

# Reporting the Value of Volunteer Contributions: Current Practices and Challenges

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The 2000 National Survey of Giving, Volunteering and Participating estimated that 6.5 million Canadians (26.7% of the population aged 15 and over) volunteered during the year and contributed 1.05 billion hours, or the equivalent of 549,000 full-time jobs.<sup>1</sup>

Although volunteers make an important contribution to nonprofit and voluntary organizations across Canada, data from a survey conducted in 2003 indicate that surprisingly few organizations keep records of volunteer contributions, and even fewer estimate a value for these contributions.

The survey, sent to 608 Canadian nonprofit and voluntary organizations, asked whether these organizations kept records of volunteer contributions, whether they estimated a value for these contributions, and whether they included this value in their accounting statements. Responses were received from 156 organizations. This fact sheet reports on the findings from this survey.

## Volunteer Record Keeping

Just over one third of respondents (37%) indicated that their organizations kept records on the contributions of their volunteers. These organizations tended to:

- Be oriented to the public at large rather than to a membership.
- Be registered charities.
- Involve relatively large numbers of volunteers (i.e., 70 or more).
- Have female rather than male accountants.
- Derive no revenues from membership fees.

<sup>1</sup> Hall, M., McKeown, L., & Roberts, K. (2001). *Caring Canadians, Involved Canadians: Highlights from the 2000 National Survey of Giving, Volunteering and Participating*. Ottawa: Statistics Canada.

## Estimating the Financial Value of Volunteers

Only 7% of respondents estimated a financial value for the contributions of their volunteers (see Table 1). The main reasons given by the vast majority of respondents (93%) who did not attribute a financial value to volunteer contributions were:

- It was not considered applicable, e.g., was not required by a funder or by the Canada Revenue Agency (49%).
- It had never been considered (16%).
- The organization lacked the necessary financial, human or technological resources, or the appropriate tools or information, to undertake the task (15%).
- It was not perceived as desirable, e.g., the organization had philosophical objections to assigning value to volunteer contributions (12%).

Table 1 Percentage of Organizations that Attribute Monetary Value to Volunteer Contribution

	% that do
Keep records of volunteer contributions	37
Estimate the financial value of volunteer contributions	7
Include volunteer value in accounting statements	3

## Including Volunteer Value in Accounting Statements

Only 3% of respondents reported the value of their volunteers' contributions in their accounting statements. The main reasons given by the vast majority of respondents (97%) who did not include the value of volunteer contributions in their financial statements were:

- It was not considered applicable (49%).
- It had never been considered (15%).
- It was not perceived as desirable (12%).



Table 2 Reasons for Not Recording or Reporting the Monetary Contributions of Volunteers and Main Challenges to Estimating the Value of Volunteers

	n	Not Applicable	Not Desirable	Lack of Resources	No Support	Credibility of Data	Haven't Considered	Unknown
Why estimating value of volunteers was not recorded	150	49%	12%	15%	4%	3%	16%	1%
Why estimated value of volunteers was not included in accounting statements	144	49%	12%	8%	7%	8%	15%	1%
Main challenges to estimating value of volunteers and to reporting in accounting statements	114	28%	12%	35%	2%	17%	3%	4%

## Main Challenges to Including Volunteer Value in Financial Statements

We were also interested in what organizations perceived to be the main challenges to including volunteer value in financial statements. They reported that their main challenges were:

- Lack of financial, human or technological resources, or the appropriate tools or information to undertake the task (35%).
- Not perceiving the task as applicable (28%).
- Difficulty gathering credible data (17%).
- Not considering the task as desirable (12%).

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## Conclusion

Although nonprofit and voluntary organizations place a high value on the contributions of their volunteers, the benefits that they generate are rarely reported in concrete terms. The barriers to reporting the dollar value of volunteer activity are real. So, however, are the benefits. Organizations that take the time to calculate and report the monetary value of their volunteers' contributions can use this information to show funders and donors how the impact of their dollars is stretched by voluntary effort and demonstrate to volunteers the true value of their contributions. To learn how to do this, please refer to *How to Assign a Monetary Value to Volunteer Contributions*, available online at [www.kdc-cdc.ca](http://www.kdc-cdc.ca).

The Canadian Centre for Philanthropy's Knowledge Development Centre is funded through the Community Partnerships Program of the Department of Canadian Heritage as part of the Canada Volunteerism Initiative. The views expressed in this publication do not necessarily reflect those of the Department of Canadian Heritage.