

Summary Brief: State Government Racial Equity Policy & Budget Framework Recommendations



Prepared for The Public Health Institute's State of Equity by
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June 2023

Recommendations Summary

"Power without love is reckless and abusive, and love without power is sentimental and anemic. Power at its best is love implementing the demands of justice, and justice at its best is power correcting everything that stands against love." -Dr. Martin Luther King, Jr.
Recommendations

The State of California shall:

1. Require a Racial Equity Budget Tool as part of an enhanced state government budget process. Budget proposals should align with established state- and department-defined racial equity and reparations goals and application of a Racial Equity Budget Tool, which is a requirement of the state budget process. Each state-level agency needs training and support to apply a Racial Equity Budget Tool. Racially equitable budget proposals should be assessed and analyzed with robust feedback by Department of Finance fiscal analysts and racial equity practitioners using reparations and racial equity lensing.

¹ The author conducted this study as part of the program of professional education at the Goldman School of Public Policy, University of California at Berkeley. This summary brief is excerpted from a paper submitted in partial fulfillment of the course requirements for the Master of Public Policy degree. The judgments and conclusions are solely those of the author, and are not necessarily endorsed by the Goldman School of Public Policy, by the University of California or by any other agency.

2. Establish a resourced, dedicated, permanent Racial Equity Office with a mission of coordinating efforts, building capacity, and ensuring continuity, accountability, and sustainability across all of state government². In order for the state government to function in alignment with racial equity and reparations values and produce racially equitable outcomes, State of California employees must develop racial equity and reparations capacity and competency in areas including racially equitable, reparative budget and policy development, implementation, and decision making. The Office should provide guidance and leadership to state entities on promising practices and strategies.

Community organizations have advocated for racial equity changes to California's State Government priorities, practices, and policies for decades. In September, 2022, Governor Gavin Newsom took a step in this direction by signing [Executive Order N 16 22](#) (EO). The EO directs *all state agencies* to pursue institutional transformation to advance racial equity, including development of data and analysis tools, changes to policies, budgets, and programs to address disparities, and enhanced community engagement and input. Two of the mandates are addressed in this report. First the EO requires the Department of Finance (DoF) to embed racial equity into the state budget process, and second, it requires the Office Planning and Research (OPR) to develop California's State Government Racial Equity Framework.

These research findings are designed to inform California's Racial Equity Commission. They focus on **implementing promising practices to operationalize and affect distributional and procedural equity, and create processes that are sustainable, accountable, and measurable.**

The EO has the potential to significantly improve racial equity outcomes for Californians, and the level of impact will depend upon how the order is implemented. If properly designed and implemented, the Governor's directives could promote racial equity in state government hiring, for example, or foster racial equity in state government service delivery. Unfortunately these salutary outcomes are far from guaranteed. In practice, "embedding racial equity into the state processes" could mean "window dressing" without key success factors. Meaningful transformation will require a robust process for racial equity lensing, analysis, and decision-making, as well as a significant focus on building the capacity of government employees to do this work. An example of implementation with little hope for meaningful transformation would be the distribution of non-binding guidelines, or a requirement that agencies fill out a short form about

² For more recommendations on establishing a statewide office of equity, read the [2020 Policy Memo – Advancing Racial Equity in State Government. A Strategic Analysis of Recommendations to Institutionalize Racial Equity in California State Government](#) by Hye Sun Kim.

racial equity, without effective resources to support training for staff or robust review of submissions and subsequent prioritization of equity-resulting proposals.

Methodology

A wide range of stakeholders both inside and outside of government informed this research, which included a national scan of budget equity approaches. From January 2023 – May 2023, 21 jurisdictional interviews (cities, counties, states, and countries), 29 Racial Equity Frameworks/Budget Tools, and key informant interviews (California government stakeholders, racial equity experts) were conducted and informed the recommendations.³

Key Informants included representatives from the following organizations:

Greenlining Institute, Bay Area Regional Health Inequities Initiative, O&G Racial Equity Collaborative, Race Forward, Budget Power Project, Public Health Institute, City of Oakland, NextGen Policy, Washington DC, City of Marin, California Department of Finance, SF Human Rights Commission, City of Seattle, The Office of Governor Gavin Newsom, California Strategic Growth Council, California Department of Public Health, Santa Clara County, Michigan Governor's Office, Governor's Office of Planning and Research, City of Nashville, Othering & Belonging Institute.

