red Cross, Alchem International, Merck Pharmaceuticals, the Rotary Club of Kisumu, Kenya, and Rotary clubs in Burundi.

The effort was part of Rotaract East Africa Impact (REACT), a collaboration of Rotaract clubs in those four countries plus Tanzania. REACT helps alleviate disease, food insecurity, unsafe water, poor sanitation, and other problems at the community level.

(Right page) Rotaractors distribute water cans in Buterere, Burundi.



ROTARACT  
**7,170** clubs  
**164,910** Rotaractors  
(ages 18-30)



INTERACT  
**17,059** clubs  
**392,357** Interactors  
(ages 12-18)



ROTARY YOUTH EXCHANGE  
More than **8,000** students  
from **71** countries  
(ages 14-19)



**“The event was awesome. REACT is drawing together young leaders from diverse backgrounds and empowering them to better serve their communities.”**

**— Sarah Maingi, member  
Rotaract Club of Milimani, Kenya**

Learn more about Rotary programs for young leaders and young adults at [rotary.org](http://rotary.org).



## SUPPORTING ROTARY'S WORK

**“There’s no impossible dream when you’re a Rotarian. We see that the Paul Harris Society provides the resources so Rotarians can improve the lives of others.”**

**— Rosemary Hullinger, Major Donor and member  
Rotary Club of Tooele Valley, Utah, USA**



## Leading by example

Driven to help those in need, Dr. Herbert and Andrea Ederer have seen what good can come when passionate people become engaged Rotarians.

Since helping charter the Rotary Club of Weiz in Styria, Austria, in 2007, the Ederers have supported and participated in Rotary Foundation grant projects every year, connecting with clubs and communities in Brazil, Rwanda, Romania, and Bangladesh, among others.

The Ederers are also members of the Bequest Society, which recognizes donors who commit to give \$10,000 or more to the Foundation through their estate plans.

**“The Rotary Foundation is our common Rotarian treasure for doing good in the world. Andrea and I want to share our good fortune . . . . We are convinced that every Rotarian should support The Rotary Foundation every year – and we just do it!”**

**– Herbert Ederer, Major Donor and member Rotary Club of Weiz, Styria, Austria**



PHOTO COURTESY OF HERBERT AND ANDREA EDERER

As the first to join in their district, the Ederers hoped to inspire others to engage the many unique ways to support the Foundation.

(Above) Herbert and Andrea Ederer

## Paul Harris Society provides staunch support

The Paul Harris Society, an official Rotary Foundation recognition program, honors individuals who contribute \$1,000 or more to the Annual Fund, PolioPlus Fund, or approved Foundation grants each year. Rosemary and Dennis Hullinger are among the more than 9,000 society members around the world. Both are members of the Rotary Club of Tooele Valley, Utah, USA. Having served on Rotary projects in Peru and Guatemala, Rosemary says she is a society member because of the impact created by Foundation grants.

(Left page) Rosemary Hullinger visits with schoolchildren in Nepal.

Help expand Rotary's ability to do good in the world. Make your gift today at [rotary.org](http://rotary.org).

## DONORS INDUCTED INTO THE ARCH KLUMPH SOCIETY IN 2013-14

### FOUNDATION CIRCLE

(contributions of \$1 million or more)

Richard Barton and Jane Hopson  
Elizabeth and Herbert Hezlep III  
Sir Emeka Offor

### CHAIR'S CIRCLE

(contributions of \$500,000 to \$999,999)

Duk-Sam Lee and Hyun Suk Jang  
Greg E. and Pam K. Podd  
Mitsuhiko and Ritsuko Sakamoto

### TRUSTEES CIRCLE

(contributions of \$250,000 to \$499,999)

Atiku Abubakar  
Thomas A. and Marian Bickerstaff  
Judy and Jeff Chang  
Pulo Wen-Yen Chang  
Amy Su-Mei Chang Chen and Chiu-Ching Chang  
Fashion Shih-Yuan and Eunice C. Chou

Jack and Jenny Chu  
Adebisi Clementi and Winnie Adegoke  
Charles E. and Barbara R. Clemmons  
Bob C. and Sylvia Danner  
Charles G. and Nancy K. Frazier  
Isako Funaki  
Kenneth Gbagi  
Kenneth W. and Ruth E. Grabeau  
Nobuo and Ayako Ito  
Ann Henderson Johnson† and Lamar Johnson  
Makoto and Misuzu Kanasugi  
John W. and Brenda B. Kessler  
Kwang Sup Kil and Eun Sook Choi  
Baek-Ho Kim and Keum Soon Oh  
Yong Chae Kim and Sae Bon Chae  
Jong-Duk Lee and Soo Jeng An  
Jimmy Thaw Chay Lim and Brenda Lai Cheng Loh  
Mould Yu-Sen Lin and Su-Chu Chen Lin

