

# Memorandum

To: Honorable Betty T. Yee, Chairwoman  
Honorable Bill Leonard  
Honorable Michelle Steel  
Honorable Jerome E. Horton  
Honorable John Chiang

Date: September 22, 2009

From: Anita Gore, Deputy Director  
External Affairs Department

Subject: **Report on In-Person Seminars and Online Educational and Learning Products  
October 6, 2009 - Customer Service and Administrative Efficiency Committee**

This memo is to provide you with the information you requested regarding the Board of Equalization (BOE) in-person seminars and options of transitioning to online seminars. Specifically, we were asked to report back on the most common BOE seminars, costs, transition plan options, and a marketing plan for the online seminars.

## **In-Person Seminars**

Currently the BOE provides the following in-person seminars:

- Small Business Fairs
- Tax Seminars for Nonprofit and Exempt Organizations
- Women Financial Literacy Seminars
- Women Entrepreneur Seminars
- Restaurant Seminars
- Jewelry Industry Seminars
- Domestic Partnership Seminars

The Small Business Fairs and the Tax Seminars for Nonprofit and Exempt Organizations are the two most common of the group. Last fiscal year, the BOE had nine Small Business Fairs and ten Nonprofit Seminars. Total attendance for the nineteen events was 3,410. The approximate number of Sales and Use taxpayers registered with the BOE is 860,000.

## **Online Educational and Learning Products**

The BOE currently has four online seminars with the following number of page views from April 2009 through July 2009. The seminars are also available on DVD and CD.

- Basic Sales and Use Tax – 4,699
- Property Tax for Nonprofit and Exempt Organizations – 413
- Sales and Use Tax for Nonprofit and Exempt Organizations\*
- eFile Video for Registering as an eClient and Filing an Electronic Sales and Use Tax Return\*  
*\*these tutorials posted to the web after July 2009, no page views numbers available.*

In the last five months, 5,112 people watched the online tutorials.

Outreach Services Division (OSD) is continuing to move forward with the work plan to complete the following nine online learning and educational products by the end of fiscal year 2009/10.

- AB 71 Cigarette Tax Virtual Seminar
- Enhanced Sales and Use Tax Nonprofit Seminar
- How to Request a Seller's Permit
- How to Close Your Seller's Permit
- Restaurant Seminar
- Enhanced Basic Sales and Use Tax Seminar-Audio
- Agricultural Seminar
- Boats and RV Seminar
- Aircraft Seminar

### **Benefits**

The main benefit of in-person seminars is that they serve as a convenient one-stop-shop for taxpayers. All of the seminars include presentations by various state agencies and local community organizations that provide free assistance to help small businesses or nonprofit organizations. In addition, at each of these events there are resources present at exhibit tables, including representatives from agencies that are not included in the class schedule.

Taxpayers benefit from a live question and answer period during each presentation. They are also able to receive in-person assistance throughout the day from all of the agencies and community organizations present. On average, there are 20 exhibitors at the small business fairs, and at the nonprofits seminars there is information available from an average of five community organizations. The seminars provide the taxpayer the convenience of not having to research the services offered, locate each agency, and travel the distance to and from.

The benefits of online educational and learning products include cost savings, convenience for the taxpayer to access 24/7, and fast and efficient way to incorporate and disseminate new information. Online seminars do not offer in-person communication and currently there is not an online one-stop-shop for the taxpayer to get all the information offered at the in-person events.

There may be a select group of taxpayers that may be caught in the "digital divide", either having no access to a computer or internet, or having limited ability to use the online educational products. Free or low cost access to computers and the Internet are available in most communities at libraries, community colleges, chambers, and small business development centers.

### **Costs**

OSD expenditures for small business fairs and nonprofit seminars in fiscal year 2008/09 averaged \$5,409.00 per event. Costs include travel, postage, venue, and equipment rental. Travel, \$918.00, and postage, \$2,976.00, are the two greatest expenditures and make up 72% of the total costs associated with the seminars. The remaining expenditures, \$1,515.00, include the costs of venues and occasional equipment rentals.

The BOE tax programs provide staff to give presentations and in-person assistance at the fairs and seminars. The BOE tax programs' average cost to participate at the events was \$1,580.00. This includes staff time and travel. Staff time associated for these events is diverted from their normal and routine workload.

Other state, local, and federal agencies participate at the fairs and seminars giving presentations and in-person assistance. OSD requested cost information from these agencies. Of those that responded, the average cost of participation was \$3,314.00 per event. The BOE does not have control of these costs.

Attached for your information is a marketing plan and transition plan to online educational and learning products. OSD will immediately begin a significant outreach effort so taxpayers are aware of the online products currently available and those that are planned for the future.

If you need additional information or have any questions, please feel free to contact me.

AG:kh

Attachments

cc: Mr. Alan LoFoso  
Ms. Barbara Alby  
Mr. Lou Barnett  
Ms. Marcy Jo Mandel  
Mr. Ramon J. Hirsig  
Ms. Diane Olson (MIC: 80)  
Ms. Kari Hammond (MIC: 19)

**Board of Equalization  
Small Business Fair and Nonprofit Seminar  
Online Transition Timeline**

The Board of Equalization (BOE) is committed to providing educational opportunities for taxpayers during these difficult economic times. Offering online educational products in addition to in-person seminars may be one such cost-effective solution and provide opportunities for taxpayers to learn about their tax and fee obligations.

Staff was asked to report on the most common BOE sponsored events and develop a transition plan for creating online educational and learning products, virtual events.

The Outreach Services Division (OSD) will take the lead to make the two most common in-person seminars (Small Business Fairs and Nonprofit Seminars) available to taxpayers as online educational and learning products by January 01, 2010.

