

Office of Equity

Lived Experience Compensation

Final Guidelines

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Purpose

The purpose is as stated in Second Substitute Senate Bill (2SSB) 5793:

"The legislature finds that **equitable public policy discussions should include individuals directly impacted by that policy**. In order to do so, the legislature supports removing barriers to that participation. The legislature finds that asking community members with lower financial means to volunteer their time and expertise while state employees and representatives of advocacy organizations receive compensation from their respective agency or organization for their time and experience ultimately hinders full and open public participation. As a result, the legislature finds that **removing financial barriers** for those individuals fosters increased access to government and enriches public policy discussions and decisions, ultimately **leading to more equitable and sustainable policy outcomes**."

The purpose of these guidelines. Open to new experiences and trying new avenues. Interpretation in a way that is oppressive. Values/principles- Treat community members with dignity and make it as easy to participate as possible. Value community members and the lens they bring.

Executive Summary (Megan/Dr. J/OFM)

Review of the law/underlying philosophy

Underlying philosophy is to make it easier for people to participate in government actions, discussions, and decision-making and value the expertise people with lived experience contribute equal to state employees and other professionals who are already being compensated for their participation. The underlying philosophy is equity in action.

Governor Inslee signed 2SSB 5793 March 30, 2022. The legislation is effective June 9, 2022.

The following is language from the 2SSB 5793:

Subject to available funding, agencies may provide a stipend to individuals who are **low income or have lived experience** to support their participation in class one groups when the agency determines such participation is desirable in order to implement the principles of equity described in RCW 43.06D.020, provided that the individuals are **not otherwise compensated for their attendance** at meetings.

Reimburse community members for adult care, childcare, lodging and travel **in addition to** compensation.

As allowable by federal and state law, state agencies will **minimize**, to the greatest extent possible, the **impact** of stipends and reimbursements on **public assistance eligibility and benefit amounts**.



Definitions and Intent

Intent:

Equitable public policy discussions should include individuals directly impacted by that policy. Give individuals the opportunity to speak for themselves as opposed to someone speaking for them. We need to remove barriers to participation by those who have direct experience with the focus of the group in work groups, commissions, boards, advisory committees, etc. to increase access to government and enrich public policy discussions and decision. Eliminate disparities between what someone participating in one group receives vs someone participating in another group.

Diversify participation and better ensure that the work of the board/commission/advisory group/etc is culturally responsive. Develop more equitable and sustainable policy outcomes and stop taking advantage of people and doing away with the all too often perspective that people who are 'volunteering' their time have less to offer by recognizing the significance of lived experience. Equalize the value of input from professionals and experts with lived experience.

 Class One Workgroups: Any part-time board, commission, council, committee, or other similar group which is established by the executive, legislative, or judicial branch to participate in state government and which functions primarily in an advisory, coordinating, or planning capacity.

A class one workgroup is any workgroup that does not fit the criteria for <u>class two</u>, <u>class three</u>, <u>class four</u>, or <u>class five</u> workgroups.

Why do we have different classes of people? What's the background on this? (AGs to assist with this

- 2. Eligible Workgroups: Workgroups created by agencies under the Washington state Executive Branch (plain talk) Can a group that is pulled together by state agency but not created by legislature be compensated? Check with AG.
- 3. **Lived experience:** Direct personal experience in the subject matter being addressed by the board, commission, council, committee, or other similar group.

Note: The intent of this is to ensure the folks who provide lived experience are part of demographics who have been historically and disproportionately impacted by the policies, processes, systems the workgroup seeks to address. If you are developing or changing processes that impact senior citizens, you need to work with a diverse representation of senior citizens, being intentional to demographics of senior citizens who have been and continue to be disproportionately impacted.



4. Low income: An individual whose income is not more than 400 percent of the federal poverty level, adjusted for family size.

2022 Poverty Guidelines for the 48 Contiguous
States and the District of Columbia

Persons in family/household	Poverty guideline
1	\$13,590
2	18,310
3	23,030
4	27,750
5	32,470
6	37,190
7	41,910
8	46,630

For families/households with more than 8 persons, add \$4,720 for each additional person.

2022 Federal Poverty Guidelines

Example of 400% calculation: for a family of four, household income could not exceed \$111,000 (4 X \$27,750).