Racial Equity Action Plans, Tools & Toolkits, Frameworks, and Impact Assessments

Among the many approaches to racial equity transformation, there are **action plans**, **strategies**, **tools**, **toolkits**, **impact assessments** and **frameworks**. These can be used to organize governmental priorities for budget, program, policy analysis, and equity goal-setting. The terms are often used interchangeably but they are distinct.

Action Plans - Regardless of jurisdictional structure, action plans set out broad, entity-wide goals and values, situate the government entities and the general public to the commitments, and may or may not outline action steps forward to varying degrees.

Tools & Toolkits - These tend to be documents from ~2-16 pages used at the department level. They are utilized by fiscal and state agency staff, and, most

³ See Appendix III in the full research report for Comparative Analysis Data

often, by racial equity staff/practitioners as evaluation tools for department policy and budget proposals. These tend to be documents that include questions, criteria, matrices, or other resources to guide practitioners in applying a racial equity lens as they do their work.

Frameworks & Impact Assessments - These are similar to tools & toolkits.

For the purpose of this report, frameworks are tools, toolkits, and assessments.

In interviews, the following organizations (listed below) agreed that frameworks are a critical piece of structure and systems change, and should be used simultaneously with continuous racial equity education and training.

- [Government Alliance on Race & Equity](#)
- [O&G Racial Equity Collaborative](#)
- [Equity and Results, LLC](#)
- [Public Health Institute](#)
- [Race Forward](#)
- [Annie E. Casey Foundation](#)
- [The People's Institute for Survival and Beyond](#)
- [CCORE](#) and [State of Equity](#)

Founded in 2010, State of Equity bring “health, racial equity, and environmental sustainability to the forefront of public institutions in California.” It does this largely through its hallmark program California Collaborative on Racial Equity (CCORE), which builds racial equity capacity with over 50 California entities and more than 500 employees. CCORE is a partnership with GARE and the Strategic Growth Council, and is situated as a leading racial equity educator and capacity builder for California's state government entities.

GARE, Race Forward, and the Annie E. Casey Foundation developed the following foundational characteristics of racial equity frameworks implemented by most jurisdictions studied in the United States:⁴

Visualize

- **Lead with values** developing a shared vision of change.
- **Communities of color lead the way**, guiding visions and values.
- **Championing the values of equity, justice, and participation.**
- **All public servants are able to articulate what racial equity would look like in their sphere of work.**

⁴ Anja Rudiger, Ph.D. “Advancing Racial Equity- A Framework for Federal Agencies.” Race Forward. February 2, 2022. <https://www.raceforward.org/practice/tools/advancing-racial-equity-framework-federal-agencies>.

Normalize

- **Use frameworks** so that staff develop and implement a shared understanding of individual, institutional, and systemic racism, government role.
- **Operate with urgency and accountability:** create clear action plans with built-in institutional accountability mechanisms.

Organize

- **Build organizational capacity:** build infrastructure that creates racial equity experts and teams throughout local and regional government.
- **Partner with other institutions and communities:** The work of government on racial equity is necessary but not sufficient. To achieve racial equity, the government must work in partnership with communities and other institutions to achieve meaningful results.

Operationalize

- **Implement racial equity tools:** Racial inequities are neither natural nor random—they have been created and sustained over time. Inequities will not disappear on their own; tools must be used to change the policies, programs, and practices that perpetuate inequities. Using this “Focusing on Racial Equity Results,” along with other tools, such as our Racial Equity Tool, will help us to achieve better results within our communities.
- **Be data-driven:** Measurement must take place at two levels— first, to measure the success of specific programmatic and policy changes, and second, to develop baselines, set goals, and measure progress towards goals. It is critical that jurisdictions use data in this manner for accountability.

Executive Order N 16 22

[EO N 16 22](#), a momentous accomplishment for the state of California, is an important step for racial equity government transformation. this EO includes key equity-focused mandates at critical government intervention points. This author’s recommendations respond to the following summarized mandates:

- All state agencies make necessary plans and changes within their purview to advance equity and address disparities with the inclusion of impacted community input and data tools
- California Human Resources develop and analyze disaggregated workforce data
- All state agencies increase access to Infrastructure Investments and Jobs Act funds small and disadvantaged businesses
- Office of Data and Innovation develop data equity standards for disaggregation and analysis, and assist in agency equity practices
- Office of Planning and Research to form a Racial Equity Commission that will develop statewide racial equity framework

Reparation: Reckoning with California's Historical Legacy

*"Reparations for slavery and colonialism entail moral, economic, political and legal responsibilities."*⁵

- United Nations Special Rapporteur on contemporary forms of racism, racial discrimination, xenophobia and racial intolerance

"Equality" is providing everyone the same, equal treatment. By contrast, "equity" creates paths to equal outcomes by recognizing that some people and communities have unequal starting points driven by different histories, historical treatment, circumstances, strengths, and needs. Through an equity approach, actions, policies, programs and procedures are shaped to address unequal starting points and drive equal outcomes so all Californians may reach their full potential."

