Determine unit of account (the level at which the GIK item is aggregated or disaggregated)

Determine highest and best use

Incorporate perspective of market participants (not of NFP beneficiaries and not based on NFP's intended use)\(^1\)

Access to any observable markets?

- No
  - Develop a hypothetical transaction

- Yes
  - Is there a principal market?
    - No
      - Evaluate valuation techniques and inputs
      - Adjust observed exit prices for differences between the GIK item and the item in the observed marketplace transaction(s) (such as quality, shelf life, and so on).
    - Yes
      - What is the most advantageous market?
        - Market participant inputs, considering restrictions that are characteristics of the donated assets (and, thus, transfer to market participants and may affect valuation), rather than donor-imposed use restrictions (which are entity restrictions that do not transfer to market participants)\(^2\)

Fair value

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1 FASB ASC 820-10-35-10A
2 FASB ASC 820-10-55-54