

History of The Rotary Foundation

The Rotary Foundation is a primary source of funding for Rotary's humanitarian activities, from clubs' and districts' local service projects to global initiatives. It also leads Rotary's ongoing effort to eradicate polio worldwide.

Our Foundation is able to achieve its mission through the generous contributions and active participation of Rotarians and friends of Rotary.

Arch Klumph is called the father of the Foundation because he had the vision of a Rotary endowment fund and the dedication to bring this dream to life. As president of the Rotary Club of Cleveland, in 1913, he advocated for the club to build a reserve that would ensure its means to do future good work. As president of Rotary in 1916-17, he proposed this idea to a larger audience.

In his speech to the 1917 convention in Atlanta, he said: "It seems eminently proper that we should accept endowments for the purpose of doing good in the world, in charitable, educational or other avenues of community progress ..."

Arch's vision of an endowment would eventually become The Rotary Foundation, and his call for "doing good in the world" was to become the Foundation's motto. But it would take some time for all of that to happen.

The 1917 convention delegates agreed with Arch's vision and voted to amend the Rotary constitution to establish an endowment fund. This fund was "to be made up of contributions from clubs, individuals, estates and other sources." The fund's principal was to remain intact, with only the interest used to further Rotary's goals. The delegates named Rotary's Board of Directors as trustees of the fund.

Although this fund started the Foundation, it is not the same as today's Endowment Fund, which was established in the 1980s.

In 1917, the Rotary Club of Kansas City, Missouri, USA, made the first contribution, \$26.50, to the endowment fund that Arch Klumph had suggested in his convention speech. But for almost a decade, the endowment went largely unknown and received very few contributions.

Then, in 1927, Rotary leaders began to show greater interest in the endowment, and the following year, convention delegates formally changed its name to The Rotary Foundation. They also agreed to enlarge its scope and establish a five-member Board of Trustees.

The Rotary president appointed the first trustees and named Arch Klumph the trustee chair. He served as chair for seven years, educating Rotarians about the Foundation and encouraging them to contribute.

Although Arch believed strongly in the need for the Foundation, he emphasized that all contributions should be voluntary. He did not want Rotarians to view the Foundation as a

tax or assessment on clubs or members, which would have violated the association's constitution.

In 1930, the Foundation made its first grant - \$500 to the International Society for Crippled Children, now known as Easter Seals. Rotarian Edgar "Daddy" Allen had founded the organization in 1919. Rotary founder Paul Harris served on the society's board of directors.

In 1947, the Foundation launched its first program: scholarships for graduate study. The first group of scholars, began their studies in the 1947-48 academic year. The program's criteria have changed a few times during its seven decades, and so has its name — the students have been called Paul Harris Fellows, Ambassadorial Scholars, and are now known as Rotary Scholars. But the concept of sending promising students abroad for graduate study remains the same.

There have been many notable scholars worldwide, but probably the best 'locally known' scholar is **Shadow Treasurer Ben Wyatt**

The Foundation's assets grew slowly over its first 30 years. At the end of the 1947-48 Rotary year, it had received only about \$2 million in contributions since 1917. Today, the Foundation's assets stand at more than \$1 billion. So....what led to such a remarkable increase in donations?

The increase began in 1947, when Paul Harris died after a prolonged illness. Rotary's beloved founder had told friends that if they wanted to honor him, they should donate to the Foundation. So Rotary established a special fund for the contributions that flooded headquarters as news of Paul's death spread. In just 18 months, the Foundation received \$1.3 million. Contributions continued to increase over the years, and they first topped \$1 million in a single year in 1965.

At the 1978 convention in Tokyo, Rotary announced a two-year 75th anniversary fund, which would receive more than \$7.2 million.

In 2004, the Foundation started the Every Rotarian, Every Year campaign to stimulate giving to the Annual Fund, which supports Foundation grants. In 2014-15, that fund received a record \$123 million in contributions.

From its first contribution of \$26.50, the Foundation's assets have grown to approximately \$1 billion, and more than \$3 billion have been spent on programs and projects, transforming millions of lives across the globe.

- 2.5 billion children have been immunized against polio, reducing cases of the disease by 99.9 percent.
- More than 900 Rotary Peace Fellows have been trained to resolve conflict, deal with the aftermath of war, and promote peace.
- Hundreds of thousands of people now enjoy access to clean water, health care, and education, thanks to Foundation humanitarian projects.

Today, the Foundation has 15 trustees who manage the Foundation's business. They are nominated by the RI president-elect and elected by the RI Board to serve four-year terms. The trustees elect a chair each year.

In 2017, our Rotary Foundation turns 100. From a small start in 1917, with a call to action from the Rotary president and a contribution of \$26.50 - today it has \$1 billion in assets and an impressive record of improving millions of lives

Our Foundation stands at the forefront of humanitarian service, having supported thousands of projects to provide clean water, fight disease, promote peace, and provide people with basic education — and one historic project dedicated to eradicating polio worldwide.

We've seen a century of Rotarians improving lives and communities all over the world. And that's definitely something worth celebrating.