

Complete Policy Title: In Kind Contributions -Research	Policy Number (if applicable):
Approved by: AVP Administration	Date of Most Recent Approval:
Date of Original Approval(s): May 31, 2010	Supersedes/Amends Policy dated:
Responsible Executive: AVP Administration	Enquiries: Financial Services, Research Services
<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 :

- Generally Accepted Accounting Principles (CICA Handbook S. 4430 (Capital Assets Held by Not-for-profit Organizations) & S. 4410)
- Best practice in the G13 University community for treatment of these contributions
- McMaster's stated Accounting Policies for the recording of Gifts in Kind (Note 1.b- 2009 Financial Statements), and Note 1 (j) Recording of Contributed Services (not recognized in financial statements because of difficulty of determining their fair market value).

Policy – Capital

In kind contributions are recorded . These contributions are recorded after the invoices are paid and before March 31st of each year. The 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 from the vendor. In preparation of the "research year-end" reports, the research accountants follow up with Central Finance for the supporting documentation, i.e. PO's and invoices, and then book the in-kind prior to March 31st.

Policy – non capital (ie services)

Non capital, non monetary contributions from industry partners and granting agencies are not recorded. There are two main reasons for this treatment, Most importantly, research services managers have confirmed there is difficulty in determining conclusively the fair market value of the services received. Secondly, to the best of our knowledge there are no other research universities in the G13 group recording non capital contributions.