

Equitable Community Compensation Toolkit for Health Departments

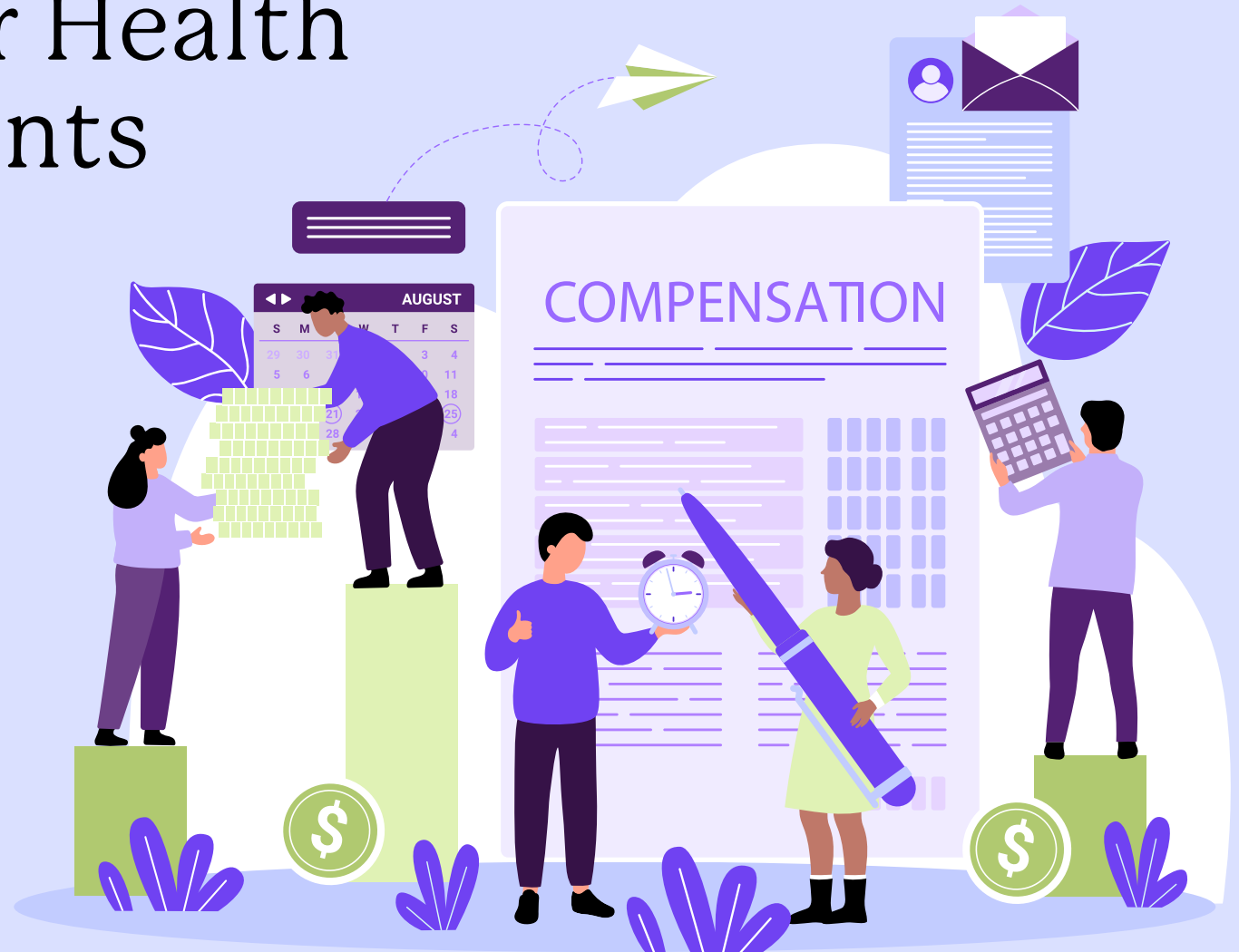


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Introduction, Purpose, and Approach of Toolkit

Health departments benefit from their community’s input as part of their work to assess and monitor population health outcomes and related root causes. Establishing a standard, policy-driven approach to equitable community compensation (ECC) can be a vital element to the success of health department programs and systems. A policy of equitable community compensation creates and sustains community engagement in which those with lived experience on a subject matter are respectfully compensated for their expertise and knowledge.

Through this toolkit, our team supports health departments across the United States in the adoption of formal policies and practices for equitable community compensation. Our team has worked with health departments and organizations across the US to identify gaps in the understanding and practices of community compensation, and has established recommendations based on these contributions as well as exploring existing tools to identify cohesive and tangible best practices that can be adopted by health departments. The resources provided in this toolkit offer guidance, examples, and best practices but are not intended to be a prescriptive process for all health departments. Every community is different, and we invite health departments to engage with these materials in ways that make sense for their context.



DEFINITION OF EQUITABLE COMMUNITY COMPENSATION

For the purposes of this workbook, equitable community compensation (ECC) is defined as **the practice of compensating, usually by way of monetary funding, members of the community for their time and contributions to practices, policies, initiatives,** or other work with health departments in an amount that balances power across health department staff and participants, and by using methods of payment distribution that work well for participant.

Values

In addition to equitably compensating members of the community for their time and contributions, we encourage health departments to engage with community members in ways that foster trusting and accountable relationships, recognizing members of the community as the subject matter experts that they are.

Making the case for the development and implementation of an equitable community compensation policy in your organization can be challenging. As part of this toolkit, we've developed a [sample letter template](#), which outlines three main areas important to making the case for ECC in your organization, below.

