



## In-Kind Funding for YEF Grantees and Evaluators

### What is In-Kind Funding?

This is an organisation's **non-monetary** contribution towards the resources required to deliver the project or evaluation. Where, as a grantee or evaluator, you are required to provide a proportion of the overall delivery budget, some or all of this can be through the provision of services or facilities rather than cash.

Some in-kind support is often a standard part of an organisation's business model, for instance the time spent on the project by staff who are considered part of core costs (e.g. the CEO, admin support, financial or legal assistance) or the free-of-charge use of an organisation's meeting rooms to host events. Sometimes, in-kind support will need to be arranged especially for the project.

### Examples of In-Kind Funding

Here are some common things that can be considered in-kind for YEF-funded projects:

- Back-office staff costs, when an individual is not fully covered by the contribution of overheads that the YEF budget is providing or when they are not directly listed as a line item core staff cost (office admin, finance staff, legal staff, executive team time etc are common back-office staff costs)
- Staff time from other organisations who are supporting you on the delivery of your project. For example, a school staff member may have agreed to participate in all sessions that occur with young people in a certain school, but they are not asking for payment for their time. Even though not a part of your organisation, their time can be counted as in-kind
- Use of organisational facilities whose cost is covered elsewhere or has already been fully paid for – meeting rooms, transport, equipment. This does not include facilities covered by contribution of overheads from YEF.
- Donated space – a school, community centre, church, etc is providing use of their building for the project to deliver activities
- Donated equipment – certain equipment (sports equipment, musical instruments, etc) is required for the activity to run. Rather than renting, the use of the equipment is donated to your activity for the duration of the project.
- The time spent by an organisation to participate in co-design beyond that covered by the co-design payments

### How to cost In-Kind Funding

Costing in-kind funding can be difficult and the methodology and rates should be agreed with the YEF lead as part of the initial budget sign off.

1. Organisational staff time should be costed at the same rates as if they were included within the project budget.



2. Internal facilities and equipment should be costed at the rates currently being paid by your organisation, or a reasonable market value for purchasing or renting, as appropriate.
3. Donated facilities and equipment should be costed at the normal cost they would charge to others for these resources. Care should be taken that these are within reasonable market rates.

#### **How should In-Kind funding be demonstrated?**

1. At initial budget sign off, in-kind funding should be documented and costed as per any other budget item. How items have been costed should be included.
2. Organisations are required to report on their total in-kind contributions on a quarterly basis. They are not required to provide proof of expense for each reporting period.
3. Expectations on Additional Funding are incorporated into YEF agreements as a requirement. Organisations are required to promptly notify YEF where they expect their additional funding contribution to vary over the lifetime of the project by plus or minus 10%, or more than £25,000 (whichever is greater). 'Additional funding' includes in-kind funding. If the variation is a shortfall of the commitment, it should be reviewed with our YEF lead to identify ways to mitigate this.
4. At the close of the project, organisations are required to provide a final letter on their company letter head, signed by their finance officer, certifying the final in-kind value provided. Organisations should be able to evidence this cost if required