

## **Revenue Recognition**

NOCAC receives revenue from several types of transactions. Revenue from each of these types of transactions is recognized in the financial statements in the following manner:

Grant income – Monthly accrual based on incurrence of allowable costs (for cost-reimbursement awards) or based on other terms of the award (for fixed price, unit-of-service, and other types of awards).

Non-Federal Share (In-kind) – Recognized as income when received.

Program Income – Defined as gross income generated by a supported activity or earned as a result of an award, and is recognized as a reduction in expenditures in the period in which it is received.

Nongovernmental Cash Contributions – Recognized as income when received, unless accompanied by restrictions or conditions.

Fee-for-Service Income – Recognized as income when services are rendered unless collection of amounts due is in question. In this case, revenue is recognized when payments are received.

Interest income – monthly accrual based on when it was earned.

### **Non-Federal Share (In-Kind)**

NOCAC values contributed services and property that are to be used to meet a cost sharing or matching requirement at their fair market values at the time of contribution, unless award documents or federal agency regulations identify specific values to be used.

NOCAC shall claim contributions as meeting a cost sharing or matching requirement of a federal award only if all of the following criteria are met:

- They are not included as contributions (or match) for any other federally-assisted project or program.
- They are necessary and reasonable for proper and efficient accomplishment of project or program objectives.
- They are allowable under the federal cost principles, 2 CFR Part 200 Subpart E, Cost Principles.
- They are not paid by the federal government under another award, except where authorized by federal statute to be used for cost sharing or matching.
- They are provided for in the approved budget when required by the federal awarding agency.
- They conform to all provisions of federal administrative regulations, 2 CFR Part 200 Subpart D, Post Federal Awards Requirements.
- In the case of donated space, space is subject to an independent appraisal performed by a certified appraiser as defined by 2 CFR Part 200.306(i)(1) to establish its value.

Time spent doing teacher activities is calculated based on the lowest level hourly teacher assistant rate plus the average fringe rate. The following are examples of activities using this rate:

- Center Volunteer  
Time that is spent traveling to and from and working in the centers by volunteers is recorded as an in-kind donation.
- Activities with Child  
Teaching staff send home activities for parents/guardians to do with their children outside the center. These activities may promote language, fine and gross motor, cognitive, social and self-help skills of children enrolled in the program. The time that parents/guardians spend with their children working on these curriculum based activities is recorded as an in-kind donation.
- Bus Monitor  
Bus monitors may be paid a stipend for each route. The difference between the paid stipend and the teacher's wage (including fringe) can be recorded as in-kind. If a bus monitor does not request a stipend, the full amount will be recorded as in-kind.

Time spent doing things necessary for a program, but not normally a paid function, is calculated at the minimum wage plus the average fringe rate. The time parents spend transporting their child to obtain the required physical and dental examination is recorded as an in-kind donation.

In-kind values for professionals who assist a program in their field of expertise will be determined by the service and fee normally charged for the service as documented by the volunteer.

The time that Policy Council Members spend traveling to and from, in preparation for and in attendance at Board meetings are recorded as an in-kind donation. The Child Development Director's salary and fringe is used for the rate

The time that Board Members spend traveling to and from, in preparation for and in attendance at Board meetings are recorded as an in-kind donation. The Executive Director's salary and fringe is used for the rate.

Mileage recorded by volunteers will be documented as an in-kind donation when necessary to the program and not reimbursed. Donated mileage is calculated at the current Agency rate.

Center space valuation is based on a certified appraiser's estimate. In-kind is claimed only at centers where the space is donated.