

TIP SHEET

COMPENSATION FOR PARTNERS WITH LIVED EXPERIENCE

C4 Innovations, MCTEH, and 20 participating CoCs are working to conduct a racial equity assessment of the homeless service systems across the state and develop a statewide action plan to address racial disparities. As part of the process, we will develop and strengthen partnerships with people with lived experience, and ensure they are being compensated fairly for their contributions. This tip sheet is for organizations that will act as fiscal sponsors to ensure payments are disbursed to participants in a timely way that meets their needs and records are provided to C4 to track the expenditure of funds.



The Role of Fiscal Sponsor

If your organization is willing to take on this role, please enter your organization's name and contact information in the [spreadsheet](#) provided, complete the attached Professional Services Agreement (PSA), and familiarize yourself with the quarterly report template.



Tax Forms

Organizations hiring partners with lived experience need to file a form for each employee who is paid \$600 or more during the calendar year. Organizations are required to issue a W2 form to a taxpayer who has received at least \$600 or more in income during the tax year. For more information about federal requirements, see www.irs.gov, including Publication 15(*Circular E*), *Employer's Tax Guide*.



People May Be Anxious About How Payments May Affect Them

Any additional income, can impact an employee's cash assistance, food stamps, health insurance, unemployment, or required rental payments. It is important to be transparent with each person who is considering this opportunity. Please share the tip sheet, entitled *Considerations for Partnering with Homeless Service Providers*, with interested applicants.



Ensure Payments are Offered in Ways that Work for each Person

Ask how each individual prefers to be paid and work to honor that. This could come in the form of cash, checks, gift cards of their choice, mobile payments (e.g., Venmo/PayPal/Cash App), etc. If there are barriers to meeting someone's first preference, provide as much transparency as possible, and work collaboratively to find the most acceptable alternative. At minimum standards, the payment schedule should match the schedule of all other employees (weekly or biweekly).



Look for More Sustainable Funding Streams

Funding through this project will only be available temporarily (i.e., through May 2023). Communities are encouraged to identify other sources of funding (e.g., HUD planning dollars, local community foundations, United Way, etc.) and engage stakeholders to plan for sustainability as soon as possible. If you need support in the process, please reach out to the C4 Team at MCTEH@C4innovations.com.