Note: When providing payments to someone whose participation is based purely on their income status (they are **not** participating based on their lived experience), verify their income. If the community member is providing expertise based on their lived experience, you do NOT need to verify income.

Legal Considerations (AGs)

Undocumented

Youth (minors)

People with Disabilities

Individuals Who Are Incarcerated- provided to family members or commissary

What information should agencies gather?



Accessibility (Megan, Ro, April, Elizabeth, Carolyn)

Virtual vs. In Person Events- child care options for virtual community attendees

Service concierge

Technology (Microsoft computers, reimbursement for internet, other, Metro and Boost has tablets for \$10 for device and \$15/month for service)

Transportation

For ethics state doesn't have jurisdiction because they're 1099 so it's really the agency prerogative to use their funding. Can use their resources any way they'd like if an employee is sending resources agency rules would be an issues. Agency vs ethics. Malfeasance- agencies prerogative, use it for business purposes not personal. Probably coming out of program budgets not a line item yet. Union is not viewed the same as agency committees so we don't have to be concerned about whether it's a misuse of state resources to provide team members with technology and what they need to be able to attend. These aren't outside organizations, these are agency committees for the benefit for the state. State employee bucket of resources if given resources for the committee. Put language aside for language and accessibility needs — Title VI or ADA. Tagline for accessibility requests- standardized forms agencies can use, simpler language & easier to use. Develop a standard form for agencies to use that has been approved by AG maybe in a check box format with all of the potential technologies listed. Agencies can weigh in on what else is needed.

Onboarding process with training for community- maybe here the community can create a video with what community needs to know to include appropriate use of state resources.

Benefits Eligibility and Amounts Impact (Megan- AGs)

Budgeting for Compensation (Tyler, Nona, Mike)

Fiscal Impacts

Fiscal Procedures

Diverse Recruitment and Representation

Building Extensive Community Networks

Promoting opportunities to participate

Offer different times that can encourage participation (day vs. evening/weekend)



Creating an Environment of Belonging on Workgroups (April, Kystina, Amy, Carmen, Sherri, C'zar, Shalimar, Maria & Cynthia).

Expectations for Agencies

Onboarding

Support

Community experience survey- track if they were compensated, felt valued, (create time in the meeting to have community members complete), any feedback for improving/removing barriers

Arrange for rooms ahead of time to remove barriers of folks having to afford the stay and be reimbursed. Transportation? Uber?

- Office hours-Look at times of engagement; add day/evening options to allow people to attend
- Offer child care when in person
- Provide a room where children can be dropped off so the parent can attend the meeting

Resolve any accessibility issues

- Technology
- Interpreter
- Agendas and other materials interpreted ahead of time

So caught up in the white supremacy way of doing things- timelines are rigid, agendas are rigid. Going slow so we can go far. Create time in the project for group to start earlier so there is more time to focus on relationships and give community members the time to participate.

Relationships are key to working with others. Can't listen to understand and for intent without relationships.

Peer mentor

• Make sure there is also someone on the group who has participated in processes before to help new community members onboard and/or participate in the process

Staff person at each agency who is committed to this. Someone with lived experience who can support community members participation.

Take care to show caring and treat community members, and everyone else for that matter, with dignity. Don't get caught up in the process of doing things that we lose the people (Amy's friend's quote)

In person meetings- name cards (tags) gives them a sense of belonging because other state employees have badges and signs



Listen to what community says and believe what they say

- Approach what is said through a how to get to yes, the solution.
- Don't be quick to dismiss or say it can't be done.
- It's state agencies job to figure out how to navigate/eliminate the internal barriers to achieve what needs to be done
- When we talk about our stories our intent is to share what we've gone through and the impact of our lives. We want to share so you understand. Allow us the space to share. Don't shut us down, or don't feel attacked- don't get defensive. This is real life. If feel shut down, then won't feel comfortable sharing. Sharing from the heart, people shouldn't have to go through what we have gone through. We're not attacking you, we're sharing to help find solutions to make the systems better in the future.
- Shouldn't have to go through courts or CPS to get the services that you need. So jumping
 through hoops "have to be an ex drug addict to live in this house; or can only have one child to
 stay here; takes too long to get services- child support modification and if miss one piece can
 affect services, didn't sign one line then DCS wouldn't enforce and I'm waiting and waiting, or
 weren't going to do child support modification because I wasn't working".
- We're in fight or flight mode- survival.
- Like in PTSD because have had door shut on you repeatedly

Considerations for Working with Different Populations (April, Kystina, Amy, Carmen, Sherri, C'zar, Shalimar, Maria & Cynthia)

Role of Intersectionality

So there have been a few experiences in the last year with lived experts being triggered regarding either how they were treated in a situation (discounted, and felt shunned) or put in a breakout room with other professionals where they were picking apart a video and they did not realize that the parent with lived experience was in the breakout room with them. I was part of supporting both of those triggered parents. We did not realize as much until those things happened that a few things needed to change.

