

## **11.22 Donated Services - Items**

### Policy:

It is the policy of Licking/Knox Goodwill Industries, Inc. to record as income and expense donated services for certain items.

### Procedure:

Generally Accepted Accounting Principles (GAAP) requires non-profit organizations to record donated services/items from other organizations and businesses.

Documentation of these services must be forwarded to the Financial Department for proper recording using the Donated Services – Items form. These services/items must have a value of \$5,000.00 or more. The aggregate amount for the year from one organization may exceed the \$5,000.00 minimum.

A completed Donated Services/Item form must be submitted to the Financial Department regardless of the alleged value. Each donor will be acknowledged.

The donor is responsible for determining the value of the donation. In certain cases, the Financial Department will research the fair current value of the service and journalize the amount on the financial system as income (donation) and expense (services performed). Refer to Policy 11.19, *Capitalization Policy*.

This policy does not pertain to the retail donations for resale in the stores.