Assessing the financial value of volunteers

• Volunteers make a gift of their time - a gift that has a substantial monetary value to the organisation.
Assessing the financial value of volunteers

• Although their cost is in kind, Volunteers are part of an organisations overhead costs.
• Many organisations have no idea of the value of the time given by volunteers in real terms
Assessing the financial value of volunteers

• Why do you need to know their value?
  • Might be part of a bidding process
  • Value added information on a report
  • Match funding
  • To evaluate volunteers time & contribution
  • Part of a tendering process
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First step
• Decide project tasks for the funding process and categories them into roles.

Examples
• Project Manager £29,000.00 £16.76 per hour
• Project co-ordinator £23,000.00 £13.13 per hour
• Project Administrator £16,000.00 £9.38 per hour
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• Contemplate the volunteers roles. Think about the number of hours each volunteer will spend on the project activity

• Consider all of the potential costs involved, such as recruitment, training, insurance and expenses.
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Expenses
• Reimbursement of expenses is an equal opportunity issue. Many people cannot volunteer without receiving their expenses.
• It should not be the reserve of the well off.
• People on low incomes, low wages or unemployed cannot afford the cost of public transport and or meals on site.
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- Expenses
- Travel to and from place of volunteering
- Meals taken while volunteering
- Care of dependents, including child care
- Protective clothing or special equipment
- Driving expenses (see HM Rev. & Customs approved mileage rates)
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Any organisation serious about involving a diverse range of volunteers and committed to equal opportunities should reimburse expenses and fully commit to building expenses into funding applications.
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Keeping Records

• Ideally records should be kept to account for the number of hours a volunteer contributes particularly where in-kind funding is secured.
• The volunteers activities should correspond with the notional rate of the funded activity
• Timesheets are an ideal way of recording hours leaving an auditable trail for in-kind matched funding.
How do you decide the wage equivalent time?

- Use guideline from existing roles within the organisation if roles are similar
- National minimum wage
- Awarding body or funders guidelines
- Annual Survey of Hours (ASHE)
- Office of National Statistics
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An easy formula for calculating a volunteer’s economic value.

\[ \text{The number of volunteers} \times \text{average number of hours} \times \text{average hourly equivalent wage} \]
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