Judy Yun-Yu Liu and Kuang-Chin Li  
Nicolas and Annie Lynn  
Emmanuel and Goody Mark  
Christopher J. McLucas and Reyna L. Castillo  
Arthur C. Mills III and Jane M. Mills  
Ronald L. and Andrea C. Morton  
Kathleen Stillwell Myers†  
Michael Olayiwola and Adebola Olawale-Cole  
Mike and Misi Omotosho  
Suguru and Kazuyo Omuro  
George W. and Kerstin E. Trowbridge  
William Chiu-Lien Tseng and Feng-Chu Kao  
George C. and Wilma C. Wheeler  
Alice Virginia White  
Samuel R. and Grace G. Whitfield†  
Fred Sheng-Tsai Wu and Yu-Fung Wu-Lee  
Young Suk Yoon and Seung Ja Cho  
† DECEASED

# OUR FINANCIALS

Rotary’s consolidated financial activities include those of Rotary International (RI), The Rotary Foundation (TRF), and their wholly owned subsidiaries.

Rotary International is principally supported by volunteer dues that support its mission to provide service to others, promote integrity, and advance world understanding, goodwill, and peace by connecting leaders, exchanging ideas, and taking action.

The Rotary Foundation, Rotary’s charitable entity, is funded solely by voluntary contributions from members and friends of Rotary who support its mission.

## HIGHLIGHTS

The 2013-14 fiscal year was a very good one for Rotary, putting it in a strong position to continue Doing Good in the World. Contributions to the Annual Fund set a new record of \$116.6 million. Donors also gave a record \$23.7 million to the Endowment Fund.

During calendar year 2014, with the tremendous support of Rotarians and friends of Rotary, we received the \$70.0 million 2-to-1 match from the Bill & Melinda Gates Foundation (BMGF) by meeting our obligation to commit \$35.0 million from the PolioPlus Fund toward the Global Polio Eradication Initiative.

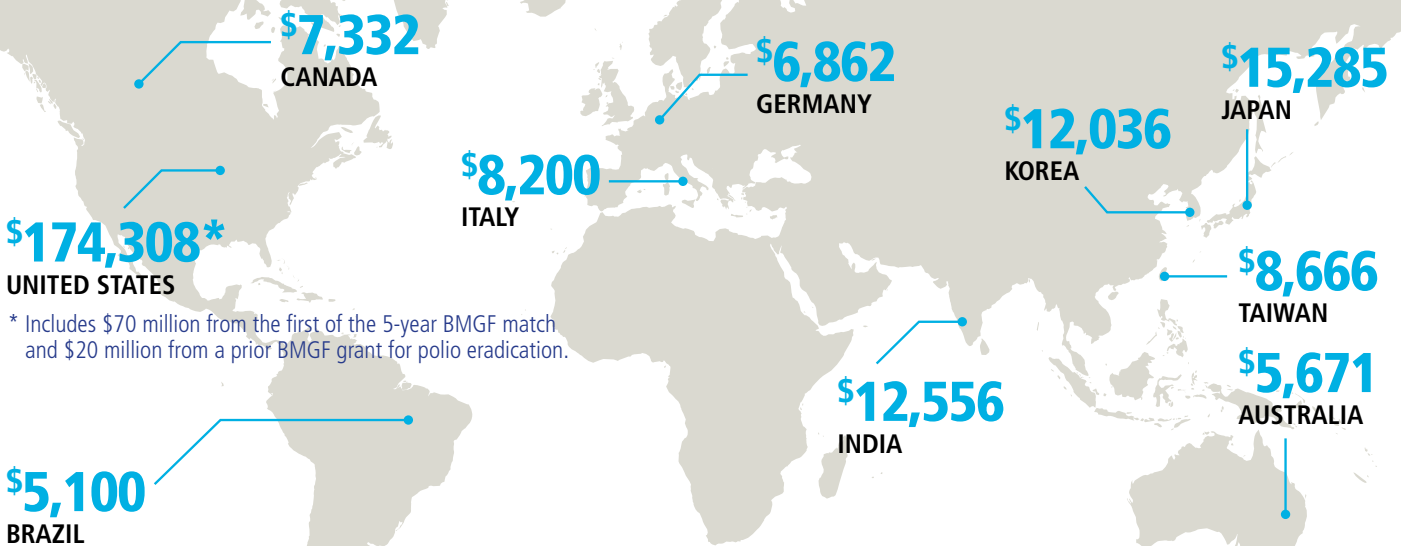
Rotary’s new grant model finished its first year of global support for projects in our six areas of focus, with district and global grant awards totaling \$70.8 million.

