# Tracking Volunteer Hours

## The Basics of What You Should Track

- Volunteer Name
- Volunteer job/task
- How many hours per day for that job/task
- Assign a value according to the job/task. For example, packing food boxes will have a lower hourly value than providing technology services or grant writing.

## Why should you track your volunteer hours?

* To understand the value of your volunteers to your nonprofit and communicate that value to your Board of Directors.

* To appreciate/support your volunteer force.

* Evaluate time spent on certain tasks/jobs.

* To calculate the financial value of your volunteer program, to use relevant volunteer hours in grant proposals, and include certain volunteer information in the 990/990EZ and financial statements.

* Volunteer time shows that you have support from the community. Having a good number of volunteers could attract more donor support.

* Allow you to evaluate your volunteer program.

* To improve your chance of obtaining a grant by offsetting some expenses with donated volunteer time. Click here for a blog article that discusses that in more depth (warning they also sell product…). But it's a good article.

### How Can You Track Volunteer Hours?

- Best practice is to create a volunteer log to simply record your volunteer hours per individual (per day).

- Include the skills used in your tracking information.

- Assign someone in your organization the responsibility of collecting volunteer hours.

- It might be helpful to make a list of your volunteer task assignments. Click here for a sample from the Rural Volunteer Initiative.

- You can use a spreadsheet. Check out one designed by the Rural Volunteer Initiative (In the list of templates and worksheets, scroll to "Volunteer Timesheet"). You can make your own changes.

- Create a methodology that volunteers can use to record their hours and task(s) at the end of their shift.

## Online Volunteer Tracking Tools

Just a reminder that online tools are available, but come at a cost. Check out:

- Software Comparisons: https://www.softwareadvice.com/nonprofit/volunteer-management-software-comparison/

- Note: At the moment the only vendor who offers anything free is Trackit Forward. They offer a free plan with basic tracking for "grassroots organizations with less than 25 volunteers". You can find them at https://trackitforward.com.

## How Can You Use Volunteer Tracking Information?

- **990 or 990-EZ**: Although actual volunteer hours cannot be reported on a nonprofit's 990 or 990-EZ report to the IRS a nonprofit can include the importance of volunteer services on the 990 or 990-EZ in the section that describes a nonprofit's service accomplishments.

- **Annual Report**: Make sure to include your volunteer hours and services.

- **Grant Proposals:** Relevant volunteer time and service can be incorporated into a grant proposal.

- **Financial Statements:** According to Nolo.com there are specific accounting rules for including volunteer time values in financial statements. Only specialized skills supplied to the nonprofit by the volunteer can be included. Such as technology services, grant writing, bookkeeping. Rule of thumb: If you were going to hire someone to perform the task/service if the volunteer hadn't donated it, you can include the value of that time on your financial statements.

- Remind your volunteers that they may be eligible for tax deductions for

transportation, travel related to the nonprofit, some out-of-pocket expenses when providing volunteer service. Volunteers should check on that with an accountant. Click here to check out an article related to potential tax deductions for volunteer service.

## How Can You Calculate the Value of Volunteer Time?

- In 2023 Independent Sector placed an estimated value of a volunteer hour at $31.80. Read their latest 2023 press release here. In 2022, Colorado's estimated value for a volunteer hour was $34.36.

- *For determining the exact value of volunteer hours for various volunteer jobs it's recommended that you contact your accounting firm.*

## References:


Calculate and Report Nonprofit Volunteer Time on Financials: https://www.nolo.com/legal-encyclopedia/how-nonprofits-can-calculate-report-volunteer-time-their-financials.html

Potential Tax Deductions for Volunteer Service: https://www.nolo.com/legal-encyclopedia/remind-nonprofit-volunteers-tax-deductions-29659.html

Tips for Including Volunteer Time in Your Budget and Calculating Hourly Volunteer Time Values: https://www.professionalgrantwriter.org/including-volunteer-hours-nonprofit-budget

Reasons Why You Should be Tracking Volunteer Time: https://blog.goldenvolunteer.com/volunteer-hours-value/

Including Volunteer Hours in Your Nonprofit Budget: https://www.professionalgrantwriter.org/including-volunteer-hours-nonprofit-budget

How Numbers Are Calculated for Volunteer Time Value: https://independentsector.org/sector-health/value-of-volunteer-time-methodology/