*- Office of Governor Newsom, Internal Equity Memo*⁶

The state of California remains a settler colonial society with a long history of racial discrimination and violence. California entities govern land that was formerly Mexico and, before that, stewarded for thousands of years by hundreds of thousands of indigenous people who were then devastated by colonial practices and genocide. The State of California government is particularly responsible for political and social harms that disproportionately negatively burdened Indigenous, Mexican, Black, Chinese, and Japanese, and Immigrant communities who are the recipients of state violence, austerity, disinvestment, and uneven access. Therefore it is absolutely essential that any and all efforts to advance racial equity include a reparations lens.

Racial Equity transformations in governments around the world are rooted in redressing past and present harms originating in slavery and colonialism; they are fundamentally *reparations* processes that include justice and accountability for historic harm, as well as eradicating persisting structures of racial inequality, subordination and discrimination constructed under slavery and colonialism depriving People of Color of their fundamental human rights. Slavery and colonialism were codified, protected by the Constitution, and robbed Black, Indigenous, People of Color of equal protection before the law on the basis of their race.⁷ California's Reparations Task Force is set to publish

⁵ "A/74/321." United Nations General Assembly. <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N19/259/38/PDF/N1925938.pdf?OpenElement>.

⁶ See Appendix II.

⁷ "A/74/321." United Nations General Assembly. <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N19/259/38/PDF/N1925938.pdf?OpenElement>.

final recommendations in 2023 which can inform a reparations lens to future racial equity frameworks and budget analysis.

Actualizing Racial Equity is Budgetary

*On Reparations: "It is critical that we compensate, but not just compensate. We also need to evaluate policy that continues to hold us back." - Monica Montgomery Steppe, Reparations Task Force*⁸

Many State of California department leaders and staff care deeply about racial equity, yet lack sufficient context and tools for developing racially equitable outcomes in their daily operations. As the State of California prepares to receive the recommendations from the AB 3121 Reparations Task Force, there is a need for staff across all entities to understand and prepare to implement budget & policy action from a reparations lens. They need racial equity education on individual and structural racism and biases, understanding of the role of state entities to shape outcomes even in the presence of race-neutral policy, and standardized tools for making substantive changes to programs and policies including fiscal proposal development.

Before a budget concept even reaches the Department of Finance's Budget Change Proposal phase, it passes through multiple layers of assessment and prioritization at the department level. These early stages pose an opportunity to implement learning, technical assistance, and prioritization of equity. In these early stages, all parties need racial equity and reparations lenses and tools for assessing equitable priorities and outcomes.

Nearly 200 fiscal analysts evaluate budget proposals that make their way to the Department of Finance. These analysts are responsible for determining fiscal feasibility and necessity. They have not received training or tools to apply an equity lens – for example they don't have standardized approaches to determine who will benefit and who will be burdened by each proposal. Furthermore, they don't have the skills or staffing capacity to provide guidance to the departments they work with on racially equitable budget proposals.

Legislators approve or deny budgets at the highest level, making determinations influenced by budget and political climates. These actors similarly lack learning and tools to apply racial equity principles and priorities to fiscal approval processes. In interviews with racial equity practitioners, some suggest that legislators themselves lack

⁸ Wendy Fry. "California reparations task force to recommend 'down payments' for slavery, racism." M1, 2023. <https://calmatters.org/california-divide/2023/05/reparations-payments-california/>.

trauma-informed, racial equity training to appropriately engage with highly challenging governance decisions.

“An equitable budget is not necessarily one that provides equal funding--equity and equality are different. Rather, think about making sure outcomes are fair. Do whatever it takes--put whatever resources are needed--to see those outcomes. Greater investments will need to flow to particular places or groups.” -Wendy Ake, Othering & Belonging Institute

*“Racial equity focuses on race extensively but not exclusively. In other words, the racial equity lens provides venues for dismantling a system of advantage based on race in efforts to assess the intersection points that shape the social condition and experiences of marginalized groups.”
-Michigan Racial Equity Toolkit*

*“When we ignore the challenges faced by the most vulnerable among us, those challenges, magnified many times over, become a drag on economic growth, prosperity, and national well-being.”
-Angela Glover-Blackwell, PolicyLink*

Policies that facilitated slavery, racial capitalism, political exclusion, Jim Crow racism, housing discrimination, and the prison industrial complex systematically restricted and extracted wealth from BIPOC communities and limited opportunities. These policies simultaneously privileged whiteness and generated prosperity for many white Americans at the expense of others. Actualizing racial equity generates health and wellbeing for all by analyzing present needs originating in disproportionate racial harm by the state, and targeting provisions and programs to lift everyone up. Centering racial equity in budget practices explicitly prioritizes communities most negatively harmed by government policies.