1. Set the expectation of respect (group rules) for a lived expert's story and experience, just as we would for our other professionals.



2. Offer a debrief with lived experts to check in with them about their experience or a person they can reach out to if something happens and they need to chat.

Immigrants & Refugees

Documents are translated into other languages. Larger font available.

Youth

Do you have to verify their own individual income or their family's income or both?

Communities of Color

People with Disabilities

Folks in the deaf community- may not be able to read. Not able to hear. Have interpreters at each meeting and who can communicate information from the deliverable. Other technology? Documents are translated into other languages. Larger font available.

Individuals Who Are or Have Been Incarcerated

Veterans

Seniors

Statewide equitable approach/consistency (Megan, AGs)

Mechanics for Compensation

How to determine eligibility?

Income Verification

According to 2SSB 5793, provide stipends to individuals who are low income **or** have lived experience. Both terms are defined in the <u>Definitions</u> section. When providing stipends to someone who does **not** have lived experience, verify income. Verification methods are:

- Categorical eligibility for community members currently receiving public assistance in Washington state.
- Pay Stubs from the last three months
- W-2



- Previous year's tax return
- Employer statement
- Self-attestation

Compensation Best Practices

The intent is to provide stipends community members at a living wage rate, up to the ceiling of \$200 per day per 2SSB 5793.

Note: A living wage may be higher than minimum wage.

Compensation amounts

Compensate community members at a living wage. What defines a living wage though, depends upon where an individual resides.

The University of Washington (UW) publishes The Self-Sufficiency Standard every few years as a measure of income adequacy for different households across Washington State. Some state agencies currently use UW's Self-Sufficiency Calculator to better understand how they can support clients. In the Self-Sufficiency Standard report for 2020, UW determined the cost of living for one adult, one preschooler, and one school-age child (family of 3) in the most expensive county, King County- East to be \$92,661 (Table 3 pg. 22) or about \$45 per hour. Thus, the below compensation schedule is set at \$45 per hour.

•	Up to and including one hour	=\$45.00
•	More than one hour and equal to two hours	=\$90.00
•	More than two hours and equal to three hours	=\$135.00
•	More than three hours and equal to four hours	=\$180.00
•	Anything over four hours	=\$200.00

Note: If a community member receives \$600 or more in a calendar year, the Internal Revenue Service (IRS) requires a 1099-MISC form to be sent.

Reimbursements

Reimbursements can be made for lodging, meals, and mileage costs in addition to the stipend amounts in accordance with $\frac{RCW}{43.03.050}$ and $\frac{RCW}{43.03.060}$.

Reimbursements for child and adult care expenses for meeting and while performing statutorily prescribed 39 duties approved by the chairperson of the group can be made as follows:



Timely payments/reimbursement

One-Time Events

Flat rate stipends should be used for one-time events.

Half day=

Full day=

Participation Incentive Payments

When providing incentives to encourage participation as in the case of surveys or other requests for feedback

The recommended participation incentive rate is \$45 as this is expected to be one hour or less in line with the <u>compensation amount</u> section. This stipend is typically provided as a gift card for ease of experience for community and state.

Payment Methods (Nona)

Use the easiest way that is not a form that is complicated to fill out.

Check and direct deposit- have to establish a statewide vendor number. If agency doesn't have the system established already then takes a few months to do that. Have to have a checking account.

Can have this processed be centralized.

Prepaid card is good for people who do not have a bank account. If an agency doesn't have this set up takes a few months to get it set up. It has a name on it and is associated with someone. 7-10 days to receive it. (DSHS uses this)

Preloaded gift card. If you lose it, it's lost. Not as secure that way. Or if someone steals it.

