

Gift-in-Kind Disclosures

Many Bible Colleges and Seminaries receive non-cash or in-kind donations. These might include:

- Donated Services
- Donated Facilities
- Donated Goods

If your institution's President or some faculty do not "take a salary" (or takes reduced compensation that is well below comparative/market values), you may be required to "impute" compensation. In addition, if you receive free use of facilities – office, home, classroom, etc. – you are likely adding "donated facilities" to your financial statements.

Generally, this will increase contributions AND increase corresponding expense line item(s).

Remember:

1. Form 990 reporting (if required) generally adjusted for donated services and/or facilities (takes them out) – see Schedule D, Parts XI and XII.
2. These amounts should be properly reflected on the Statement of Functional Expenses.
3. Take a close look at Form 990 – Schedules D and M with respect to gifts-in-kind.

For most institutions, 2022 financial statements required accelerated reporting on this area. An example footnote – from the AICPA – follows.

Note 9 – Donated Services and Assets

The Organization receives significant in-kind contributions of time and pro bono services from members of the community and volunteers related to program operations, special events, and fund-raising campaigns. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The Organization recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation.

During fiscal year 20X0, the Organization received donated services for professional auctioneering and other consulting services. The Organization also received contributions of donated goods.

All donated services and assets were utilized by the Organization's programs and supporting services. There were no donor-imposed restrictions associated with the donated services and assets.

<u>Program</u>	<u>Donated Space</u>	<u>Donated Services</u>	<u>Donated Goods</u>	<u>Total</u>
Education				
Support services				
Fundraising				
TOTALS				

