

Complete Policy Title: In Kind Contributions - Research	Policy Number (if applicable):
Approved by: AVP Administration & CFO	Date of Most Recent Approval: March 2016
Date of Original Approval(s): May 31, 2010	Supersedes/Amends Policy dated: May 31, 2010
Responsible Executive: AVP Administration & CFO	Enquiries: <a href="#">Financial Services, Research Services</a>
<i>DISCLAIMER: If there is a Discrepancy between this electronic policy and the written copy held by the policy owner, the written copy prevails</i>	

**Scope:**

This policy addresses the accounting treatment of Research in kind (capital and non-capital) contributions received at McMaster University.

**General:**

This policy is consistent with:

- Canadian accounting standards for not-for-profit organizations (CPA Canada Standards and Guidance Collection Part III - S. 4431 *Tangible Capital Assets Held by Not-for-Profit Organizations*) & S. 4410 *Contributions – Revenue Recognition*)
- McMaster’s stated Accounting Policies for the recording of Gifts in Kind (as referenced in McMaster University Financial Statements Note 1 Significant accounting policies).

**Policy – Capital**

In kind contributions are recorded after the invoices are paid and before March 31st accounting month end of each year. Research Finance offices wait until the invoice is paid to ensure that all documentation is in order, i.e. clear and concise documentation of in-kind amount from the vendor. In preparation of the "research year-end" reports, the research accountants follow up with Financial Services for supporting documentation, i.e. PO's and invoices, and then book the in-kind prior to March 31st. In kind contributions received between April 1 and April 30 of a fiscal year will be recorded prior to the close of the appropriate fiscal year.

**Policy – Non-Capital (i.e. Services)**

Non-capital, non-monetary contributions from industry partners and granting agencies are not recorded; due to difficulty in determining conclusively the fair market value of the services received and generally accepted best practices among peer institutions.