- 1 Standardize community compensation practices** across the entire organization, eliminating the need for project-by-project considerations and implementation, as well as standardizing our protocols with the administration and finance team.
- 2 Help your organization demonstrate their stated mission and values**
- 3 Further improve the agency's connections to the community** by incorporating feedback from community members and improving collaboration. By honoring lived experiences, and agency can recognize and prioritize areas of improvement that otherwise may have gone unnoticed.

The audience for this type of letter will vary by department but, in general, it can be used to engage members of leadership and other key decision makers. Regardless of the audience, the letter should also be accompanied by relationship building and conversation to create interest, investment, and commitment to the idea of equitable community compensation.



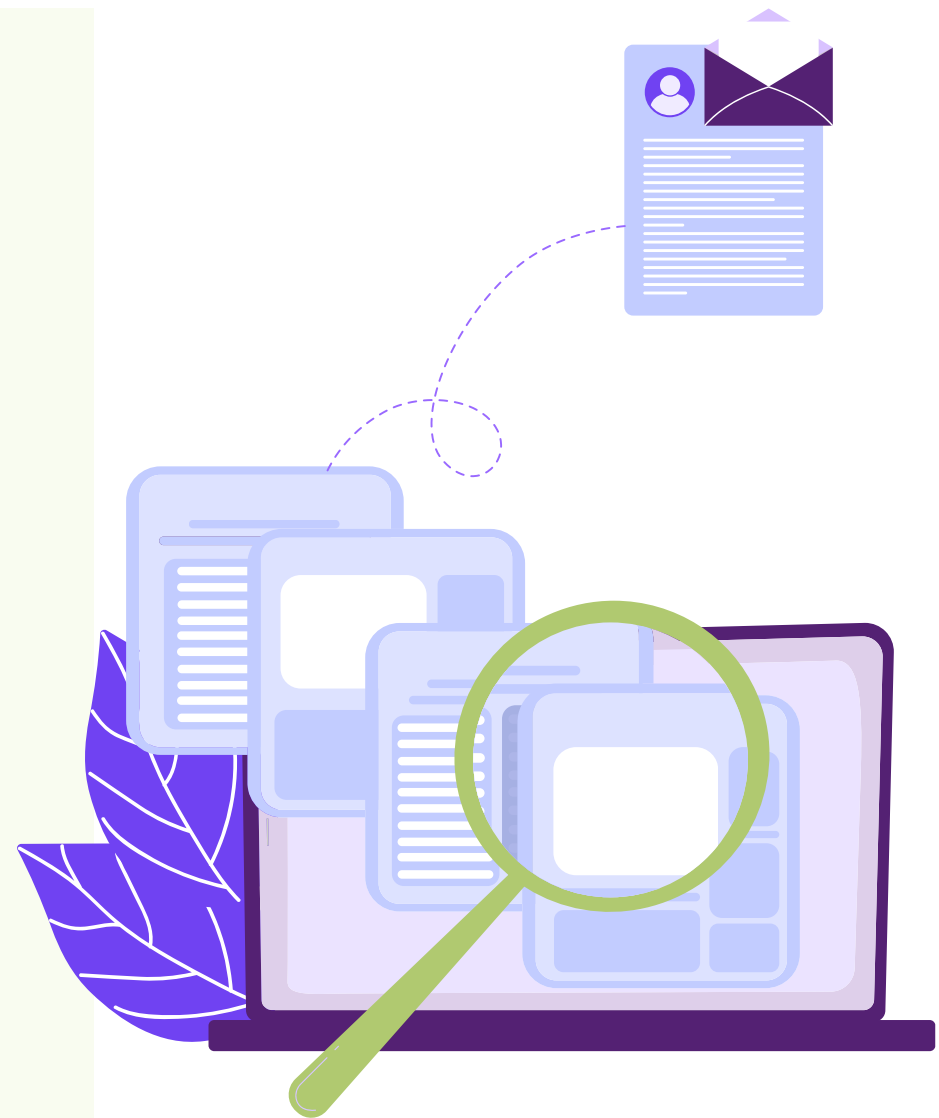
Compensation Infrastructure (the nuts and bolts of ECC)

There are a variety of factors public health departments should consider when compensating community members.

For example, our [ECC Decision Making Matrix](#), adapted from the [Madison and Dane County Health Department's Community Engagement Toolkit](#) and the [Boston Public Health Commission's Community Engagement Toolkit](#), provides useful guidelines for public health departments to make decisions about when and how much to compensate community members based on things like duration of activity and type of activity, and provides additional decision-making support for items such as form of payment. This resource also guides users to consider where the activity falls on the [community engagement spectrum](#), also adapted from the Boston Public Health Commission.

