

What is in-kind support?

- In-kind support refers to resources besides money.
- In-kind resources, or non-cash contributions, might be things you'd otherwise pay for, or they might be things that money just can't buy. When someone volunteers to provide a service, supplies, or free help, you're receiving in-kind support. If another organization provides free-of-charge office equipment or meeting space, that's in-kind support.

Examples of In-Kind Support

- Snacks or drinks that organization members bring to a meeting
- Free meeting space, like a church basement or library room, you would otherwise have to rent
- Items that business owners donate to use for fundraising, like for a raffle or auction
- Carpenters, painters or local handymen who volunteer their services

Types of In-Kind Support

There are **three basic types of in-kind donations**: goods, services, and people.

Goods are just about anything that isn't money – a car, paper, equipment, or furniture. Examples include:

- Equipment and furniture, including computers and photocopiers
- Supplies, including paper, filing folders, and other office supplies
- Food that people bring to your regular meetings

Services are often provided by small businesses, vendors, agencies and colleges. Donated in-kind services *are not* tax deductible. Examples of services include:

- Printing
- Website development
- Transportation

People sometimes volunteer to help your organization. In addition to staffing events or helping with mailings, volunteers might provide training or serve on your Board of Directors. Some examples include:

- Clerical help
- Fundraising
- Legal, accounting, or other professional services

Putting a Value on Volunteer Time

In 2017, the **average** dollar value of a volunteer hour in North Carolina was \$23.41 (https://independentsector.org/resource/vovt_details/).

It is very difficult to put a dollar value on volunteer time. This is an average value. The Bureau of Labor Statistics does provide hourly wages by occupation that can be used to determine the value of a specialized skill: <http://www.bls.gov/bls/blswage.htm>. You can also find more information at https://www.independentsector.org/volunteer_time.

It is important to remember that when a doctor, lawyer, craftsman, or anyone with a specialized skill volunteers, the value of his or her work is based on the *type of volunteer work being done*. In other words, if a doctor is painting a fence or sorting groceries, he or she is not providing medical services for the nonprofit. Their volunteer hourly rate would not be the same as a doctor's pay. If a doctor is performing medical services or an attorney is providing legal advice to a nonprofit, the value of those in-kind services should reflect their professional hourly rates. Services are not tax-deductible for the volunteer.

Why Include In-Kind Support in your Project Budget?

- Tracking in-kind contributions demonstrates community support for your project. This will strengthen your project with funders and donors.
- Putting a value on services or goods helps a potential funder understand how you're getting what you need – besides money – to carry out a successful project.
- You can use this information to ***thank your volunteers and donors!***