Findings: Existing Infrastructure for Racial Equity

Offices of Racial Equity in California

California has seen a proliferation of government positions and offices to advance equity, some with an explicit focus on institutional and structural racism. The following is a list of jurisdictions already forwarding racial equity through permanent government structural change.

[California Department of Public Health](#)

[California Department of Transportation](#)

[San Diego County](#)

[Orange County Healthcare Agency](#)

[Marin County](#)

[City of Oakland](#)

[City of Long Beach](#)

[Ventura County](#)

[San Francisco](#)

[City of Albany](#)

[Santa Clara County](#)

[City of Los Angeles](#)

[Orange County Healthcare Agency](#)

[San Mateo County](#)

[City of Sacramento](#)

[Redwood City](#)

[Sonoma County](#)

[City of Fremont](#)

State of CA Entities with Public Racial Equity Action Plans

In the last few years, several California state departments have developed Racial Equity Action Plans, resulting from participation in the [Capitol Collaborative for Racial Equity](#). Many of them are internal documents, or still works-in-progress, but five California agencies have published their Racial Equity Action Plans publicly:

- [California Department of Water Resources Racial Equity Action Plan 2022](#)
- [California's Strategic Growth Council Racial Equity Action Plan \(2019-2022\)](#)
- [California Environmental Protection Agency Plan of Action for Racial Equity](#)
- [California Water Board's Racial Equity Initiative](#)
- [California Department of Transportation Race & Equity Action Plan](#)

Examples from Oregon, Michigan, and Washington

The State of Oregon has a statewide [Diversity, Equity, and Inclusion Action Plan](#) with a policy framework, and the Oregon State Department of Revenue (DoR) developed its own [Racial Equity Plan](#).

In 2019, Michigan Governor Gretchen Whitmer released [Executive Directive 2019 09](#) on racial equity. The directive cites previous civil rights precedent for protections against discrimination based on sexuality and gender. The 2021 [Racial Equity Toolkit](#) developed in part by the Michigan Department of Civil Rights is a comprehensive map providing clear avenues for statewide racial equity work.

The State of Washington [Office of Racial Equity](#) was established by Governor Inslee's [Executive Order 22-20](#).

California Equity Policy

On September 30, 2020 the Reparations Task Force of California, AB 3121, was created to address and recommend avenues for economic restoration to communities

impacted by the ongoing effects of systems of enslavement perpetrated by the United States Government. In 2022, the Task Force released [preliminary recommendations](#) “requiring the Administration to include comprehensive racial impact analysis for all budget proposals and proposed regulations,” and “require legislative policy committees to conduct racial impact analyses of all proposed legislation and require the Administration to include a comprehensive racial impact analysis for all budget proposals and proposed regulations.”

In 2020, California-based advocacy groups including NextGen Policy, Advancement Project, and Greenlining Institute worked to legislate a “Racial Equity Commission” with [SB 17](#). While SB 17 didn’t pass, Governor Gavin Newsom subsequently signed executive order [EO N 16 22](#), outlining broad mandates to state entities to address equity, adopting several policy ideas outlined in the bill.

The Governor’s executive order issues two key mandates:

- 1) The formation of a Racial Equity Commission and subsequent development and implementation of racial equity a framework for budget, policy, and program analysis.
- 2) California’s Department of Finance amendment of guidelines for budget proposals requiring the inclusion of equity impact measures.⁹

In a [confidential, internal equity memo](#) to agency secretaries and department directors that immediately followed, Governor Newsom laid out the “importance of continued focus on equity and of the ability of government to improve opportunity and freedom to advance a California for All.”¹⁰ The memo contains four directives to address inequities across the state described as the results of historic government policy, the pandemic, income inequality, and racial injustice. Within the memo are the following requirements.