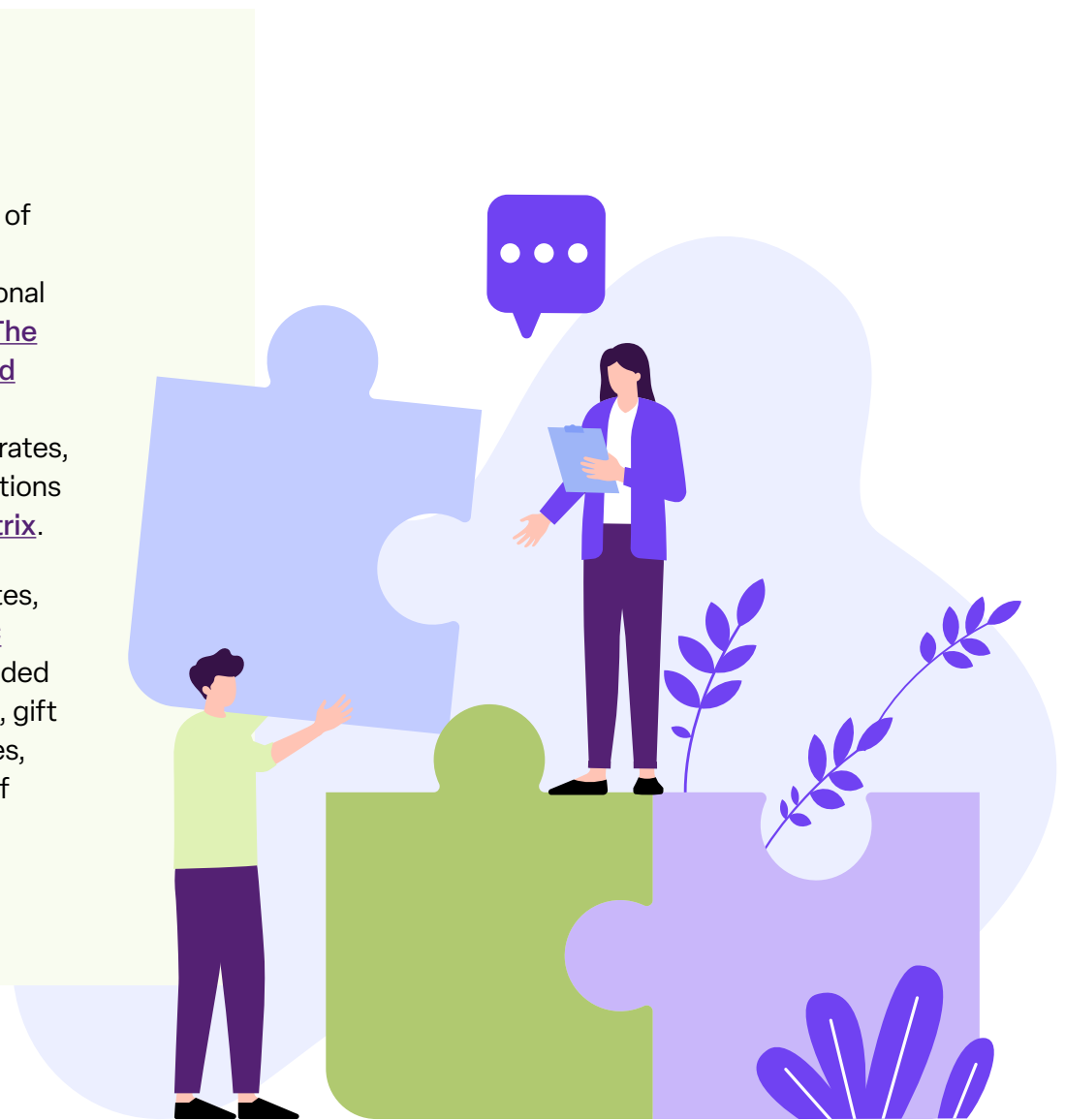
In addition to our cited resources for this toolkit, our team sought the help of our nation-wide work group to solicit their experiences with compensating community members for their engagement, including types of activities, forms of payment they have used, and strengths and challenges within these practices that they have identified.

You can find specific examples of community compensation that members of our work group shared with our team as well as a [general guide for ECC created by the Massachusetts Department of Public Health's Mass in Motion program](#).



Some existing tools reference specific compensation amounts for specific activity, and while we see the value of this transparency, each health department and program may have different structures, costs of living, and additional considerations when determining compensation rates. [The Center for Health Care Strategies and the Robert Wood Johnson Foundation \(RWJF\)](#), and the [Urban Institute](#) provide lists of questions to consider when determining rates, which we have modified to fit some additional considerations for health departments in the [ECC Decision Making Matrix](#).

We also advise that when determining compensation rates, the compensation type is considered as well. In the [ECC Payment Types Pros and Cons Table](#), we have also included a list of types of compensation (i.e., check, prepaid card, gift card, cash) and their associated strengths and challenges, and where they may be applied depending on the type of engagement.



Setting Expectations and Communication with community participants

Establishing a compensation policy that delineates the expectations of both parties (the health department and the community participant) and clearly communicates the process and procedures of compensation for participants is vital to ensuring transparency, trust, and accountability. When working with your organization to develop a policy, existing agreement templates and Memoranda of Understanding should be closely studied and modified to ensure equitable and transparent language.

A compensation agreement provides the health department an opportunity to communicate, in an accessible and plain-language format, exactly what type of activity the community member is engaging in, including time, physical, or other requirements, as well as the amount of payment, form of payment, and timing of payment. Depending on the type of payment, the health department can clearly indicate what paperwork is required of the community member, and what tax forms and tax implications may come from the type and amount of payment. Where possible, health departments should consider providing community members with more than one option or form of payment that the community member may opt into depending on their individual circumstances. Clearly communicating any tax liabilities or potential benefit cliffs to participants is very important. [The Institute for Research on Poverty has an excellent resource on the topic.](#) In addition, Douglas County Health Department in Kansas has provided an [example of a compensation agreement](#) and a [compensation voucher](#).



Navigating System Constraints and Conducting an Organizational Assessment

Before a policy can be developed and proposed, past practices on compensation and engagement with community members should be closely examined. Additionally, early engagement with decision makers and making the case for community compensation within your agency for your organization is imperative.

