



Community Compensation Plan Case Study

Paying for Local Expertise in Community-Driven Transportation Plans for the Northeast

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Abstract

The practice of paying participants for their involvement in public projects removes financial obstacles and logistical challenges to stakeholder engagement and attracts a broad cross-section of community members to provide a range of perspectives. Compensating stakeholders values their expertise and time commitment and results in solutions that better align with community needs. This case study features a compensation plan developed through extensive input from community-based organizations (CBOs) and project partners, as well as research on best practices from leading governmental and nonprofit organizations. Its primary goals were to ensure engagement is informed by a broad range of viewpoints, foster trust and a sense of ownership among stakeholders, and reinforce the value of community-driven planning for designing effective solutions to community-wide issues. This case study explores the development, implementation, and lessons learned from that compensation plan. Through pre-paid debit cards, meals, transportation, and interpretation services and other wraparound supports, the plan enabled broad participation—especially among community members who face structural challenges to engagement. The plan’s implementation revealed challenges (particularly around technological barriers) establishing sound procedures for fiduciary management and ensuring the plan adhered to all applicable regulatory requirements. The compensation framework developed through this process supports community participation for this specific project and establishes a replicable model for integrating compensation into other projects with a community engagement component.

Introduction

The [“Community-Drive Transportation Plan for the Northeast”](#) is a community-led initiative aimed at supporting communities in Vermont, New Hampshire, and Connecticut in creating clean transportation plans rooted in local priorities. The project is funded by the U.S. Department of Energy’s (US DOE) Office of Energy Efficiency and Renewable Energy (EERE), Vehicle Technologies Office (VTO). From October 2023 to March 2026, the project is engaging community members and community-based organizations (CBOs) to identify transportation needs, overcome barriers, and develop replicable solutions for uptake of alternative fuel vehicles. Recognizing the vital role of lived experience and local expertise, the project provides individual participants and CBOs with compensation for their time and contributions, emphasizing the importance of meaningful collaboration.

The project is designed to benefit all communities and to build trust and ownership among participants, ensuring that the solutions developed are actionable and responsive to local needs.



To guide community participation, NEEP developed a [compensation plan](#) informed by multiple sources. Input from CBOs and project partners played a critical role, complemented by best practices and guidance from online resources and established frameworks. This plan provides fair compensation to participants, removing financial and logistical barriers to engagement. By valuing the time and expertise of community members and CBOs, the compensation plan fosters local participation and reinforces the importance of community-driven solutions in advancing clean transportation across the region.

Context for Developing a Plan

The compensation plan arose from the need to recognize and compensate community members for their expertise and time while addressing federal funding requirements. When developing the project, setting aside specific funds to compensate community participation was an essential element in empowering community members to contribute to decision-making processes.

When the compensation plan was developed, US DOE had not issued comprehensive guidance for compensating community members. Existing federal resources were sparse, leaving significant gaps in guidance. While some articles and case studies offered insights, there were few concrete, replicable examples tailored to compensating participants for community engagement. Federal regulations associated with grant-related expenditures introduced additional complexities to the compensation process, such as a prohibition on cash payments for compensating participants, a requirement of thorough documentation for all forms of compensation, and the establishment of a clear audit trail for any compensation provided. These rules necessitated careful planning and implementation of alternative compensation methods that could be easily tracked and audited.¹

Before selecting a payment method, the project team first identified the types of contributions that would be compensated, including time spent participating in advisory groups, participating in in-person or virtual meetings, sharing personal transportation experiences through surveys, and helping facilitate outreach as local ambassadors. These decisions were made collaboratively with project partners and CBOs to ensure alignment with both federal constraints and community realities. NEEP's existing honoraria policy also informed the compensation plan's development. This policy underscores the organization's commitment to valuing the unique expertise and lived experiences of community members and provides a framework for fair compensation of individuals or organizations based on the nature and duration of their engagement.

In developing this plan, NEEP drew on best practices from both governmental and nonprofit entities.² These resources provided insights that were instrumental in drafting the project compensation plan.

¹ 2 CFR Part 200. <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>.

² Urban Institute, Equitable Compensation for Community Engagement Guidebook, updated March 2024.

<https://www.urban.org/sites/default/files/2024-03/Equitable%20Compensation.pdf>.

City of Golden, Colorado, Community Engagement Planning Guide,

<https://static1.squarespace.com/static/5fd3ae01f8f3aa3014a8069a/t/60ad1129caca915a56e8eeb9/1621954864430/Step+1+-+City+of+Golden.pdf>.

Johns Hopkins Center for a Livable Future, Equitable Compensation for Food Policy Council Engagement, May 2022.

https://assets.jhsph.edu/clf/mod_clfResource/doc/FPC%20Stipend%20Program%20Draft_2022-06-15.pdf.

