The Local Works theory of change asserts that local resource mobilization advances the sustainability of development processes and outcomes. As such, USAID is interested in measuring and monitoring the value of local resources mobilized, which are tracked under the Standard indicator CBLD-10. This resource provides suggestions for quantifying the value of labor, equipment, and other in-kind resources, as well as tips for sourcing and verifying these data.

As most donations will be quantified in local currency, it is important to use a reliable exchange rate for currency conversion before reporting data to USAID. In most cases, the national bank is the best source. In cases when national bank rates are not reliable, another source representing market exchange rates, such as Oanda.com, may be useful. To the extent possible, activities should use the exchange rate representing the donation date.

In some cases, there may be sensitivities around asking donors to provide financial data on their cash or in-kind donations. However, our interviews with Catalyst Balkans (CB), a Serbian LW grantee that maintains a database of philanthropic donations across Balkan countries, suggests that donors are often eager to share this information. By publicly sharing data on top donors, CB creates a public relations incentive for donors, and has found that individual and corporate donors proactively share information on their philanthropic activity. By developing these relationships with donors over time, CB has improved the breadth and quality of their data on philanthropy.

We are grateful to Catalyst Balkans for sharing some of their tips for quantifying in kind donations, which are incorporated into this resource.

The Local Works theory of change asserts that investment of local resources is foundational to the shift from donor leadership to local leadership of development processes. Local resource mobilization helps strengthen the local system, contributing to the sustainability of outcomes past the life of an activity. It also facilitates accountability to local constituents, rather than donors.
RESOURCE: CASH

Examples:
- Individuals donate to an informal initiative through a crowdfunding platform.
- A local Rotary Club provides a grant to help fund a USAID partner’s community garden project.

Source and Verification:
- Cash contributions should be reported by the donor (often the case if the donor is a formal entity, like a philanthropic fund or business) or by the recipient (often the case if the recipient collects many small contributions, such as through a crowdfunding platform or at a community event). These should be verified through a written receipt of the donation or other documentation (e.g., a press release or records from a crowdfunding site).

RESOURCE: LABOR

Examples:
- A lawyer provides pro-bono support to a local advocacy group bringing charges against the government.
- Professional filmmakers and film students donate their time to produce an educational video about environmental pollution.
- A musician provides entertainment for a festival organized to raise awareness about philanthropy.
- Community members volunteer one Saturday to clean up a local park.

Quantification Methods:
- Calculate as: hours worked * market value of hourly wage.
- For figures represented as annual salaries, divide by the typical number of hours worked in a year to calculate average hourly wage.
- To the extent possible, it is important to identify average wages by occupation and by geographic region, as wages are often quite different in urban and rural areas.

Source and Verification:
- For specialized pro-bono labor, it may be appropriate to ask the person providing the labor for their typical hourly rate (market value).
- When this is not possible because of sensitivities or because people are volunteering for a task different than their full-time occupation, salaries reported by national statistical offices may be the most reliable calculation method. For example, if community members volunteer for a park clean up, you can calculate the value of their labor as equivalent to the average wage of waste management workers in the given town or region.
- When statistical data is not available, speak with local staff familiar with a town to identify a “best guess” estimate of local wages.
**RESOURCE: EVENT SPACE**

Examples:
- A municipal government allows a local NGO to use the recreational center, free of charge or at a discounted rate, for a weekend fundraising event.
- A local government waives their permit fee for holding a large public event in a park.
- An NGO provides free office space for the staff of a local informal initiative.

Quantification Method:
- Calculate as: market rental value of the space * quantity of time used (e.g. per hour, per day, per month)

Source and Verification:
- If a space is normally rented commercially, ask the owners or administrators what the normal (market) rental rate or permit fee is.
- For spaces that are not normally rented – which may be the case when space is provided via informal connections with individuals or businesses – some tax administrations publish the value per square meter for specific municipalities or regions. If these data are not available, speak with local staff to identify a "best guess" estimate of the rental rate of the space.

**RESOURCE: EQUIPMENT RENTAL**

Example:
- A local Rotary Club loans speakers and projectors for a conference.

Quantification Method:
- Calculate as: market rental value of the equipment * quantity of time used (e.g. per day)

Source and Verification:
- If the equipment owner normally rents it out commercially, ask the owner what the normal (market) rental rate is.
- If the equipment is not normally rented commercially (i.e. lent by a local individual, NGO, or business that owns these items for their own operations), research the market value of renting items of similar age and quality. Sometimes, tax administrations publish the cost of different types of equipment, adjusted for depreciation over time. If this is not available, seek a quote from a vendor that rents this equipment commercially.

**RESOURCE: ADVERTISING SPACE**

Examples:
- A newspaper waives their advertising fee to print an announcement for an upcoming NGO event.
- A radio show provides free airtime for a local initiative to promote its upcoming event.

Quantification Method:
- Calculate as: the media outlet’s normal charge for an advertisement of the given length or space

Source and Verification:
- Media outlets (newspapers, websites) may have their rates published. If not, contact the outlet to determine what the normal rate is.
**RESOURCE: MATERIALS, SUPPLIES, AND FOOD**

Examples:
- A retailer provides a 50% discount on face masks for school children.
- A printing shop produces workshop materials at a discounted rate.
- The Ministry of Finance covers the costs of catering for a public-private dialogue event.
- Local restaurants donate food to an organization that prepares meals for homeless individuals.

Quantification Methods:
- If items are paid for by another actor (i.e. a government partner pays for catering), the value of the donation is equal to the amount paid by that actor for the items.
- If items are discounted, the value of the donation is equal to the market value of items minus the amount paid for the items (i.e. the value of the discount).
- If items are simply donated, calculate the value of the donation as the market value of the items.

Source and Verification:
- If a government or private sector partner pays for an item, ask for information on the value of the donation based on what they paid for it.
- If items are discounted, look for the discount on the sales receipt. If no receipt is provided, ask the vendor what their normal price is.
- For other donated items, find the market value by researching what would have been paid for these items in the absence of the donation. You can find this information through online research, by calling local vendors, or by asking local staff about typical costs. In some cases, the market value of certain items may be published by the national tax administration.

**RESOURCE: COST SHARE**

Example:
- A USAID partner or sub-partner provides labor, staff travel costs, or workshop materials that are not billed to USAID.

Quantification Method:
- Calculate as: market value of labor, materials, or rentals according to the categories above.

Source and Verification:
- Cost share terms should be included in the award, and data should be included in partners’ regular financial reporting.

This resource addresses the primary types of cash and in-kind local resources mobilized in Local Works programming, but is not an exhaustive list. Any cash or in-kind resources mobilized for local development priorities can be counted under the Standard Indicator CBLD-10, “Value ($) of non-donor resources mobilized for local development priorities.” Please reach out to the indicator owner listed in the CBLD-10 Performance Indicator Reference Sheet if you would like assistance measuring resources mobilized.