“REQUIREMENTS:

- 1) State Budget. The Department of Finance will embed equity within the state budget process through the Budget Change Proposal template. Beginning this year, State agencies and departments will be required to complete an equity analysis in their requests for new resources, as applicable.
- 2) Action Plans for 2023 Priorities. To advance the mission of all State agencies and departments, all organizations are directed to identify 3-5 top priorities for 2023 and the action plan to embed equity in those priorities with a framework involving demographic

⁹ Department of Finance. <https://dof.ca.gov/wp-content/uploads/budget/budget-letters/Revised-DF-46-BCP-Instructions.pdf>.

¹⁰ See Appendix IV for Memo

and geographic gaps, data tools, community engagement and initiatives. Please see Appendix A for the Action Plan Template and Appendix B for the instructions.¹¹

3) Governor's Office Agency Meetings. Agencies are directed to participate in Governor's Office (GO) convened meetings on the following topics. Many of these are existing meetings where equity will be newly included in the recurring agenda. These meetings, also known as "communities of practice", are working groups to support knowledge sharing and best practices for advancing 2023 action plans and any additional equity efforts.

- Policy & Program Actions • Operations • Civil Rights • Public Engagement • Public Awareness • Media Communications • Government-to-Government with Tribal Governments

4) Agency-Department Meetings. Agencies are directed to form their own Agency-level working groups or "communities of practice" with their Boards, Departments and Offices, by embedding equity in existing and new convenings that lead Agency-wide policies and programs, engagement, and operations, by December 2022. This information should also be captured on the Action Plan Template.

Necessary Components of Racial Equity Government Frameworks

The interviews for this project yielded many necessary components and success factors for advancing effective racial equity work.

Budgeting For Racial Equity

Key Takeaways from Interviews:

- Fiscal office culture contributes to inequities
 - Status quo bias
 - Number-centric vs Human impact-centric
- Begins in State Department daily practice and goal-setting
- Racial Equity learning and analysis must be applied at all levels, multiple intervention points
 - Department fiscal policy development stages
 - Department of Finance fiscal policy development stages
 - Legislative fiscal policy processes

"One of the culture changes that affects policy change is recognizing fiscal offices are policy offices. When analyzing and responding to legislators, you can't say "if you make X cuts you'll save X amount of dollars next year if you do X." Culture change is saying,

¹¹ <https://govca.app.box.com/s/ynhk4yeebfslekxf4im418js3p9b5ijz>.

“if you make X cuts, you won’t serve 100,000 children in the state and X percent is BIPOC children.” - Budget Power Project

“Equity isn’t just a vision or an outcome: equity is a process that runs through the everyday work of individuals, organizations, and governments. That means that everything we do and how we do it can support or undermine equity.” -Prevention Institute

Racial Equity Practitioners

Key Takeaways from Interviews:

- Capacity building is constant, iterative, and often
- Coordination and meetings move racial equity forward and expand it
- Dedicated Racial Equity staff and resources are required
- Racial Equity staff lead government racial equity work

“If there’s no Office of Racial Equity, and no budget appropriation, that means there’s little accountability about what has to happen every year.”

And:

“Current department staff already have full time jobs and they do not have time to do this work.”

-Poppy Hernandez, Michigan Chief Equity & Inclusion Officer

Racial Equity Practitioners are particularly equipped to develop strategies tailored to the individual, systemic, and institutional level transformation in governance with knowledge and understanding of established praxis. They are equipped to possess and develop statewide cultural and racial equity competencies. Without specialized expertise in racial equity and diversity equity and inclusion, California state employees are less likely to unlearn lifetimes of explicit and implicit racism and bias.

Key Functional Attributes of Racial Equity Practitioners:

- Accountability *to and for* departments *and* leadership
- Coordination of learning and application processes and guidance in daily operations
- Evaluation of staff *and* processes in compassionate approaches of analysis and reporting
- Technical assistance to program, policy, and budget processes through racial equity and reparations lensing
- Conduct bridging between the rich and broad diversity of individual experience that staff bring to government agencies and between staff and government work

The position of racial equity infrastructure varies based on organizational structure and approach. For example in Nashville, Tennessee, The Office of Diversity, Equity and Inclusion is positioned *within* the city/county's Office of Management and Budget, its fiscal analysis body. From that position, it is responsible for citywide capacity building, technical assistance, budget proposal evaluation and feedback, and work, in their words, "in complete alignment" with the OMB. Other jurisdictions position racial equity entities in stand-alone agencies that function similarly to the Nashville model and work in tandem with fiscal offices and staff.

In Washington and Michigan states, dedicated racial equity staff are responsible for the planning, development, and completion of racial equity state level work. Chief Equity & Inclusion Officer for Michigan, Poppy Hernandez, reports that after years of attempts to legislate budget appropriation for a state Office of Equity & Inclusion, the coming session may finally deliver. But in the meantime, she and Michigan's Racial Equity Officers and Practitioners lead structured practices across the state's entities building out employee capacity.