We have adapted a tool from [The Urban Institute](#) that provides some basic steps for conducting a [organizational assessment](#). For a high-level example of policy implementation steps that led to a health department adopting a formal equitable community compensation policy, please see our [case study of the Lawrence-Douglas County Health Department](#).

To ensure ongoing good standing of the health department's compensation policy, a procedure for evaluating the policy and its implementation should be performed on a regular yearly or bi-yearly basis if possible. Documentation of compensation activities should follow standard procedures of your organization, and it's important for the compensation documentation to be available for department/city/state level audits as appropriate.



Guidance and Tips for Budgeting ECC in Grants, Annual Appropriations, and More

The implementation of a formal ECC policy at a health department justifies building the cost for ECC into grant applications and/or annual budgets. If it is not feasible to implement a policy and a department is making the case for community compensation on a budget-to-budget basis or application-to-application basis, include language covering the following components:

- ✓ Data on why equitable compensation matters to this program or grant (trust, outcomes, engagement)
- ✓ How challenges related to preferred payment methods will be overcome
- ✓ Compensation level and number of individuals expected to receive compensation/to be engaged in the program



Sharing the Impact of the Policy Once Enacted

Communicating the impact of your agency's ECC policy to leadership within the agency and to the public can help build and sustain buy-in. An annual report is an excellent place to include ECC metrics, as well as related testimonial information from staff or community participants. Consider sharing where the policy has impacted change (program improvement, increased community uptake, greater numbers of participants in community meetings, etc), and how community members have contributed to your agency's programs. You may also identify areas where the policy can be improved and have a greater impact in future years of implementation.



Appendices

- * Sample Letter to Decision-makers
 - * ECC Decision Making Matrix
 - * Community Compensation Examples
 - * ECC Payment Types Pros and Cons
 - * ECC Organizational Assessment
 - * Case Study: Lawrence-Douglas County Health Department
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PHIG ECC

Sample/Letter/Email/Template for Making the Case to your Organization for an ECC Policy

[Date]

Dear [],

On behalf of [insert department, team, etc], I am writing to propose that [name of health department, municipality, or state government entity] pursue the development and adoption of an (equitable) community compensation policy. Pursuing a policy covering community compensation would have the following benefits to our [team, organization, agency, etc.]

- Standardize community compensation practices across the entire organization, eliminating the need for project-by-project considerations and implementation, as well as standardizing our protocols with the administration and finance team.
- Help our organization demonstrate our stated mission by [insert specific language from org mission statement, can include things like serving our communities well and equitably, being accountable and responsive to community needs, etc.].
- Further improve our connections to the community we serve by incorporating feedback from community members and improving collaboration. By honoring lived experiences, recognize and prioritize areas of improvement that otherwise may have gone unnoticed.

Establishing standards and policy around community compensation is a growing practice for health departments and states across the country, and we would be delighted to aid in the development and implementation of a policy for our own [agency, organization, health department, etc.].



[Insert plan or timing for a follow up and an opportunity or time to connect on the topic].

Sincerely,



[Name]

[Department]

ECC Decision Making Matrix

	Purpose of Engagement	Tasks for Community Members	Suggested Compensation Amount per Hour and Method	Things to Consider
 <p>Inform</p>	<p>Deliver information to members of the community about an initiative, policy, program, etc.</p>	<p>Community information sessions, posters and flyers, website postings, emails to list serves</p>	<p>Generally not monetarily compensated.</p>	<p>Consider offering translation, refreshments, childcare or activity area.</p>
 <p>Consult</p>	<p>Gather reflections, information, and feedback from community members that helps shape or improve a project, program, or initiative.</p>	<p>Individualized and subject matter expert group-based feedback: Focus groups, surveys or interviews</p> <p>Public Sessions: Open public forum, providing testimony, town halls, public comment periods in municipal meetings</p>	<p>Focus groups and interviews: Compensate per session at an hourly rate similar to staff-facilitator's salary (ex. If staff is paid \$35/hour to facilitate, consider compensation of \$70 for 2-hour session). Gift cards are well suited to this.*</p> <p>Surveys: Compensation not required, consider gift card raffle as an opt-in.</p> <p>Public sessions: Generally not compensated</p> <p>*Note: these are suggested amounts for the year of this toolkit publication.</p>	<p>Focus groups and interviews:</p> <ul style="list-style-type: none"> • For in person or virtual sessions, offer needed translation services • For in person sessions, refreshments, and childcare or activity area if possible • For virtual information sessions, offer emailed gift card. For in person, offer physical gift card. <p>Public sessions:</p> <ul style="list-style-type: none"> • Offer translation services, childcare or activity area, and refreshments if possible.

ECC Decision Making Matrix

	Purpose of Engagement	Tasks for Community Members	Suggested Compensation Amount per Hour and Method	Things to Consider
 <p>Collaborate</p>	Partner with community to share lead role in one or more levels of development: planning, design, implementation, etc.	Community advisory boards/groups, work groups, interactive workshops, multi-session focus groups	Compensate per session at an hourly rate similar to staff facilitator’s salary. Gift cards or pre-paid debit card are good options. Alternatively, compensate by stipend, honorarium, or compensate participant as a vendor for longer-term or ongoing work. Pre-paid debit cards that are refillable or one-time or periodic check payment are good options.	Flexibility is recommended. Consider not only time, but complexity of activity when deciding compensation rate for activities.
 <p>Transfer Decision Making</p>	Community leads decision making around budgeting/use of funds, prioritization of community needs, planning, design, and implementation. The health department provides the means for this to take place and respects the final decisions.	Citizen juries, ballots, official board representation	Compensate per session at an hourly rate similar to staff-facilitator’s salary. Community participation is likely to be long-term. Stipends, checks, or pre-paid and refillable debit card are good options.	Flexibility is recommended. Consider not only time, but complexity of activity when deciding compensation rate for activities.