Impressed account- agency set up account outside of the treasury. (Nona to do more research) Fund a prepaid card that's set up outside of treasury. Can be quick. Zelle, venmo, same day service. (Is how DCYF issues their payments)

Can pick where want gift card from?

The Office of State Treasurer supports three options to disburse payments to individuals through our contract for banking services with US Bank:

- State warrant (check)
- direct deposit (ACH)
- prepaid card.



Each method requires the disbursing agency have some infrastructure in place to issue and account for the payment. Depending on the payment option chosen and the method of issuance the agency may incur hard and/or soft dollar costs.

Warrant (Check)

Warrants can be issued through the AFRS Statewide Vendor (SWV) system or through a direct relationship with OST. Warrants must be cashed by the recipient within 180 days of issuance. Warrants older than 180 days are no longer valid. Aged warrants may be reissued, or payment can be made using another vehicle.

Recipients of warrants issued through SWV must establish a statewide vendor number. Note: when the payee signs up for a SWV they choose either warrant or ACH as their method of payment. Agencies use the A19 Agency may incur fees from AFRS for payment processing.

To issue warrants directly through OST the agency must generate a warrant issue file to communicate the payee information to OST. Implementation of a new warrant issue file takes 3-6 months. Consideration should be given to delivery of the warrant to the payee, by mail or in person.

OST's warrant cashing services have not been reinstated after closing due to Covid. OST has an agreement with US Bank to cash state warrants for individuals at US Bank branches in Washington State. Recipients must present valid identification at the branch when cashing the warrant.

Challenges include:

- US Bank does not have a branch in all regions of the state
- Intervention by OST and the state's relationship team is often needed to facilitate the warrant cashing process at US Bank
- US Bank may charge the payee a \$10.00 fee per warrant cashed

Direct Deposit (ACH)

ACH can be issued through SWV or through a direct relationship with OST. Recipients of ACH must have a domestic bank account and be willing to share their account details with the state to receive funds. In most cases, the requirement under RCW 43.41.180 to complete an Economic Feasibility Study (EFS) is waived by OFM when disbursing payment by ACH.



Recipients of ACH issued through SWV must establish a statewide vendor number. Note: when the payee signs up for a SWV they choose either warrant or ACH as their method of payment. Agency may incur fees from AFRS for payment processing.

To issue ACH directly through OST the agency must generate an ACH issue file to communicate the payee information to OST. In turn, the agency will receive a file of ACH Returns and Corrections detailing payments that didn't work (Returns) or require updates to the bank information (Corrections). The disbursing agency is responsible for ensuring their program complies with all ACH Rules. Implementation of a new ACH issue file takes 3-6 months. OST does not charge a fee to the agency to disburse payment by ACH.

Challenges include:

- Collecting and storing recipient bank accounts
- ACH Rules Compliance can be complicated and resource intensive

Prepaid Card

Disbursing payment by prepaid card is a good option for unbanked and under-banked populations. US Bank's prepaid cards are Visa branded and are accepted anywhere that accepts Visa. Recipients have several options to use the card and/or get cash free of charge, including to the penny withdrawals at most banks. Recipients receive the same fraud protections against unauthorized withdrawals to prepaid cards as traditional bank accounts (Federal Regulation E).

Federal regulations may require certain disclosures be provided prior to the recipient choosing payment by prepaid card. The bank will review the program specifics to determine if disclosures are required. The disbursing agency enrolls the payee through the bank's online Admin Portal. The bank creates and mails a personalized, embossed card to the recipient. The recipient must activate the card, either online or by calling customer service before funds can be accessed. Funding the cards is done by direct deposit. The Admin Portal allows the agency to confirm deposits were credited to the card but does not allow them to see any other transactions or activity.

Completion of an EFS is required. Implementation of a new prepaid card program takes 3-6 months. Agency responsible for card issuance fees.

Challenges include:

- Recipients need a physical mailing address to receive the card. Bank does not mail cards to P.O. Boxes.
- Takes 7-10 business days for recipient to receive card in the mail



Creative Solutions:

Purchase and Distribute Preloaded Gift-cards

Agency has several options to purchase preloaded gift cards, such as petty cash or purchase cards, and distribute them to recipients. Like cash, there are no protections if the card is lost or stolen.

