A volunteer hour is not just a volunteer hour

GIVING
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With all of the things that nonprofit organizations have to do, tracking volunteer time may sound like a huge headache, but it can actually help nonprofits meet matching requirements and improve their financial presentation.

If washing the cat sounds more enticing than tracking volunteer time, let’s take a closer look.

An organization with a budget of $70,000 may appear to be so small that it does not portray the substance of an organization capable of managing or handling grants of any significance. However, tracking, accounting for, and reporting volunteer hours can make a material difference in the way an organization is perceived by those who fund it and the community.

An organization I am familiar with had a volunteer executive director and small overhead because they were doing such a good job of keeping expenses down by working smart. However, the organization’s financial statement made the organization look anemic. When the organization then tracked and accounted for volunteer time, it brought the organization to the $230,000 level.

If a volunteer is performing a specialized skill for a nonprofit, the value of those services can be used on internal and external financial statements, grant proposals and annual reports.

Here are some benefits of tracking volunteer time from Blue Avocado, a popular nonprofit blog:

1. Funders, donors and the community all want to know if you have the people in place to get the job done well. If volunteer time is not presented, the capacity of the organization is not adequately represented and can bring into question the ability of the organization to get the job done.

2. Volunteers appreciate appreciation. Track what is of value such as dollars, visits and calls, so tracking volunteer time will allow recognition and appreciation of the giving of time and talents. Recognition is a good investment and has a great return on investment.

3. Funders and donors want to know what resources your nonprofit already receives from whom. Volunteer time shows funders that there is an effective use of resources. Some believe that reporting volunteer contributions is essential for funding.

4. Volunteer time can help an organization meet requirements for matching funds. If certain grants stipulate that a nonprofit must match a percentage of grant funds and that the value of volunteer time may qualify toward satisfaction of the match requirement.
5. Documenting volunteer time can help protect volunteers and the nonprofit. Tasks that could not or would not be able to have been accomplished by staff can be fulfilled by volunteers.

A few additional nuggets of information contribute to this picture. For example, the estimated value of volunteer time for 2011 was $21.79 per hour. In Florida, the 2010 value of a volunteer hour was $18.66. These estimates help acknowledge the millions of individuals who dedicate their time, talent and energy to making a difference. Charitable organizations can use estimates like these to quantify the enormous value volunteers provide.

According to the Corporation for National and Community Service, about 63.4 million Americans, or 26.3 percent of the adult population, gave 8.1 billion hours of volunteer service, which was worth $173 billion in 2010.

Calculation of volunteer service is not difficult. Resources noted at the end of this article provide detailed information on the calculation of volunteer service hours and financial contribution. It can be as simple as determining a salary using a source such as www.salary.com or contacting a similar organization to ascertain compensation including salary and benefits for a position per hour.

Again, a volunteer hour is not just a volunteer hour.

We’ve enhanced our electronic resources and you can find out more about Calculating Volunteer Time and All Volunteer Organizations. Visit www.charlottecommunityfoundation.org and find “Nonprofit Network.” Select “Nonprofit Resources” from the dropdown menu then select the volunteer management section.

If you are with an all-volunteer organization in Charlotte County, contact me and I will include your organization in my follow up article about such organizations. Call 661-9760 or e-mail dgauvreau@charlotteCommunityFoundation.org.

— The Charlotte Community Foundation unites individuals, families, businesses and organizations with causes they care about by creating permanent charitable funds to help the community meet the challenges of the future. A part of the community for more than 20 years, CCF is focused exclusively on Charlotte County. For more information, visit www.CharlotteCommunityFoundation.org or call 637-0077.