ECC Decision Making Matrix

	Purpose of Engagement	Tasks for Community Members	Suggested Compensation Amount per Hour and Method	Things to Consider
 <p>Community Driven and Led</p>	<p>Transferring power to community members to identify areas of need and take actions to implement change. The health department may support community driven initiatives.</p>	<p>An external citizen or organized group</p>		<p>While compensation from the health department would not be expected, departments could be able to provide (as capacity allows) various levels of support requested by the citizen or group: providing meeting space, funding for initiatives, support for aligned policy propositions, attending community meetings, helping to build relationships and create connections, providing technical assistance or requested data, etc.</p>

Community Compensation Examples from PHIG ECC Work Group

Town, City, County, or State Name	Types of community engagement activities	Forms of compensation used, and any related challenges or strengths	Considerations for special populations	Documents required by agency
<p>County of Santa Clara, Public Health Department, California</p>	<p>Convened residents in-person to support a Latino Health Assessment. Residents were invited to share their thoughts about health-related topics and their experiences living in Santa Clara County. A total of 15 1.5-hour meetings were held throughout the county.</p>	<p>For the Latino Health Assessment, each resident participant received a \$75 gift card.</p> <p>Some challenges:</p> <ul style="list-style-type: none"> • The cons are that gift cards are not easy to use for many residents. • Due to the high incidence of fraud with gift cards, they are also difficult to purchase in bulk. 	<p>For the Latino Health Assessment, in addition to gift cards, participants were provided meals, childcare and transportation if needed.</p>	<p>The County worked with a fiscal sponsor to distribute compensation. The county does not have a mechanism for payment to the community.</p>



Community Compensation Examples from PHIG ECC Work Group



Town, City, County, or State Name	Types of community engagement activities	Forms of compensation used, and any related challenges or strengths	Considerations for special populations	Documents required by agency
<p>Washington County Public Health, Oregon</p>	<p>The County has provided compensation to community members frequently. The County is launching a steering committee for the Community Health Improvement Plan (CHIP). Members will be compensated through a stipend of \$75 per two-hour meeting or work time. The stipend can be paid to either individuals not associated with an organization or to organizations (if the individual participating is employed and being paid for their time already).</p> <p>To pay a stipend, a W-9 is required to set up a person as a supplier in the finance system. If they are uncomfortable providing this information, they can be paid with a gift card for the same amount, to a chain store such as Fred Meyer.</p>	<p>Stipends and gift cards are typical ways of compensation. When using gift cards, Visa gift cards are preferred.</p> <p>Challenges:</p> <ul style="list-style-type: none"> • Stipends come with extra work and administrative burden to set everything up. • Gift cards have a fee associated with them. • Have encountered issues purchasing large numbers of gift cards (for example, we provided gift cards of \$250 per participant for a 5-hour workshop); staff were required to provide their social security number with purchase. 	<p>Have discussed offering additional compensation to cover childcare or transportation as needed.</p>	<p><u>W-9 required to set up payee as a vendor/supplier.</u></p>

Community Compensation Examples from PHIG ECC Work Group



Town, City, County, or State Name	Types of community engagement activities	Forms of compensation used, and any related challenges or strengths	Considerations for special populations	Documents required by agency
<p>Vermont Department of Health</p>	<p>Several community members participate on the advisory committee and/or workgroups for our 2025-2030 State Health Improvement Plan. Individuals are compensated if they are attending on their own time. They receive \$50 per meeting (60-90 mins), including minimal prep work.</p> <p>The Department of Health also maintains an inventory of all the committees and workgroups that the Department leads. The inventory collects information on whether community members participate, if they are compensated, and how much.</p> <p>Links to relevant policy and statute:</p> <p>Agency of Human Services Member Compensation Policy</p> <p>VT statute about compensation</p>	<p>The most common way the Health Department provides payment to an individual is through a 'vendor payment'. The individual is authorized by the state's Finance Department as a vendor after providing a W-9. As part of this enrollment, the individual can choose the method of payment (check or direct deposit). They must submit an invoice each time services are provided (e.g., after attending a meeting).</p>	<p>In addition to compensation, programs often reimburse transportation and childcare expenses. Interpretation services are offered when needed. Depending on the type of meeting/event, we offer hybrid options.</p>	

Community Compensation Examples from PHIG ECC Work Group



Town, City, County, or State Name	Types of community engagement activities	Forms of compensation used, and any related challenges or strengths	Considerations for special populations	Documents required by agency
<p>Harris County Public Health, Houston, TX</p>	<p>Community members were asked to complete a survey about community needs and resources that took 20-30 minutes to complete. For completing the survey, community members were entered into a raffle for a \$100 Visa Gift Card. The survey was available online. The gift card was sent through certified mail.</p> <p>Community members were asked to participate in a focus group about community needs and resources that took 40-60 minutes to complete. Food was provided. For participating in the focus group, community members received a \$100 Visa Gift Card. The focus group was in-person. The gift cards were handed directly to participants.</p>	<p>We were able to use gift cards that were left over from a previous activity. As a government entity, cash payments are not allowed.</p> <p>Challenges:</p> <ul style="list-style-type: none"> • Gift cards can be used but it's been difficult to procure a vendor to provide the gift card and ensure that the gift cards are not compromised (i.e. haven't been used before). • We cannot purchase gift cards from a grocery store due to high rates of fraud. 	<p>Interpreters are present at all in-person and virtual events.</p> <p>Engagement happens in multiple formats, online, in-person, and at different locations.</p> <p>Families are able to bring young children.</p>	<p>A registration list of participants and a signature are required when gift cards are distributed.</p>