Oregon Department of Transportation, Equitable Engagement Compensation Program,

<https://www.oregon.gov/odot/get-involved/pages/eecp.aspx>.



While there were limited examples tailored specifically to federal funding constraints, these tools offered critical guidance and informed many aspects of NEEP's approach to developing and implementing the project compensation plan.

The compensation plan is built on three guiding principles: fairness, transparency, and accessibility.

- **Fairness** ensures that participants are reasonably compensated for their time, contribution, and expertise, acknowledging the value of their local knowledge and community-specific experience.
- **Transparency** fosters trust by clearly communicating payment structures, methods, and criteria, while maintaining compliance with federal funding requirements.
- **Accessibility** focuses on offering flexible participation and compensation options that account for participant needs and circumstances.

By centering the principles of fairness, transparency, and accessibility, the compensation plan not only reflects NEEP's commitment to community participation but also establishes a replicable framework for compensated community engagement in federally funded projects.

Context in the Target Communities

The communities participating in the Community-Driven Transportation Plans for the Northeast project represent a mix of urban, suburban, and rural areas across Vermont, New Hampshire, and Connecticut. Urban centers often face challenges such as high poverty rates, low rates of vehicle ownership, and overcrowded or underfunded public transportation systems. In contrast, rural areas experience geographic isolation, low population density, and high transportation costs, which make mobility solutions difficult to implement. This project engages both urban communities, such as Bridgeport and Winsted, Connecticut, and rural areas, like Champlain Valley in Vermont and the Upper Valley in Vermont and New Hampshire, to ensure that transportation solutions address the unique needs of all regions.

Despite these geographic differences, many challenges are shared across both urban and rural communities. These challenges include limited financial resources, technical barriers, and language or communication obstacles. Many community members face **low bandwidth**, managing caregiving responsibilities such as childcare, elder care, or supporting family members with disabilities, in addition to managing multiple jobs, or financial constraints. These competing priorities often leave limited time or capacity to participate in planning processes without structured support.

Technical barriers are common amongst low-income communities, with members more likely to experience limited access to reliable internet, digital devices, or lack of familiarity with online tools. These challenges can prevent participants from joining virtual events or accessing essential resources.

Many community members also encounter **language obstacles**, as some communities include significant non-English speaking populations, individuals with limited English proficiency, and community members that lack literacy skills even when provided with materials written in their native language. Overcoming these barriers requires interpretation services, translated materials, and less complex communication strategies to ensure comprehensive community participation.

NEEP and its partners aimed to prioritize accessibility when designing community engagement activities and stakeholder compensation strategies to ensure meaningful participation.



- The project relies on CBOs to help implement the plan, ensuring that outreach and engagement efforts align with **local needs and values**. These partners foster trust within their communities and ensure that engagement meets community members where they are.
- To support **accessible communication**, the project allocates funding to provide interpretation services during events and assist CBOs in translating engagement materials into relevant languages. CBOs are empowered to customize materials to meet the linguistic and literacy needs of their communities, ensuring participants can fully understand and engage.
- The project considers the **technological needs** of stakeholders by offering compensation in both physical and digital pre-loaded Visa card formats to ensure flexibility for participants with varying levels of digital access and comfort.
- The team set aside funds to provide **logistical support** for participants such as meals, transportation, and on-site childcare to remove barriers and enable community members to participate fully. In practice, providing transportation to and from events and having childcare on-site proved quite difficult, and at times impossible, so these services were offered only occasionally.

Engagement in the Target Communities

The approach to community engagement varied among the four target communities. The team employed two primary strategies. Some sessions featured surveys to collect comprehensive data from a broad cross-section of residents, while others used listening sessions with guided discussions. In Bridgeport and Winsted, CT, the team focused on surveys that asked about the modes of transportation people use, what trips they make and with what frequency, distance of trips, barriers the respondents face, and their awareness and attitude toward alternative fuel vehicles. Surveys featured roughly 15 transportation-related questions, plus additional demographic questions. Respondents were also asked to provide the required contact information necessary to receive a digital Visa card. Following these initial surveys, Live Green CT hosted community forums to present survey findings and facilitate discussion with respondents about potential solutions to their transportation barriers. These sessions lasted 60-90 minutes, and included presentations from local and state leaders, interactive activities like mapping where participants would like to see public chargers, and discussion groups.

In the Upper Valley and Champlain Valley, project partners hosted listening sessions supplemented by surveys about residents' personal "transportation story." In listening sessions and surveys, the project team asked about what trips the residents take, what trips they do not take because of transportation barriers, what changes people would like to see to improve their mobility, and how alternative fuel vehicles could fit into their transportation plans and priorities. Surveys ranged in length and listening sessions were 60-90 minutes, focusing on different target audiences. Some listening sessions focused on communities of immigrants and relied heavily on interpreters, who were also paid through the compensation plan. Partner organizations and event locations included senior centers, the Association for Africans Living in Vermont (AALV), a parent-child center in Burlington, and a charitable food cupboard. In these listening sessions, participants discussed mobility challenges for community members who do not own a personal vehicle.



Compensation Model and Implementation

To develop the compensation model, the team determined eligible engagement types, form and level of payment, methods for compensating CBOs, recordkeeping practices, and tax implications. This section explores each of these steps.

Eligible Engagement Types: The team first identified and defined the engagement types eligible for compensation. This included participation in advisory groups, listening sessions, community forums, and surveys. Compensation was determined based on time commitment, mode of participation, and depth of engagement. These decisions were informed by best practices and existing models from peer nonprofit and governmental initiatives.

Form of Payment: While developing the compensation plan, one of the most critical considerations was determining a form of payment that would be acceptable to US DOE while at the same time being accessible to the widest range of community members. After evaluating the available options and consulting with the team's US DOE Project Officer, NEEP decided to use pre-loaded Visa cards, which offered flexibility while adhering to federal guidelines. To protect participants' privacy, personal information was only collected when necessary for payment distribution, and pre-loaded Visa cards were carefully tracked to ensure transparency and accountability. More details on these processes are provided below. To meet these considerations, NEEP and its partners chose to issue pre-paid Visa debit cards through the Tremendous online payment platform. Tremendous offers digital pre-paid debit cards that can be sent via email and tracked on its website, as well as physical pre-paid cards to accommodate stakeholders with technological barriers. Prepaid Visa cards are widely accepted for both online and in person purchases. Physical Visa cards can be used at point-of-sale terminals or cash registers in brick-and-mortar stores, while virtual cards can be used for online ordering, purchases from websites, and mobile payments. Digital cards are delivered via email and must be validated through an online portal. For some payment recipients, accessing payment through digital cards posed issues due to lack of an email address, language barriers, and difficulty navigating the online card activation process. To overcome this barrier, NEEP received approval from VTO to allow project partners to offer physical payment cards. Physical cards can be activated online or by calling Tremendous' customer service phone number. While Tremendous does not charge a fee for issuing digital payment cards, users must pay a shipping and handling fee for physical gift cards.

How Much to Pay for Each Kind of Engagement: The team decided to set the compensation rates for individual community participants as follows:

- \$150 for an in-person event that lasts 1-2 hours (stipend accounts for time and expenses to travel to the event)
- \$75 for a virtual event that lasts 1-2 hours
- \$30-50 for surveys, depending on the length and level of detail asked

In-person events also include food, which might range from snacks to a full meal depending on the time of the event. The team budgeted roughly \$20 per person for food at events. These rates were benchmarked against similar federal and nonprofit engagement programs to ensure fairness and encourage meaningful participation.



How to Pay Community-Based Organizations: Rather than paying CBOs per event, the team decided to have CBOs invoice for their hours of staff time, event space rental, and any other goods or services they contribute toward project activities. To reduce the administrative burden on the CBOs, NEEP decided that it would not need to have a contract with each organization. In lieu of a contract, the project partners and CBOs agreed to designate the scope of work and budget in advance.

Best Practices for Recordkeeping and Documentation: To ensure that NEEP and its team have a well-documented paper accounting of the stipend funds, project partners have every participant sign in at events with their name, what form of compensation they're opting to receive (digital, physical, or none), their zip code, and email address if they have one. This same process is used for participants compensated for completing surveys. The sign-in process can be completed on paper or digitally, and partners maintain a record of all participant sign-ins.

Tax Implications: In accordance with federal law, for any individual or organization receiving more than \$600 in compensation in a calendar year, NEEP issues a Form 1099 to report the total amount paid to the recipient for that calendar year to the Internal Revenue Service. To complete this form, the individual or organization must provide a tax identification number, legal name, and other required information by submitting a completed Form W-9 to NEEP. NEEP then uses this information to process the individual or organization's Form 1099 before January 31 of the following year. Tremendous requires individuals that receive more than \$600 in a calendar year to complete a form W-9, which Tremendous then provides to NEEP. Tremendous does not track physical debit cards for IRS reporting purposes. The total amount of physical card payments issued to an individual or organization during a calendar year must be tracked manually by those issuing the physical gift cards. All sign-in-sheets at events feature a prominent disclaimer informing participants that they will be responsible for any tax liability that results from being compensated over \$600 in a calendar year.

Implementation Challenges

Card Support: Project partners reported that during and after engagement events, some recipients needed additional support to activate the cards. For virtual cards, the lack of an email address or difficulty navigating the Tremendous website required some recipients to request help with the online activation process. Project partner staff assisted these recipients by activating digital cards through the Tremendous online platform or registering the card through a project partner's email address. Physical cards can be activated by email but can also be registered by calling Tremendous customer service. Some recipients were unable to activate physical cards by phone due to technological or language barriers. Assisting participants with activation required partners to be familiar with the Tremendous platform and adept at solving technical problems related to registering and activating payment cards.

The Vermont Clean Communities Coalition team developed supplemental materials to address frequently asked questions about the compensation method, such as "When does the card expire?", "Where can I use it?", and "How do I activate it?" These materials included a QR code on the flyer that linked to the Tremendous website, as well as their customer service number and operating hours. To ensure accessibility, UVM also included staff contact information for any follow-up questions. Additionally, UVM had the supplemental materials translated according to the languages represented at each session, ensuring attendees had the information they needed in a format they could more readily understand. Project partners also reported that language interpretation services were necessary in



issuing and activating debit cards. The UVM team hired interpreters using compensation plan funding at their events with African Americans Living in Vermont (AALV), a local CBO that supports recent arrivals to the United States, as well as for non-English speakers at an event held at the Janet S. Munt Family Room, a local nonprofit Parent Child Center. Being able to provide interpretation services was instrumental for the project partners' ability to activate payment cards and provide other forms of in-person support.

Feedback from Community Members: For some community members receiving compensation, registering and activating payment cards presented challenges. For those without email addresses, registering debit cards was slightly cumbersome, requiring either someone else's email address or a call to Tremendous customer service. For UVM team members, working with an interpreter to assist stipend recipients with physical visa card activation took a significant amount of staff time. Generally, those who used email and received a digital card had no significant issues registering their card. After recipients activated the pre-paid cards, there were no reports of difficulty completing online or in person payments.

Outcomes

The compensation plan had a clear, positive effect on both participation and engagement quality across the four project communities. By reducing financial and logistical barriers, compensation enabled substantive engagement from residents who might otherwise be excluded due to caregiving responsibilities, limited income, lack of English proficiency, or digital barriers.

When participants were asked to share their experiences, they said that receiving compensation helped cover transportation costs, internet data, or groceries, and signaled that they felt their time and input were genuinely valued. While a few individuals experienced difficulties registering or using the prepaid Visa cards, especially when unfamiliar with online systems, these issues were generally resolved through in-person support, translated instructions, or interpreter assistance. While one project team noted that some attendees may have joined primarily for the stipend or food, these cases were limited. Overall, partners reported few technical challenges and found that offering both physical and digital card options increased accessibility.

Project teams observed that compensation led to more consistent attendance, especially among groups often underrepresented in public planning processes. Participants engaged more openly and stayed longer during meetings, surveys, and listening sessions. Some community members said they would have participated without compensation but appreciated that the project recognized their efforts and perspective. Others noted that compensation made their involvement possible.

Partners also reported that compensation helped shift the tone of the engagement, making it feel less extractive and more collaborative. When paired with other forms of support, like interpretation, the compensation plan helped foster trust and deeper dialogue. In several locations, project teams were able to adjust engagement formats based on community feedback, further reinforcing the project's responsiveness and accountability.

Conclusion and Next Steps



This case study underscores the value of integrating fairness, transparency, and accessibility – the guiding principles of the compensation plan – into any engagement effort. By compensating community members, the project reinforced trust, elevated underheard voices, and made engagement more meaningful. Compensating community members for their participation in a project provides tangible benefits to stakeholders by valuing their time, effort, and local expertise, and prevents community engagement from becoming an extractive process. Compensated engagement is also extremely beneficial for agencies and organizations working in communities because it provides valuable context that improves program effectiveness, leading to more efficient program delivery, and ultimately to more durable solutions to community needs. The project also demonstrates that such compensation models are not only feasible, but replicable. Future efforts should build upon this approach by continuing to refine support tools, tailoring compensation formats to community preferences, and evaluating long-term impacts of compensated engagement on project success.

Providing compensation for community engagement has broad applications and is potentially useful for any project or initiative that requires meaningful engagement and feedback from community members. However, compensation as a tool for fostering engagement requires significant versatility to be scalable in a way that meets the specific needs of different projects and communities. The flexible model presented in this case study is designed to be replicable and adaptable, serving as a foundation for future iterations and improvements in the pursuit of developing more meaningful engagement strategies that lead to more efficient and effective programs.

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