Communities, Culture, Tourism and Heritage – Capital Grants

In-Kind Guidelines for non-profit and charitable organization applicants

*Please note that Municipalities and First Nation Band Councils cannot claim "inkind" contribution

These guidelines provide non-profit applicants with a general overview of how to approach inkind contributions on Communities, Culture, Tourism, and Heritage (CCTH) capital grant applications. It also includes other details such as general definitions, considerations and eligible and non-eligible inkind contributions suitable for inclusion in grant budgets and financial reporting to CCTH for capital grant programs.

For CCTH capital grants, the application budget table asks for the **total project value** of the project you are seeking funding for. While straight cash costs of the project commonly make up the bulk of the project, CCTH also wants to include in-kind contributions in the total project value of the project. In-kind contributions would include volunteer time specific to the capital project and donated or discounted goods or services.

A general overview of using in-kind in capital grant applications:

- All in-kind contributions must **be directly related to scope of project in the application**, and should not include common Board of Directors (BOD) activities that would happen regardless of project status. (For example, do not include the estimated value of hours provided by volunteers undertaking common BOD activities, such as BOD meetings, treasurer time).
- **All in-kind revenue must have a corresponding in-kind expenditure** so that budgets are revenue neutral for these contributions.
- In-kind contributions of Goods and/or Services may be included.
- Volunteer labour is commonly separated into two categories of 'general' volunteer labour (uncertified volunteer labour) and skilled volunteer labour (certified, red-seal, professional capacity).
- If applicable, the grant application budget table will ask that you identify the estimated volunteer hours on different components of the project, while on the final report you will report on the actual hours volunteered. As such, it will be important to track volunteer hours, donated or discounted services or materials, on the capital project.

Eligible and Ineligible In-kind

Eligible In-kind

Administration: Non-profit applicants can include in-kind administration up to 10% of requested funding, to a maximum of an in-kind admin amount of $5,000. Items such as bookkeeping, site visits, project management and overhead are covered under this administrative fee. These items are ineligible from being itemized separately as a cost/ or cash expenditure.

General Labour: in-kind, unskilled labour that does not require any specialized skills, training, or formal education. For example, site preparation or clean up. General labour rates cannot exceed $25 per person, per hour.

Professional Services and/or Skilled Labour: in-kind technical or professional services (certified, red-seal, professional capacity) such as skilled machine operators, carpenters, plumbers, electricians or other trades Skilled labour rates cannot exceed the fair/common market rate for those professional services.

Travel costs: out of pocket expenses related to volunteer travel essential to the capital project. Primarily this would be recorded mileage, valued at $0.59/km driven. Origin and destination should be recorded and submitted with your final report. For example, if a volunteer drove their own vehicle to do a dump run, the in-kind contribution would be the distance from the site of the project to the dump, and back, X $0.59 per km (as well as the volunteer hours as general labour).

Discounted services or materials: The eligible in-kind cost would be the difference between what you would have paid, and what you got it for on discount – as shown on a quote and/or invoice for your final report submission. Examples include donated used equipment, materials and supplies at fair market value, donated new equipment, materials and supplies at the selling price to a most favored customer, loaned equipment, material and supplies based on rental equivalent.

Ineligible In-kind

- Bookkeeping (eligible as part of permitted Administration , see above)
- Project Management costs or consulting fees (eligible as part of permitted Administration , see above)
- Administration or overhead costs above eligible amount (see above)Value of purchase of land or building
- Legal fees
- Grant writing fees or in-kind grant writing hours
- Project communications and marketing costs
- Paid staff time
- Food / meals
- All in-kind for municipalities and band councils.

Fair Market Value

CCTH recognizes in-kind contributions of Goods and Services at **fair market value.** “Fair Market Value” is defined as the agreed-upon price in an open and unrestricted market between knowledgeable and willing parties who are dealing at arm’s length and who are fully informed. The fair market value is the price an organization would be expected to pay for a good or service. It is the responsibility of organizations to ensure that the reported fair-market value for all items involving an in-kind contribution is reasonable.

In-Kind Services

In-kind contributions of services by professionals in their professional capacity (certified, skilled machine operators, red-seal, professional capacity) may include contributions by Board Members for work they do outside of normal Board of Director responsibility if it is work that would otherwise be contracted as a paid service.

Conflict of Interest

Ensure that no activities related to the project creates a real or potential conflict of interest, including contracting with any person or supplier in which a member of the Organization's Board of Directors has a material interest. Additionally, any contracts awarded and/or hiring related to the project must be conducted in a way that is fair, transparent, competitive, consistent with the principles of public good (incl value for money principles that minimize costs, maximize benefits and effectiveness and respect for equity, diversity, inclusion and accessibility).

Charitable Status and CRA Guidelines

In addition to these guidelines, please ensure you are following all Canada Revenue Agency (CRA) requirements, Societies Act requirements and any other relevant laws.