Community Compensation Examples from PHIG ECC Work Group



Town, City, County, or State Name	Types of community engagement activities	Forms of compensation used, and any related challenges or strengths	Considerations for special populations	Documents required by agency
<p>Linn County Public Health, Iowa</p>	<p>Community members and healthcare system representatives participated in a workgroup focused on how racism impacts mental health in our community and how the local healthcare system can provide culturally informed care. The workgroup met monthly for 90 minutes over 9 months. Stipends were available on two occasions for those not otherwise compensated for their time, funded by the community foundation. The first payment was for meeting participation; the second payment was for participation in a 2-day workshop. The amount was \$375 per person in both cases, to avoid tax liability for any individual recipient. Payment was by check and required a W-9.</p>	<p>There is an ongoing practice in the agency of providing gift cards to compensate community members for participation in focus groups, etc.</p>		<p><u>W-9</u>. County legal counsel stipulated that all workgroup participants received information about the stipend and eligibility.</p>

Community Compensation Examples from PHIG ECC Work Group



Town, City, County, or State Name	Types of community engagement activities	Forms of compensation used, and any related challenges or strengths	Considerations for special populations	Documents required by agency
<p>Pima County Health Department, Tucson, AZ</p>	<p>In 2021 PCHD worked with a community group, Culture of Peace Alliance (COPA) to use \$10K in funds tagged for youth violence prevention. COPA took \$1,000 in administrative costs and engaged with a group of youth to do participatory budgeting for the remainder. The youth came up with a matrix of how they would be paid and what work they would do for that amount. It was also part of a Participatory Action Research project with the University of Arizona, so some of the activities fell within those parameters.</p> <p>Additionally, PCHD has had many federal grants that support direct service and community engagement. Activities ranged from providing incentives for attending workshops on health education, serving as part of focus groups or advisory boards like youth advisory boards, etc.</p>	<p>Gift cards are the primary form of compensation (physical and digital).</p> <p>Pros and Cons of Payments</p> <p>Digital Gift Cards</p> <p>Pros: Can be delivered via email, text, or secure links; Fast and convenient delivery; Easily trackable through software; Preferred by many participants.</p> <p>Cons: Requires participants to have access to email or mobile devices; Limited to recipients within the U.S.; Some participants may be unfamiliar with digital redemption processes.</p> <p>Physical Gift Cards</p> <p>Pros: Useful for participants without digital access; Tangible and familiar format; can be shipped in bulk to a central location or directly to participants.</p>	<p>Pima County is a highly populated area with populations of varying citizenship, migrant, and refugee status, thus accessing funds above \$599 in a year or through direct cash or bank account transfers can create some barriers if legal status and the type of legal status is a concern.</p> <p>When it comes to financial compensation, many youths lack bank accounts, so offering flexible payment options like prepaid debit cards or direct reimbursement for expenses is crucial.</p>	<p>To financially compensate community members, PCHD has required:</p> <ul style="list-style-type: none"> • A formal purchase request form • Consent forms for participants • A distribution log with recipient signatures • Monthly reconciliation with the P-card administrator • Secure storage and tracking of all gift cards

Community Compensation Examples from PHIG ECC Work Group







Town, City, County, or State Name	Types of community engagement activities	Forms of compensation used, and any related challenges or strengths	Considerations for special populations	Documents required by agency
<p>Pima County Health Department, Tucson, AZ</p>	<p>Those funds are approved in the federal grant budget and application process. They range in \$10 -\$25 increments most of the time.</p> <p>While not a direct funder of other incentives or community compensation, the PCHD has supported activities in partnership with local hospitals, agencies, etc in promoting surveys like the community health needs assessment, at the opportunity to enter a drawing for a \$100 gift card. PCHD has used similar methods for other community needs surveys where PCHD contracts with universities or third-party research groups.</p>	<p>Cons: Requires secure storage and physical distribution logistics; Higher risk of loss or theft; Slower delivery time.</p> <p>Restrictions or requirement considerations</p> <p>Compliance: All participants must sign consent forms acknowledging restrictions on how incentives can be used (e.g., not for tobacco, alcohol, firearms, entertainment, or meals).</p> <p>Security: PCHD uses encrypted platforms (e.g., OneDrive, Box, Spreedly) and secure storage (e.g., locked rooms, access logs) to manage and track incentives.</p> <p>Retention: Participant data is retained for one year; financial records are kept for seven years per IRS standards.</p>	<p>We also consider age and the use of incentives like gift cards for popular retailers, tech gadgets, or tickets to local sporting events. For older youth, stipends or paid positions on committees demonstrate value.</p> <p>Families could use more direct support to engage beyond gift cards and financial incentives; childcare stipends or onsite childcare could help immensely, as would food and water to help offset cutting into dinner or mealtimes for the whole family.</p>	<p>To financially compensate community members, PCHD has required:</p> <ul style="list-style-type: none"> • A formal purchase request form • Consent forms for participants • A distribution log with recipient signatures • Monthly reconciliation with the P-card administrator • Secure storage and tracking of all gift cards





