



fact sheet no 1

Recognising In-Kind Contributions

Purpose

To provide equitable financial recognition for in-kind contributions, particularly people's time, for specific packages of pre-approved work, during the formative period of AGIC.

Guidelines

1. AGIC will accept substantiated claims of in-kind contributions to the development of AGIC against the additional fee for Foundation Membership.
2. Foundation Members will need to pay their base annual membership fees in cash, recognising AGIC's need to build-up cash resources as well as access in-kind contributions during the formative period.
3. Recognition of in-kind contributions is for specific packages of work only that have been pre-approved by the AGIC Board.
4. AGIC considers participation in Board or working group meetings or workshops as 'voluntary', and not counting towards in-kind contributions.
5. The effort represents the sum of the total effort by a company/organisation on the specific pre-approved package of work only.
6. Claims must be made on the official AGIC form for in-kind contributions and accepted by the Board.
7. The financial recognition provided by AGIC will be a discount on the special fee for Foundation Membership, according to Table 1.

Table 1: Recognition of In-Kind Contributions

<i>Effort</i>	<i>Value*</i>	<i>Financial Recognition</i>
Minor	Up to \$5,000	\$0
Moderate	\$5,000 to \$10,000	\$5,000
Major	Greater than \$10,000	\$10,000

* Calculated according to the formula below and is exclusive of GST.

8. The Board may decide to recognise additional in-kind contributions or adjust these guidelines as necessary under special circumstances at its discretion (eg offset total Foundation Membership fees).

Calculation of the Financial Value of In-kind Contributions

The basis for recognising time contributions is the cost of that person's time to their employer or business. AGIC will therefore recognise time on a 'cost-rate' rather than 'charge-out rate' basis.

The value of a person's in-kind contribution of time, expressed as an hourly rate, should be determined by one of the following means (up to a maximum of \$200/hour):

- a) The internal cost rate for the person set by their employer; or
- b) Half of the person's standard charge-out rate; or
- c) A nominal \$80 per hour rate; or
- d) A rate accepted by the Board by negotiation.

Cash expenses may be counted only for individual amounts greater than \$100 and with the presentation of tax invoices.

GST is only payable on any Foundation Membership balances which are not in-kind contributions.