Washington State [legislated](#) its Office of Equity in 2022, stating "Equity requires developing, strengthening, and supporting policies and procedures that distribute and prioritize resources to those who have been historically and currently marginalized, including tribes." The legislation acknowledges that equitable governance requires a dedicated, resourced, state level body to affect the kind of change required to produce equitable outcomes.

Racial Equity Lensing

Developing racial equity competency at the individual, institutional and structural level is the mechanism for culture change *and* effective budget, policy, and program analyses in government. Equity lensing is an action of analysis, reflection, and application developed through learning about racial equity, racism, bias, and governments' historic role as creator and regenerator of inequities and the application of tools to make necessary changes to create racial equity.

Equity lensing lends to creating a consensus of understanding of key racial equity histories, policies, impacts and remedies. Equity lensing is a competency that staff engage in while working through program and policy development and proposals. This is both a capacity and behavior of visioning, that includes creative imagination, empathy, and integrated data and evidence to inform the process of government decision-making.

Applying A Reparations Lens

“Anyone that’s managed to have accumulated wealth in this country has benefited from racist systems.”

*- Kate Poole, Co-author of “Investing With a Reparations Lens”
And*

“Corporations and individuals built wealth by extracting wealth from their workers, the environment, and the community. Investing with a reparations lens means repairing the harm of this extraction. It means shifting away from transactional investments aimed at short-term monetary returns, and building long-term relationships with our communities, understanding what makes our communities thrive, and dedicating patient capital to the projects and enterprises that advance equity and redistribute wealth”

- Sophia Leswing, Sustainable Economies Law Center

A Reparations Lens is the application of reparations framing; a way of viewing, analyzing, assigning and accepting responsibility for, and repairing past injustices and systemic and institutional harms to Black, Indigenous, Latinx, Chinese, Japanese, People with Disabilities, and Trans-Queer communities. Applying a Reparations Lens to government policy, program, and budget processes requires the State Government at all levels taking responsibility for past social, political, and economic harms, displacement, theft, violence, and abandonment conducted against any marginalized and impacted groups. The Reparation Lens seeks to effectively repair harm through economic, social, political, and health modes to restore negatively impacted groups to whole citizenship and opportunity.

Community Relationship and Inclusion

Building process-oriented relationships with impacted communities, is an efficient and effective way to value and center input from populations with lived expertise and when focused on California's budget decisions, may generate fiscal efficiency overall.¹²

There are flourishing approaches today in California and across the country of responsive, inclusive, and empowering budget and policy processes. The [California Budget and Policy Center](#) has recently released the [Budget Power Project](#) that will support California's abundant community-based organizations at the local and regional level to engage with budget advocacy and organizing. [Participatory Budgeting](#) is a growing governance equity mechanism wherein community members

¹²“Racial Equity and Inclusion Framework.” Annie E. Casey Foundation.

https://www.aecf.org/resources/race-equity-and-inclusion-action-guide?gclid=Cj0KCQiAofieBhDXARIsAHTTIdq_g7dFqGK16kbg6RFfw7HKwJETo4sSdISiCQtBwDZt06M_kZCRAMaAuKsEALw_wcB. 26

decide how to spend part of a public budget “giving people real power over real money.”

“People in historically underserved communities gain power from being stakeholders and decision makers in the budget process.”

And:

“What’s been most effective in building coalitions (in Marin) is direct recruitment; doing outreach with the County Human Rights Commission, faith based organizations and with supervisors offices’ aids to recruit members of the community that represent the community [into these processes].”

- Marin County Gary Besser, Budget, Policy & Equity Analyst

Community Partnership Success Strategies

- **Power is mapped and analyzed transparently with communities**
- **Power is shared with communities**
- **Communities are involved in budget values-setting and decision making**
- **Communities are be included from the beginning of the policy processes, informing**
- **department level visions, goals and priorities**

Examples from jurisdictions

Portland, Oregon

- Department leadership has public conversations with community
- Community members participate in budget committee and budget priority-setting

Canada

- Allocated 45 million dollars in budget specifically addressing community input and requests
- Has taken more than 500 community recommendations for infrastructure, public safety and justice to inform cabinet level proposals and policies
- Cultural Liaison Roles: building capacity, coaching departments, working with communities to develop their voices

Fairfax, VA

- Work with communities in an honest and transparent manner, considering and respecting history, culture and trauma

This summary brief is part of a series, access the related full report and slide deck at <https://stateofequity.phl.org/>

- Develop data-driven processes – Equip staff and residents to utilize data to inform all aspects of the engagement process.
- Establish clear expectations – Develop clear and transparent processes to achieve expected outcomes for the community. Identify appropriate roles and responsibilities

Appendices

Appendix I.

[State of Oregon Racial Equity Toolkit \(2021\)](#) - Racial Equity Budget Impact Statement Worksheet

Appendix II.

[Internal California Agency Memo](#)



OFFICE OF THE GOVERNOR

MEMORANDUM

Date: August 18, 2022

To: Agency Secretaries and Department Directors

From: Ana Matosantos, Cabinet Secretary
Office of Governor Gavin Newsom

Subject: [ACTION REQUIRED] Embedding Equity – **CONFIDENTIAL**

Dear Agency Secretaries and Department Directors,

Together, at the Governor's direction, we have developed important initiatives and investment to advance justice, celebrate diversity, and improve well-being by taking intentional steps to reduce disparities in access and outcomes - including expanding access to health coverage, establishing universal Pre-K, improving access to parks for all, and much more. The pandemic, persistent income inequality, and acts of racial injustice greatly underscore the importance of our continued focus on equity and of the ability of government to improve opportunity and freedom to advance a California for All.

California for All means working to support every Californian's opportunity to achieve a better life, regardless of where they start out. Life outcomes should not be predicted by zip codes or demographics.

Advancing equity supports equal outcomes and shared prosperity so all Californians may lead healthy and thriving lives. Additionally, equity supports the administration's ability to successfully serve all Californians, by ensuring no Californian is left behind.

"Equality" is providing everyone the same, equal treatment. By contrast, "equity" creates paths to equal outcomes by recognizing that some people and communities have unequal starting points driven by different histories, historical treatment, circumstances, strengths, and needs. Through an equity approach, actions, policies, programs and procedures are shaped to address unequal starting points and drive equal outcomes so all Californians may reach their full potential.

Across the administration, important efforts to advance equity through strategic priorities and operations are well under way. However, to strengthen our public service to all Californians, we must ensure equity is an *ongoing* core function by embedding it in our actions, policies, programs and procedures. This requires analysis of demographic and geographic gaps, data tools, community engagement and initiatives that address disparities in communities who have been excluded, underserved and marginalized.

This memorandum directs all State agencies and departments to implement the following actions, within the specified time frame. This is an important step towards embedding equity that will be accompanied by additional efforts.

These requirements as outlined are both actionable and achievable for state entities to implement and do not require additional funding via Budget Change Proposals. To achieve recent and significant equity commitments, we must be judicious about requests for new resources. For the below actions, I encourage you to review existing actions, policies, programs, and procedures that may be addressed with current resources. Priorities that require future resources will be assessed through the annual budget process.

REQUIREMENTS:

- 1) **State Budget.** The Department of Finance will embed equity within the state budget process through the Budget Change Proposal template. Beginning this year, State agencies and departments will be required to complete an equity analysis in their requests for new resources, as applicable.
- 2) **Action Plans for 2023 Priorities.** To advance the mission of all State agencies and departments, all organizations are directed to identify 3-5 top priorities for 2023 and the action plan to embed equity in those priorities with a framework involving demographic and geographic gaps, data tools, community engagement and initiatives. Please see *Appendix A* for the Action Plan Template and *Appendix B* for the instructions.
- 3) **Governor's Office Agency Meetings.** Agencies are directed to participate in Governor's Office (GO) convened meetings on the following topics. Many of these are existing meetings where equity will be newly included in the recurring agenda. These meetings, also known as "communities of practice", are working groups to support knowledge sharing and best practices for advancing 2023 action plans and any additional equity efforts. Please see *Appendix C* for information regarding the cadence and participation for these meetings.
 - Policy & Program Actions
 - Operations
 - Civil Rights
 - Public Engagement
 - Public Awareness
 - Media Communications
 - Government-to-Government with Tribal Governments

Agency Secretaries and Department Directors

August 19, 2022

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- 4) **Agency-Department Meetings.** Agencies are directed to form their own Agency-level working groups or "communities of practice" with their Boards, Departments and Offices, by embedding equity in existing and new convenings that lead Agency-wide policies and programs, engagement, and operations, by December 2022. This information should also be captured on the Action Plan Template.

Thank you in advance for your partnership and collaboration to continue building towards a California for All.



Ana Matosantos
Cabinet Secretary

APPENDIX A – Action Plan Template

See: <https://govca.box.com/s/ynhk4yeebfslekxf4im418js3p9b5ijz>

APPENDIX B – Action Plan Template Instructions

Background: Below are instructions for developing the 2023 action plan in the provided template (*Appendix A*). Agencies are asked to consult their Deputy Cabinet Secretary in the GO and shall submit action plans to them by October 31, 2022.

ACTION PLAN SECTIONS:

- A. **Organizational Priorities for 2023:** Each Agency and Department should identify their 3-5 top organizational priorities, with at least one internal operations priority, for 2023. Internal operations priorities on hiring or procurement should be coordinated with the Government Operations Agency (GovOps).
- B. **Equity Gap/Opportunity:** *Within those organizational priorities, please list gaps for demographic or geographic groups and opportunities to address.*
- C. **Data-Driven Goals:**
 - a. Please provide key data-driven targets that the Agency will use to measure progress and gaps.
 - b. Please provide key data metrics, sources, or tools that the Agency can use to track progress (or identify data challenges and plans to address)
- D. **Engagement Practices:** Please list public engagement activities that will inform and assist the organization in pursuing the priority with equity embedded – specifically:
 - a. Community Based Organization & Local Leader Partnerships Activities, aligned with demographic and geographic gaps and opportunities (in B)
 - b. Ethnic and Multilingual Media Outreach Activities
 - c. Government-to-Government Engagement with Tribal Organizations
- E. **Policy and Program Initiatives:** Please list the primary policy and program initiatives that will advance the priority and address equity opportunities and gaps. These can be current or planned (if planned, please indicate launch date) and can cross multiple areas.
- F. **Internal Agency/Department/Office-Level “Communities of Practice”:** Please provide information regarding the organization's workgroup(s) leading the work outlined in the Action Plan for 2023 with Equity Embedded. This can be an existing or a new meeting. These are separate from the GO-Agency meetings.
 - a. Community of Practice or Work Group Name:
 - b. Lead Name & Title:
 - c. Team Members:

TERMS:

Community of Practice: A community of practice (or workgroup) is a group that comes together to coordinate organizational activities included in the Action Plans to Embed Equity, drive continuous learning and improvement for the group and organization around embedding equity, and achieve the process and outcome goals in their scope. This could be an existing or new meeting.

Data-Driven Goal: A goal or target that is based on data analysis and interpretation and that can be measured.

Government-to-Government Engagement with Tribal Governments: State organization engagement with Tribal governments including, but not limited to, formal consultation.

APPENDIX C – Instructions for Equity Working Groups/ "Communities of Practice"

Below is information regarding the peer to peer "communities of practice" for Agency participation. Agencies are directed to participate in the following meetings, convened from October 2022 through December 2023 to support knowledge sharing and best practices in advancing their 2023 action plans and other equity efforts.

- **Policy & Program Actions** – This agenda will be integrated into the monthly meetings with Undersecretaries convened by the Chief Deputy Cabinet Secretaries.
 - The agenda will focus on the implementation of 2023 action plans and the development of strategic plans.
- **Operations** – This will be a new meeting convened by the GO Deputy Cabinet Secretary and co-chaired by the GovOps Chief Equity Officer, and GovOps Undersecretary. Participants should include the Department of Human Resources, the Department of General Services, and the appropriate Agency staff.
 - The agenda will focus on equity in state workforce and procurement, as well as data.
- **Civil Rights** – This will be a new meeting convened by the GO Deputy Cabinet Secretary and chaired by the Business, Consumer Services and Housing Agency designee. Participants should include Agency and Department Civil Rights officers.
 - The agenda will focus on increasing public access to civil rights.
- **Public Engagement** – This agenda will be integrated into the current GO External Affairs, with Agency External Affairs leads.
- **Public Awareness** – This will be a new meeting convened by the Governor's Office Senior Advisor for Civic Engagement and Strategic Partnerships and co-chaired by the new Office of Community Partnerships & Strategic Communications. The agenda will focus on public awareness, education and outreach efforts.
- **Media Communications** – The agenda will focus on increasing press outreach with multilingual and ethnic media, as well as media opportunities to highlight actions driving equity and opportunity for all Californians. More information on meeting details will be forthcoming in the next few weeks.
- **Government-to-Government with Tribal Governments** – This agenda will be integrated into the existing quarterly meeting held by the Secretary of Tribal Affairs with Agency and Department Tribal Liaisons.

Note: GO Legal is planning to provide an overview of relevant federal and state constitutional requirements for undersecretaries and Agency counsel.