Community Compensation Examples from PHIG ECC Work Group



Town, City, County, or State Name	Types of community engagement activities	Forms of compensation used, and any related challenges or strengths	Considerations for special populations	Documents required by agency
<p>Pima County Health Department, Tucson, AZ</p>	<p>In 2021, the PCHD received a grant to support its efforts to advance health literacy and adherence to COVID-19 public health practices among Hispanic/Latine adults in Pima County of childbearing age (20 to 45 years old) with the ability to become pregnant. As part of this initiative, community members who participated in the foundational research phase were compensated according to an equitable compensation model that was designed to ensure equity and fairness for all participants involved in the foundational research and pilot phases of the project. It was grounded in fair market rates and structured using a three-point estimation method to account for uncertainty and risk.</p>		<p>Also, considering incentives that benefit the entire family, such as vouchers for healthy groceries, health-related products, or gift cards for family-friendly activities, in addition to for families of children with special healthcare needs, compensation may include stipends for specialized care or reimbursement for adaptive equipment that health departments may be able to navigate or secure.</p>	

ECC Payment Types and Pros and Cons

Payment Type	 Pros	 Cons	Associated documentation that may be required
 <p>Check Payment</p> <p>Checks can typically be distributed to an individual who is considered by a governmental agency as a “vendor”.</p>	<ul style="list-style-type: none"> Once a person, or “vendor” is in the system, the process of issuing checks is typically easier. Works well for individuals who have a checking or savings account with a bank. 	<ul style="list-style-type: none"> Does not work well for individuals who do not have a checking or savings account with a bank – checks can be cashed at some companies, such as Walmart, for a fee and with a valid form of identification. Some checks must be cashed within a specific timeframe Depending on the agency distributing a check, there may be a large administrative burden for the agency and the payee. Becomes documented Taxable depending on amount of payment, which may impact other benefits participant receives. Refer to [Insert link for poverty institute for tax-benefit cliffs] 	<ul style="list-style-type: none"> W-9 Agreement or MOU for service as required by agency. 1099 –MISC Tax form if amount is \$600 or greater
 <p>Prepaid Cards</p> <p>A type of debit card with a set amount of money distributed by a bank or a credit card company.</p>	<ul style="list-style-type: none"> Good option for unbanked and underbanked populations. Can be used to pay bills, make purchases, and withdraw cash from a bank or ATM. More flexible than gift cards. Often can be reloaded for additional payments. Funds are protected if card is lost or stolen. 	<ul style="list-style-type: none"> May have monthly fees or expiration dates. Distributing agency will likely incur fees to the issuing agency. Recipients need physical address to receive card if distributed by mail, and may take a week or two to arrive at the mailing location. Will require documentation of the payee’s name, address, and possibly, a social security number. 	<ul style="list-style-type: none"> Agreement or MOU for service, as required by agency. W-9 Required to be reported as taxable income if total amount issued in a calendar year is \$600 or more, requiring a 1099-MISC. Documentation for mailing address, name, and possible SSN.

Payment Type	 Pros	 Cons	Associated documentation that may be required
 <p>Gift Cards</p> <p>A pre-loaded card that is issued through a bank or for use at a specific vendor or set of vendors.</p>	<ul style="list-style-type: none"> • Simple to purchase from standard vendors at kiosk locations or online. • No monthly fees. • Relatively simple to track distribution (requires just one in person or electronic contact point). 	<ul style="list-style-type: none"> • Often need to be purchased at fixed rates/tiers (\$10, \$20, \$50, \$100, etc) that may not align with compensation guidelines at the organization. • Difficult to utilize in full. • Often can only be used for purchases vs. paying bills or exchanging cash. • Often must be spent at a specific retailer or set of retailers that recipient may not have access to or a use for. • Funds can be unsecured if received at an incorrect address or lost as a gift card will not have recipient's name on it. Recommended to mail to payee using certified mail, electronically by email, or directly handed to payee in person. 	<ul style="list-style-type: none"> • Agreement or MOU for service as required by agency. • Documentation for mailing address, email, and potentially other contact information.
 <p>Cash</p> <p>A type of debit card with a set amount of money distributed by a bank or a credit card company.</p>	<ul style="list-style-type: none"> • Straight forward and flexible used for payees. 	<ul style="list-style-type: none"> • Difficult/impossible for an agency to track. • Not recommended for larger amounts of money. • Should not be mailed to an address in most cases. • Most agencies do not offer this as an optional form of payment. 	<ul style="list-style-type: none"> • Agreement or MOU for service as required by agency. • Funds received acknowledgment form may be helpful for documentation, may require signature.

Notes and Considerations:

Supporting flexible payment options: Where possible, community members should be offered options for form of payment depending on their individual circumstance and the pros and cons of specific forms of payment. When presenting options, communication with the community member should clearly indicate any considerations of taxes, documentation, delay or timing of payment, delivery methods, etc.

Third party to distribute payments: Some agencies may prefer to work with a third party to distribute funds to community members. In this case,

the agency would typically engage with a third-party vendor by establishing a standard contract with a defined amount of money and direction for the use of the funds. Often, the third party manages payment tracking, receipt, and liability associated with distributing funds. Third parties may offer more options for forms of payment if the governmental agency engaging with community members have strict or insurmountable administrative burdens in issuing payments.

**Note tax benefit cliffs that come into play when taxable income is a component [LINK HERE](#)

Organizational Assessment Checklist

If your health department is at the very beginning stage of proposing a policy for equitable community compensation (ECC), it's important to engage in an organizational assessment to get a clear picture of what may be some existing practices, who in the organization may need to play a role in the process, and how an ECC policy can fit well into existing policies and practices at your agency. Conducting an organizational assessment will also allow you to make a stronger case for the policy and open the doors to conversation among key players at your agency.

The checklist below is adapted from the [Urban Institute's organizational assessment](#) for community compensation.