## PROGRAM EXPENDITURES BY REGION

Rotary awards grants for a range of activities worldwide (see Consolidated Statements of Activities on page 25). The graphic on page 26 shows total expenditures for these activities by geographic region, including original grants and those awarded under The Rotary Foundation’s new grant model.

## TOP 10 GIVING COUNTRIES AND GEOGRAPHICAL AREAS

2013-14 total funds received (in thousands of U.S. dollars)



\* Includes \$70 million from the first of the 5-year BMGF match and \$20 million from a prior BMGF grant for polio eradication.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of 30 June (in thousands of U.S. dollars)

ASSETS	2013-14	2012-13
<b>Assets</b>		
Cash and cash equivalents	\$ 90,208	\$ 50,512
Receivables, net	21,435	44,301
Investments	1,019,801	919,581
Property and equipment, net	38,030	39,741
Other assets	41,502	37,942
<b>TOTAL ASSETS</b>	<b>\$ 1,210,976</b>	<b>\$ 1,092,077</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accrued program awards	\$ 64,241	\$ 65,831
Accounts payable, accrued expenses, and other	50,559	52,740
Deferred revenues	3,014	1,843
Pension obligation	399	10,672
<b>Total liabilities</b>	<b>\$ 118,213</b>	<b>\$ 131,086</b>
<b>Net assets</b>		
Unrestricted	\$ 747,940	\$ 654,563
Temporarily restricted	83,461	71,715
Permanently restricted	261,362	234,713
<b>Total net assets</b>	<b>\$ 1,092,763</b>	<b>\$ 960,991</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,210,976</b>	<b>\$ 1,092,077</b>

## CONSOLIDATED STATEMENTS OF ACTIVITIES

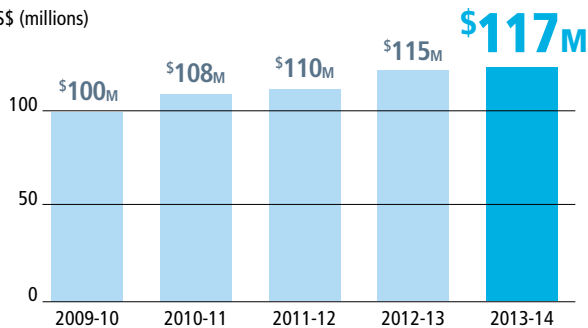
Years ended 30 June (in thousands of U.S. dollars)

REVENUES	2013-14	2012-13
Contributions	\$ 254,238	\$ 234,196
Dues	63,301	62,503
Net investment return	124,214	67,713
Other activities	29,603	27,658
<b>TOTAL REVENUES</b>	<b>\$ 471,356</b>	<b>\$ 392,070</b>
<b>EXPENSES</b>		
<b>TRF program expenses</b>		
PolioPlus program	\$ 131,284	\$ 76,059
Rotary grants	91,850	99,296
Other programs	8,406	1,154
<b>Total TRF program expenses</b>	<b>\$ 231,540</b>	<b>\$ 176,509</b>
TRF development expenses	\$ 15,988	\$ 17,684
TRF general administration	5,089	4,651
RI operating expenses	72,537	71,634
RI service and other activities	25,102	25,660
<b>TOTAL EXPENSES</b>	<b>\$ 350,256</b>	<b>\$ 296,138</b>
<b>PENSION-RELATED CHANGES</b>	<b>\$ 10,672</b>	<b>\$ 6,298</b>
<b>CHANGES IN NET ASSETS</b>	<b>\$ 131,772</b>	<b>\$ 102,230</b>

Rotary's audited financials are available at [rotary.org/financials](http://rotary.org/financials).

