



## GUIDANCE STATEMENT 2014-2: IN KIND CONTRIBUTIONS

May 23, 2014

Approved In-Kind contributions may be used by libraries that do not receive enough cash funding to meet the match requirement of the [WVLC Administrative Rule](#).

- 3.4. Local funds received in the previous fiscal year equal or exceed the maximum Grant-in-Aid established for the library. Local non-tax based funds used as matching funds cannot exceed the amount of local tax based funds.

### REQUESTING APPROVAL

- Requests must be submitted annually to the Secretary of the Library Commission.
- All requests must be received no later than August 15 of the current year.
- Requests must include documentation from the donor.
- Approval is for the current fiscal year only.

### WHAT ARE IN-KIND CONTRIBUTIONS?

- An in-kind contribution is a good or service given to the library in lieu of cash.
- To be approved as part of the match, the contribution must relieve the library of an expense that it would otherwise pay as part of its normal operating expenditures.
- In-Kind contributions may be made by both tax based and non-tax based entities.
- In order to be approved in-kind contributions must:
  - Contribute to the operational functions of the library
  - Have a specific dollar value determined by the entity making the donation
  - Be documented by the entity making the donation
- Examples
  - **Approvable**
    - The city provides lawn maintenance for the library and provides the library with documentation concerning the annual dollar value of that service. Lawn maintenance is a normal operating expense.

- A local company assumes responsibility for the library's water/sewer service and provides the library with documentation concerning the annual dollar value of that service.
- **Not Approvable**
  - Offenders sentenced to community service in the library. The Court is not donating a service but sentencing offenders to community service in lieu of jail time. A dollar figure cost to the Court cannot be applied. The Library would not normally hire someone to do these specific duties.
  - The value of donated books. Although books are definitely an operational expense of the library, the library has no control over the selection or quality of donated books. When deciding to accept in-kind contributions as part of the match requirement, the Library Commission decided that book donations would not be approved.

## **REPORTING APPROVED IN-KIND CONTRIBUTIONS**

- The Library Commission notifies each library requesting in-kind approval of its decision.
- Approved in-kind contributions must be reported in the library's annual Bibliostat report.
  - The total amount approved is reported on the appropriate line (City In-Kind; County Commission In-Kind; BOE In-Kind; Other Local Operating Income In-Kind) in Section 8, the Statement of Income section. For each In-Kind item entered, the librarian adds a State Note indicating the amount approved by WVLC and the date of the approval.
- In-kind income must be matched with expenditures for reporting and maintenance of effort purposes. In section 10 of the Bibliostat report, Statement of Expenditure, report the expenditure of in-kind contributions is reported with a note similar to the one used in section 8.