- ✓ Work with colleagues in your agency (Health Department, Finance and Administration, Grants Management, and other relevant departments) to understand how community compensation has been practiced in the past, if at all. What program or activities were people compensated for? What community compensation practices have existed in your agency in previous years? Examples: Distribution of gift cards for surveys or focus groups, payment to community members or civic groups for their input, feedback, or partnership on a program?

- ✓ Identify who at your agency will need to be involved in community compensation (offices, operating structures, and personnel). This information can often be found through understanding town/city, regional, or state-level vendor engagement practices. These individuals will often include administration, finance, grants management/writers, and so on. Also understand and note what reporting requirements for community compensation may exist in your agency.



Organizational Assessment Checklist

- ✓ When engaging with various departments and personnel to understand existing practices of compensation, ask about logistical and historical justifications around practices. What logistical hurdles have been encountered in the past? Are there restrictions on forms of compensation? What forms of compensation are possible through your agency (checks, gift cards, re-fillable pre-paid debit cards, etc.)? You can review our list of forms of compensation and the pros and cons of each, [\[linked here\]](#).

- ✓ Understand tax and benefit implications of providing compensation to community members. Review our resource on forms of compensation [\[link here\]](#) to understand the potential paperwork associated with different forms of payment, review the Institute for Research on Poverty's Summary of Benefit Cliffs and Marginal Tax Rates [\[link here\]](#). Local, state, and federal benefits may be impacted. Make note of any findings or considerations below.



About the Lawrence Douglas County Health Department

Lawrence-Douglas County Health Department is an academic health department located in Lawrence, Kansas, with approximately 40 full-time employees. Divisions of the Lawrence-Douglas County Health Department include community health, clinical health, environmental health, and health informatics. For this case study, we interviewed Dr. Vicki Collie Akers, Ph.D., MPH, who currently serves as the Director of Policy and Planning and Associate Professor in the Department of Population Health at the University of Kansas School of Medicine. At the time of policy implementation and development of the community compensation plan, Dr. Vicki Collie-Akers served as a member of the community health team of the health department. The compensation plan was developed as part of the Community Health Improvement Plan.



Proposing the Policy

The proposition of the Lawrence-Douglas Health Department (LDHD) to move forward with the development of a community compensation plan emerged from the department's community health team, who elevated the need for providing a standard way of compensating members of the community for their partnership in program and initiative planning and development. The concept was elevated through their division and the health department's leadership eventually was approved by the LDHD executive team.



Community Compensation Practices Before the Policy

Prior to the implementation of the community compensation policy, the LDHD had a strong history of identifying resources within grants and program budgets to build in gift cards to compensate members of the community in exchange for their time and subject matter expertise in focus groups and surveys. Community compensation, however, was not systematically incorporated in every program where the community was engaged, and, in cases, the department recognized that the compensation process and system was likely not recognizing the scale of the community's contribution to their work. Members of the community health team at the LDHD began to understand the need to more deeply engage the community and considered what their responsibilities around this type of engagement would be. Over time, the LDHD engaged in more staff training for equity practices and then began looking toward incorporating more equitable practices in the health department, from which the community compensation policy emerged.



Policy

The timeframe of policy development to policy adoption at the LDHD was a fairly short one at approximately six months, however, components of the policy, including compensation amounts and some procedures have changed in the years since policy adoption and continue to be updated and refined. Department leadership and the executive team were favorable to the policy, and the finance team, a key team engaged already in vendor compensation and payments, was already familiar with general the processes needed for processing W-9s and payment protocols for members of the community.

About the Lawrence Douglas County Health Department



Considerations and Challenges

In General, the LDHD has encountered few challenges in implementing their compensation policy.

One of the key challenges noted in our interview with Dr. Collie-Akers was ensuring the grant or program had the appropriate funding level or budget for compensating community members. In new budgets and new grant programs, they note that it is key that there are steps taken during the planning process to ensure sufficient available funds for community compensation.

In addition to budget limitations, Dr. Collie-Akers noted that the finance team's preferred method of payment (checks to community members) can introduce some barriers. Some members of the community may have more urgency around getting their checks; addresses can change frequently; they must have an up-to-date W-9, among other considerations.



Internal and External Responses to the Policy

Dr. Collie-Akers noted that the LDHD, since the implementation of the policy, has been able to develop and sustain connections to people with lived experience more than they ever have before. Before the policy, the department had good connections with a few key individuals from more marginalized communities, but since incorporating a policy and systems change around compensation, the department now has a wider breadth of connection to more people who experience discrimination or marginalization. In addition to more sustained engagement, the department has received positive responses to their policy when applying for grants, especially as some grant programs require community contributions to be compensated. Having a solid and systematic history of community compensation has been supportive in their application efforts to grant programs that require it.

Take-Aways and Additional Notes



Dr. Collie-Akers reported that codifying community compensation as a department policy should not be understated – that this is what creates the groundwork to include community compensation as a standing budget item. Having a policy rather than just a practice of community compensation also helps increase accountability across staff and departments. Otherwise, compensation may be up to individual people and how they personally prioritize community compensation.

Dr. Collie-Akers also notes that the timing in which the LDHD implemented their policy was advantageous as there was a high level of readiness in the department at the time, which could ebb and flow in health departments as local, state, and federal political environments and administrations change.

Compensation rates for members of the community from the LDHD are similar to rates paid to staff members of the community health division. The department also used the Massachusetts Institute of Technology's (MIT) living wage calculator, as well as what local living wages were in their local community to develop and amend compensation rates.

Questions?

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