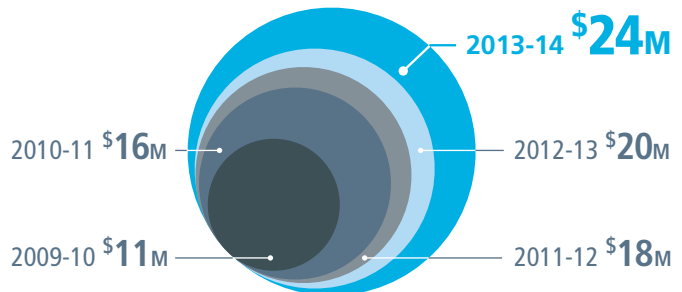
## LARGEST ANNUAL FUND EVER

US\$ (millions)



## STEADY GROWTH IN ENDOWMENT FUND

US\$ (millions)



## ANNUAL FUND GIVING PER ROTARY MEMBER

(2013-14, in U.S. dollars)



## HOW ROTARY SPENT MY DUES

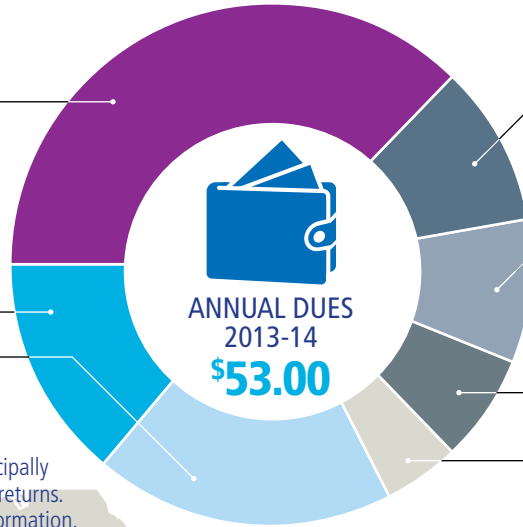
**\$19.78**  
PROGRAMS AND  
MEMBER SERVICES



**\$7.30**  
MESSAGING AND  
COMMUNICATIONS



**\$9.89**  
IT, OPERATIONS, AND  
ADMINISTRATION



**\$5.31**  
INTERNATIONAL  
OPERATIONS



**\$4.69**  
GOVERNANCE AND  
EXECUTIVE



**\$3.63**  
FINANCE



**\$2.40**  
HR, LEGAL, AND AUDIT

Note: RI's operating expenses are funded principally by dues and supplemented by net investment returns. Details of Rotary's fiscal 2013-14 financial information, including the president's, directors', and trustees' expenses and audited financial statements, are available at [rotary.org/financials](http://rotary.org/financials).

## TOTAL PROGRAM EXPENDITURES BY REGION

(2013-14, in thousands of U.S. dollars)