Agency would obtain the card from traditional vendors, such as instore kiosks. Card purchase fees are paid by the agency purchasing the card. Fees to the card recipient vary by card issuer. Ability to get cash, including to the penny withdrawals, are governed the rules of the card purchased.

Internal controls for cash should be applied to undistributed cards.

Challenges include:

- Cards are like cash and should not be mailed to recipients.
- Customer support from issuer if recipient experiences problems.

Agency bank account outside the treasury (Imprest Account)

Agency may open an account outside the treasury with approval from OFM. Agency would fund and replenish the account using SWV. Agency would be responsible for all fees associated with account and products purchased.

Account would facilitate:

- Issuing checks directly from the account
- Utilize US Bank's online ACH Origination product to issue direct deposit without creating and transmitting a file
- Funding prepaid cards directly through the Admin Portal (requires EFS and OFM approval)
- Access to new same-day payment products such as Real-time payments, Zelle or Venmo

Participant Packets: What community members need to know (Laurie, April, Kystina, Amy, Carmen, Sherri, C'zar, Shalimar)

How to Obtain a Statewide Vendor Number

To receive payment from the state, you must obtain a state vendor number. This only needs to be done once, when seeking payment for the first time. Confirm a vendor number does not already exist by searching the <u>Vendor Number Lookup</u>. If no vendor number exists, obtain a vendor number, by visiting <u>Statewide Vendor/Payee Services</u> | <u>Office of Financial Management (wa.gov)</u>. Complete the "Vendor/Payee Registration Form."



You have the option of setting up direct deposit to a bank account or receiving a check via mail.

Once you submit the form, your Statewide Vendor number will be sent to the email you provided within 3-5 business days. Contact the Office of Equity if you have questions about how to complete the form.

Note: If you receive compensation that totals \$600 or more in a calendar year: The federal Internal Revenue Service (IRS) requires that we send you a 1099-MISC form if you receive compensation that totals \$600 or more in a calendar year. This form helps the IRS track how much they can expect in taxes. You will receive the 1099 form in the mail by the end of January the following year in which you received the payments. The information from the 1099 form will be entered by you when you complete your tax filing documents.

Compensation

Do this have to be reported to DSHS, Housing, who else?

Reimbursement

Taxes

Federal implications to SSI, SSDI, and Federally funded housing

Can this be added as earned income or not? (Nona, Ro, Joyce)

Participation

What community members need to know?

- Keeping language at a level where all individuals understand universally
- Not vitalizing individuals, not putting burden on poverty recovery. Holding system accountable.
- Creating spaces of economic equity where each individual regardless of income Is perceived as an expert.
- Address positional power. Power dynamic sets the tone at every level of human interaction

Expectations (amount of time, etc)

What supports are available for community members to provide their expertise?



Activities What should be compensated? (Ro, Megan, Joyce)
Tracking (Ro, Tyler, Nona, RaShelle)
Limits to Compensation (Including no limits) (Ro, Tyler, Nona, Jon)
Mechanics for Reimbursement OFM (SB 5963, sect. 130(25))
Child and Elder care Offer child care or adult care when in person?
Provide a room where children can be dropped off so parent can attend the meeting?
Mileage Lodging
Templates
Examples (Agency Perspective)
Examples (Community Perspective)
Examples (State Employee Perspective)

Guidelines Periodic Review/Amendment

Feedback/Evaluation mechanisms

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Section

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Section

FAQ

What are Class 1 Workgroups?

What groups are eligible?

Who is covered under 5793?

Is compensation mandatory? (Permissive)

How is "reasonable allowance" defined?

How will the \$250,000 in 5793 be used?

How many times can an agency compensate the same individual? (i.e. Extensive community feedback)

When does travel status begin? When they get in the car or when the meeting starts?

\$600 issue for 1099- what counts as compensation? Reimbursement count?

How do we capture demographic information for agency reporting? Participant packet? Survey monkey?

Community experience survey- track if they were compensated, felt valued, (create time in the meeting to have community members complete), any feedback for improving/removing barriers

Arrange for rooms ahead of time to remove barriers of folks having to afford the stay and be reimbursed. Transportation? Uber?

What work qualifies for the stipend/compensation

Do you have to verify their own individual income or their family's income or both?

Contacts for Questions

Equity: Office of Equity



Legal:

Policy:

Budget:

