

# TriMet Advisory Committee Stipend Policy

## I. General Overview

At TriMet, our commitment and focus on civil rights, equity and social justice is an integral part of our daily operations. Fair treatment, equal access and personal dignity drives our decision making and helps inform the way TriMet provides transportation services across the Portland Metro Area. Including all of Portland's communities in our decision-making processes is necessary to help us make choices that honor the communities we serve. A stipend program will help to acknowledge the emotional and financial burden that can come with participating in our forums. An opt-in procedure is employed to identify community members who express interest in receiving a stipend and to ensure the community member is eligible to receive a stipend.

These rules and requirements must be followed and communicated to those involved before purchase or distribution of any stipend. Stipends must be distributed in accordance with the guidelines set forth in this policy. Any exceptions to this policy must be approved by the General Manager.

## II. Definitions and Roles

- A. **Stipend** means a fixed dollar amount paid as an incentive to community members for their participation in assisting TriMet with our mission. The stipend payment assists with any financial burden that committee members may experience. Stipend payments are in the form of an ACH (Automatic Clearing House also known as Direct Deposit) payment to the committee member's bank account or a check for unbanked committee members.
  - a. **Division Coordinator** will be the Senior Coordinator for Community Engagement Programs working in coordination with the Director of Community Affairs and Engagement. This position is responsible for collecting attendance from each meeting, tracking eligibility and facilitating payment of stipends to eligible Advisory Committee Members. Stipends will either be made through ACH or mailed. There will be no manual distribution of stipend checks. The Coordinator is responsible for maintaining documentation and timely reporting of necessary stipend distribution quarterly to Finance and Administrative Services.
- B. **Public Affairs** is responsible for oversight of the Advisory Committee Stipend program and ensuring committee members have completed and provided necessary documentation to Finance in order to receive stipend payments.
  - a. At the beginning of each fiscal year Public Affairs will review the annual estimate of needed stipends and supplemental documentation.
  - b. In order to receive payment, Advisory Committee members must set up a vendor profile in TriP\$ (TriMet Procurement System – managed by Contracts and Procurement). Public Affairs will assist community members with the vendor set up process in TriP\$, working with Procurement if necessary.
    - i. Community members are not eligible to receive a stipend until his/her vendor set up is completed in TriP\$.

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- c. Public Affairs is responsible for completing and submitting the non-standard payment request form to Accounts Payable. Incomplete or inaccurate forms will hold up processing payments to community members.
  - d. Documentation supporting stipend distribution is provided to Finance and Administrative Services (F&A) for review.
- C. **Finance and Administrative Services (F&A)** is responsible for processing payments (ACH or check) to committee members and recording the transactions in the general ledger.
- D. Internal forms used within this policy include:  
Committee Member Stipend Program Participation Form  
Advisory Committees Attendance Sheet  
Stipends For Payment Report  
Use of these forms is managed and communicated by the Division Coordinator who will receive annual training on these policies and procedures.

### III. **Allowable Uses and Limits**

This policy defines the approved method of managing stipends paid to eligible TriMet Advisory Committee Members. Key points about this process:

- Advisory Committee members may be eligible to receive a stipend if they are not being compensated by any other organization for their participation in an eligible committee meeting.
- Government employees are not eligible to receive a stipend.
- Eligible committees are those that TriMet convenes for at least six-month duration.
- Eligible committee meetings are those that meet for at least one hour.
- Stipends cannot be used as payment to vendors or contractors for goods or services.
- Advisory Committee Members acknowledge stipends paid in a calendar year equal to or greater than \$600 will be taxed and TriMet will issue a 1099 to the participant.

### IV. **Required Reporting, Documentation, Reconciliations and Surprise Audits**

- A. **Committee Member Stipend Program Participation Form** – this form is filled out annually by all committee members and denotes whether they opt in or out of the stipends program.
- B. **Advisory Committees Attendance Sheet** – this log documents attendance of all committee members, individual eligibility and verification notes from the Division Coordinator and Community Affairs and Engagement Director.
- a. The attendance sheet supports payments to members for participating and attending committee meetings. The attendance sheet will be included with the payment request support sent to Accounts Payable. The cost for stipends paid to committee members for their attendance will be charged to Public Affairs cost center for Community Affairs and Engagement (CC 220).
- C. **Stipends for Payment Report** – this log documents the total amount due to each committee member that has been verified for payment. This form is reviewed on a quarterly basis and submitted to accounts payable through the non-standard payment process for payment.

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- D. **Quarterly Reporting** – Each quarter, the Division Coordinator is responsible for delivering the requests for payment to accounts payable through the existing process using a non-standard payment request form with a copy of the Stipends for Payment Report attached. Annually at year-end, documentation will be stored/archived and maintained for a period of five years.
- E. **Verification of Controls** – Finance and Administrative Services may periodically conduct a review or verification of records over the stipends program. At all times, the Division Coordinator is responsible for a complete record of attendance and eligibility requirements. Internal controls over processing accounts payable transactions is documented in connection with the external audit process.

### V. **Internal Controls**

Vendor registration/setup, payment approvals and ACH payments is documented through the internal control matrix used in connection with the annual external audit. The following controls are the minimum requirements:

#### A. **Tracking**

Division Coordinators are responsible for gathering and storing attendance logs and opt-in forms to verify eligibility for stipends. This information will be accumulated and sent to Accounts Payable through the vendor system to ensure accurate and timely quarterly payments to committee members.

### VI. **Tax Reporting**

The IRS considers stipends to be tax reportable as compensation when issued or awarded to the recipient. Stipends paid to Advisory committee members equal to or greater than \$600 in a calendar year will be subject to TriMet’s 1099 reporting. Committee members receiving \$600 or more in a calendar year will receive a 1099 mailed to their address on file in TriP\$.

### VII. **Disbursement to Advisory Committee Members**

Stipend disbursement to Advisory Committee Members in the form of an ACH payment to the committee member’s bank account or a check for unbanked committee members. The Division Coordinator and Director of Community Affairs and Engagement will determine the number and form of stipend disbursements to make according to the requirements below:

#### A. **Eligibility Requirements for Committee Members**

Advisory Committee members are eligible to receive a stipend for meeting attendance providing they are not already employed by another local government and serving without other compensation. Eligible committees are those that TriMet convenes for at least a six-month duration and meets for a minimum of 1-hour.

<u>Eligible committees as of 7/11/24:</u>	<u>Estimated eligible members</u>
CAT	12
TEAC	0
HB2017 Advisory Committee	8
ATFAC	15
Crash Advisory Committee	4
Public Art Advisory Committee	8
Total	47

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\*Future committees may include those supporting capital projects, such as 82nd Ave Transit Project.

Committee members must follow the steps below to be eligible to receive any stipend: Once approved to receive a stipend, Committee members must register with the TriMet Procurement System (TriP\$) to establish a vendor profile. This process will allow TriMet to process payments to committee members following our existing processes.

1. [Procurement and Contracts \(trimet.org\)](https://trimet.org)
  - a. TriP\$ will require a W-9 and banking information if receiving payment via ACH in order to receive a stipend. The committee member is responsible for keeping their personal information (such as mailing address and W9) on file up to date. Inaccurate or incomplete information on TriP\$ will suspend payment to the committee member.
    - i. [Form W-9 \(Rev. March 2024\) \(irs.gov\)](https://irs.gov)
2. Committee member fills out a stipend program participation form on an annual basis to denote whether they opt-in or opt-out of the stipend program.
3. Committee member attends meetings in person (or remotely, if necessary, for meetings that have a hybrid option) on the scheduled meeting date and their attendance is captured by the liaison or Division Coordinator onto the **Advisory Committees Attendance Sheet**. A good faith effort to attend the entirety of the meeting is necessary to be eligible to receive a stipend. Committee members are expected to be present within 5 minutes of the meeting start and remain until at least 5 minutes before the meeting concludes, with a minimum of a 1 hour scheduled meeting. The Division Coordinator has discretion in enforcement of this requirement.

### B. Maximum amount of meeting stipend

A maximum of \$50 stipend is possible for each eligible meeting attended and verified by TriMet Division Coordinator (i.e., \$50 stipend possible per 1-hr meeting depending on eligibility).

### C. Frequency of stipend disbursement

Accounts Payable will process stipend disbursements quarterly. Public Affairs is responsible for completing non-standard payment request form to AP and related supporting documentation (participation logs, etc). Payments to committee members will be paid within 30 days after receipt of accurate forms from Public Affairs.

Anticipated stipend payment periods to eligible committee members are:

- June 30
- Sept 30
- Dec 31
- March 30

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Cutoff Date	Payment request due to A/P from Division Coordinator: Two (2) weeks from cutoff date	A/P processing: 30 days from Division Coordinator request
June 30	July 13	Aug 12
Sep 30	Oct 14	Nov 13
Dec 31	Jan 14	Feb 13
Mar 30	Apr 14	May 13

### D. Procedure

Approximately three weeks before disbursement of stipends, the Division Coordinator reviews eligibility, attendance records and opt-in forms with the Community Affairs and Engagement Director. The number and amounts of stipends is determined and the Stipends for Payment Report is signed and attached to the non-standard payment request form to trigger payment.

Accounts payable receives the request through the non-standard payment request procedure and payments are sent through ACH, or if a member is unbanked, a check can be cut and mailed to the address submitted in TriP\$. Checks will not be hand-delivered. TriMet is not responsible for lost or misdirected mail and will not reissue a stipend check.

### VIII. Grant Funded Disbursements

If a restricted resource such as a grant allows for stipends, the following criteria in addition to any criteria or restrictions noted in the grant agreement/award must be met:

- A. The stipend payment must be allowable by the stated terms and conditions of the specific grant.
- B. The Division's Coordinator over the grant program must maintain a stipend Disbursement Log and Reconciliation for tax reporting purposes, as described earlier in this policy.