**NORTH AMERICA**  
**\$19,484**



**EUROPE**  
**\$8,530**

**RUSSIA, GEORGIA, AND  
COMMONWEALTH OF  
INDEPENDENT STATES**  
**\$265**



**CENTRAL AMERICA  
AND THE CARIBBEAN**  
**\$5,692**

**MIDDLE EAST AND  
NORTH AFRICA**  
**\$8,951**

**SOUTH ASIA**  
**\$55,779**

**EAST ASIA AND  
THE PACIFIC**  
**\$24,144**

**SOUTH AMERICA**  
**\$5,122**

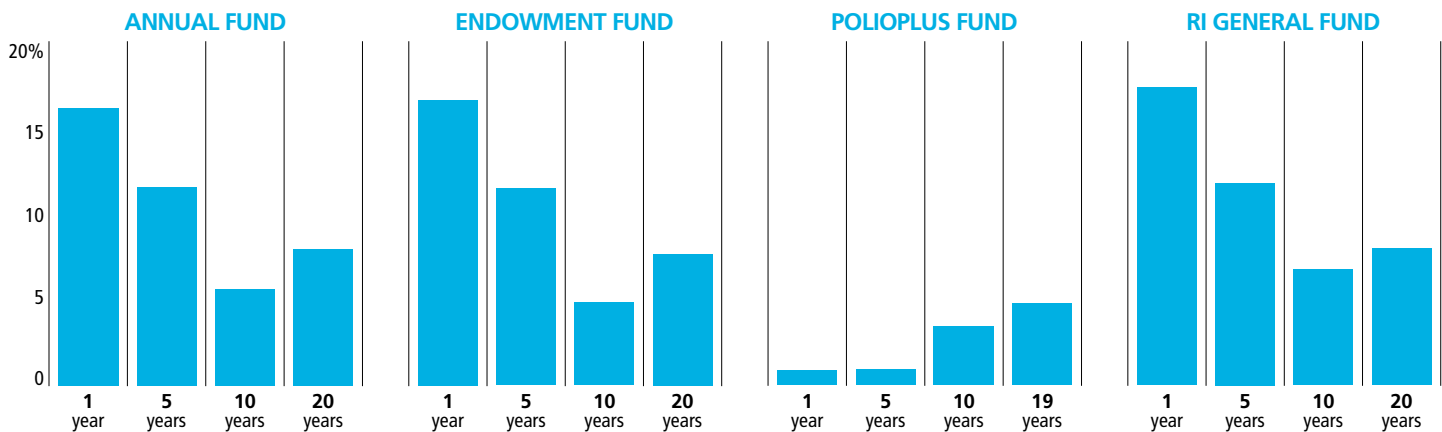


**SUB-SAHARAN  
AFRICA**  
**\$103,573**



PHOTOS BY ALYCE HENSON AND MONIKA LOZINSKA

## ANNUALIZED INVESTMENT RETURNS



## INVESTMENTS

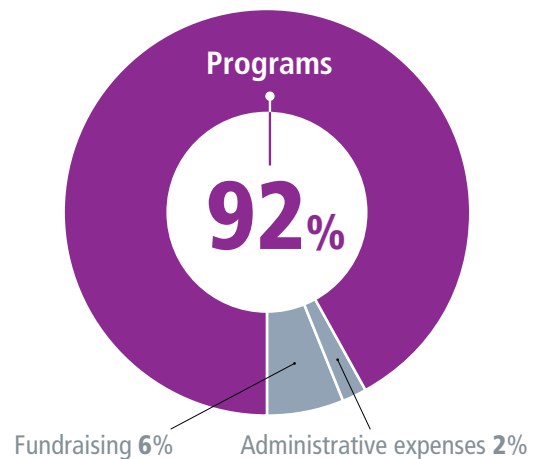
Financial markets were largely positive in fiscal year 2013-14, generating exceptional returns of 16 to 17 percent each for the Annual Fund, Endowment Fund, and RI's General Fund. The Rotary Foundation's net investment return was \$108.2 million, while Rotary International's net investment return was \$16.0 million. These returns enabled The Rotary Foundation Trustees to pay our operating expenses and fully fund our operating reserve, leaving the Foundation best equipped to weather future market downturns.

In accordance with prudent investment management practices, both organizations maintain diversified investment portfolios, which include U.S. and non-U.S. stocks, global fixed-income securities, and hedge funds. The Foundation also invests in alternative assets such as real estate and private equity. Rotary's investment programs are overseen by the Foundation's Investment Committee, which is composed of three trustees and six Rotarian investment professionals, and the RI Finance Committee. Rotary also retains an independent investment consultant to counsel both organizations on investment matters and to monitor Rotary's investments. All of Rotary's funds are managed by experienced, professional investment managers. Additional information on Rotary's investments, including investment policy statements and performance, is available at [rotary.org](http://rotary.org) by searching the key word "investments."

## ROTARY'S RATING

In 2014, The Rotary Foundation earned a top rating of four stars from Charity Navigator, based on the previous year's results. In fiscal year 2013-14, only 2 percent of Foundation expenditures went to administrative expenses and 6 percent to fundraising. The Foundation directed 92 percent of its spending to programs, far exceeding the benchmarks that independent charity-rating services view as a measure of high efficiency.

## THE ROTARY FOUNDATION'S EXPENDITURES WENT TO ...



★★★★ from Charity Navigator



On the eve of Rotary's convention in Sydney, Rotarians raise more than \$100,000 for polio eradication and break two world records: the most flags flown on a bridge (278) and largest number of climbers on the Sydney Harbour Bridge at one time (340 people).

## ROTARY INTERNATIONAL 2013-14 BOARD OF DIRECTORS

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### **General Secretary**

John Hewko, USA



The mission of Rotary International is to provide service to others, promote integrity, and advance world understanding, goodwill, and peace through its fellowship of business, professional, and community leaders.

The mission of The Rotary Foundation of Rotary International is to enable Rotarians to advance world understanding, goodwill, and peace through the improvement of health, the support of education, and the alleviation of poverty.

## THE ROTARY FOUNDATION 2013-14 BOARD OF TRUSTEES

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### **Chair-elect**

John Kenny, Scotland

### **Vice Chair**

Michael K. McGovern, USA

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Ian H.S. Riseley, Australia

Julio Sorjús, Spain

Stephanie A. Urchick, USA

### **General Secretary**

John Hewko, USA



**On the cover**

Rotarians renovate a hardware store in Detroit, Michigan, USA, as part of Launch Detroit, a microfinance and education program for local entrepreneurs.

PHOTO BY ALYCE HENSON



ROTARY INTERNATIONAL  
THE ROTARY FOUNDATION

[www.rotary.org](http://www.rotary.org)

