**Shan Language and Shan Fellow 2/10/17**

Shan Fellow and Multiple Shan Fellow: When a member has donated a cumulative $1,000 total to the Rotary Club of Redding Charitable Foundation (RCRCF) – including any combination of giving to the Annual Fund and/or the Permanent Fund – and they have completed their first Paul Harris Fellowship, the member is given an acknowledgement from the RCRCF called the Shan Fellowship. When additional cumulative $1,000 contributions are given, the member is acknowledged again by RCRCF as a Multiple Shan Fellow for every $1,000 given.

Items that count toward Shan Fellowship accrual include all donations given to either the Annual Fund (unrestricted) or the Permanent Fund (Endowment) of The Rotary Club of Redding Charitable Foundation. The $100 designated to the Foundation from Club Annual dues does not accrue toward any Shan Fellowship. Only donations to the Foundation accrue as noted in the annual pledge form.

RCRCF Benefactor: Someone who informs the Rotary Club of Redding Charitable Foundation that he or she has made provision in a will, insurance bequest, or other estate plan, or a single outright gift of $1,000 or more to the Endowment Fund. The contributions will not be spent. The earnings may support the various program of The Rotary Club of Redding Charitable Foundation. *(The language Shan should not be used to describe an RCRCF Benefactor. The removal of the word Shan is consistent with language used to describe any benefactor of The Rotary Foundation.)*

The intended use of the word “Shan” is to acknowledge an individual’s *giving* to the Rotary Club of Redding Charitable Foundation. The word “Shan” should be limited in use only to describe the “honor” or “pin” known as the Shan Fellowship or Multiple Shan Fellowship. It is inappropriate to use the word “Shan” to describe the Club Endowment or Foundation Funds.

In order to ensure their charitable giving is earmarked as intended, members donating at Redding Rotary Club meetings are encouraged to use language that will accurately specify their giving.

* Paul Harris, The Rotary Foundation, Polio Plus – All funds are given to The Rotary Foundation. Rotary Club of Redding accepts these funds and sends them to The Rotary Foundation on a member’s behalf.
* The Rotary Club of Redding Charitable Foundation – **Annual Fund.** Any donation here goes tosupport current and future projects of the RCRCF and are unrestricted*. A member donates here by saying, “to the Club” or “to the unrestricted fund” or “to the Annual Fund”.*
* The Rotary Club of Redding Charitable Foundation – **Permanent Fund**. Any donation here goes to the Permanently Restricted funds of the Foundation, also known as “The Endowment”. These funds are restricted from use, but the earnings from these funds may be spent to fund projects. *A member donates here by saying, “to the Permanent Fund” or “to the Endowment”.* For the sake of clarity, the word “Shan” should be avoided to designate giving to the Endowment, and it should not be used to describe those funds.

**RCR – RCRCF Funds Descriptions 2/10/17**

|  |  |
| --- | --- |
| RCR – Club | Rotary Club of Redding Charitable Foundation |
| US Bank Account | Morgan Stanley Investment Account |
| Annual Fund | Permanent Fund |
| * Non-charitable operating expenses
* “Club” annual budget
* Includes office expenses, monthly lunches, fellowship expenses
 | * Unrestricted, or
* Temporarily Restricted
* Approximately $369,000 (1/23/17)
* Includes unrealized/realized gains and losses, income, and budget surpluses.
* Includes $100 income from Annual Dues
* “Foundation” annual budget
* Recognitions earmarked as “annual fund” or “to the Club” or “unrestricted”
 | * Endowment
* Approximately $200,000 (1/23/17)
* Donor designated, permanently endowed
* Original contributions, does not include earnings income. Includes benefactor donations to permanent fund.
* Recognitions earmarked as “permanent fund” or “endowment”
* Members may have inaccurately used the term “Shan” to describe this fund in the past – For clarity, the term “Shan” should be avoided to describe these funds
 |
| Total Foundation Target is $500,000. Please see Finance Committee Recommendation to BOD dated March 18, 2014 and subsequent Board approval on September 9, 2014 |