Online presentations and resource materials offered at the in-person seminars will be organized on the BOE website as a one-stop-shop, resembling the format of the in-person events.

Staff will continue, over time, to enhance the online products, with the goal of creating a more virtual experience, so that the online product more closely represents the in-person experience.

Staff will work closely with the BOE programs and Board Member offices to prioritize projects on the work plan. Staff will also provide Board Members monthly project status updates, including demonstrations of new products.

Attached are the agenda items for Small Business Fair and Nonprofit Seminar events and a timeline for creating a similar educational and learning product online.

**Board of Equalization  
Small Business Fair and Nonprofit Seminar  
Online Transition Timeline**

**Nonprofit Seminar Transition Timeline**

<b>Nonprofit Seminar In-Person Seminar Agenda</b>	<b>Online Educational and Learning Product</b>	<b>Timeline</b>
<b>Welcome and Opening Remarks</b>	Introduction and How to Guide	October 1, 2009 for BOE presentations.  December 30, 2009-updated
<b>Taxpayers' Rights Advocate Office-Board of Equalization</b>	Video presentation w/State Board of Equalization, Taxpayers' Rights Advocate	November 1, 2009
<b>Property Tax Exemptions-Board of Equalization</b>	Virtual Seminar w/Audio and Video Host	Currently Available
<b>Sales and Use Taxes for Nonprofit Organizations- Board of Equalization</b>	Power Point Slides w/Text  Presentation with Audio  Virtual Seminar w/Audio and Video Host	Currently Available  October 30, 2009  June 30, 2010
<b>Compliance for Existing Exempt Organizations-Internal Revenue Service and Franchise Tax Board</b>	Link to online information and/or Power Point presentation	December 01, 2009
<b>Employment Taxes &amp; the Nonprofit Organization- Employment Development Department</b>	Link to online information and/or Power Point presentation	December 01, 2009
<b>Recent Developments in Charity Law-Attorney General's Office</b>	Link to online information and/or Power Point presentation	December 30, 2009
<b>Questions and Answers</b>	An email box will be set up for the taxpayer to send questions. Taxpayers will receive a response within 24-48 hours.	Currently available for the BOE online seminars.  December 30, 2009 for future presentations
<b>Handouts</b>	Links to Publications	Currently available for BOE publications  December 30, 2009 for all other agency publications

**Board of Equalization  
Small Business Fair and Nonprofit Seminar  
Online Transition Timeline**

**Small Business Fair Transition Timeline**

<b>In-Person Small Business Fair Agenda Item</b>	<b>Online Educational and Learning Product</b>	<b>Timeline</b>
<b>Welcome and Opening Remarks</b>	Introduction and How to Guide	October 1, 2009 for BOE presentations.  December 30, 2009-updated
<b>Taxpayers' Rights Advocate Office-Board of Equalization</b>	Video presentation w/State Board of Equalization, Taxpayers' Rights Advocate	November 1, 2009
<b>Expo Exploration/Handouts</b>	Links to publications and to the resource agencies that would normally exhibit at the in-person event.	Currently available for BOE publications.  December 30, 2009 for all other agency publications.

<b>Small Business Fair Track 1 Starting Your Business</b>	<b>Online Educational and Learning Product</b>	<b>Timeline</b>
<b>Developing a Business Plan-Small Business Development Center</b>	Link to online information and/or Power Point presentation	December 30, 2009
<b>Financing Your Business- Small Business Administration</b>	Link to online information and/or Power Point presentation	December 30, 2009
<b>Basic Sales and Use Tax-State Board of Equalization</b>	Power Point w/text  Presentation w/Audio  Virtual Seminar w/Audio and Video Host	October 15, 2009  December 30, 2009  June 30, 2010
<b>State Income Tax and Small Business-Franchise Tax Board</b>	Link to online information and/or Power Point presentation.	December 30, 2009
<b>Succeeding in Home-Based Business-Internal Revenue Service</b>	Link to online educational materials at irs.gov.	December 30, 2009

**Board of Equalization  
Small Business Fair and Nonprofit Seminar  
Online Transition Timeline**

**Small Business Fair Transition Timeline**

<b>Small Business Fair- Track 2 Growing Your Business</b>	<b>Online Educational and Learning Product</b>	<b>Timeline</b>
<b>Marketing Your Business- SCORE</b>	Link to online information and/or Power Point presentation	December 30, 2009
<b>Contracting Opportunities- Department of General Services</b>	Link to online information and/or Power Point presentation	December 30, 2009
<b>Better Business through Better Record Keeping-Internal Revenue Service</b>	Link to online educational materials at irs.gov.	December 30, 2009
<b>Sales and Use Tax: How to Avoid Common Pitfalls-Board of Equalization</b>	Link to online information and/or Power Point presentation. Power Point w/text  Presentation w/Audio  Virtual Seminar w/Audio and Video Host	October 15, 2009   December 30, 2009  June 30, 2010
<b>Employee or Independent Contractor-Employment Development Department</b>	Link to online educational materials at edd.ca.gov.	December 30, 2009
<b>Questions and Answers / In-Person Assistance</b>	An email box will be set up for the taxpayer to send questions. Taxpayers will receive a response within 24-48 hours.	Currently available for the BOE online seminars.  December 30, 2009 for future presentations.

**Board of Equalization**  
**Marketing Plan for Online Learning and Educational Products**

**Background**

The External Affairs Department, Outreach Services Division, has been coordinating the development of online learning and educational products with various programs through-out the Board. These tools will continue to be created as the Board moves toward new and innovative ways of disseminating vital educational information to tax and fee payers. As these tools become available, it is necessary and important to make sure the intended audience is aware of their existence and encourage them to use this technology. The Outreach Services Division has put together the following marketing plan to that end.

**Objective**

Tax and fee payers need to be informed of new online learning and educational products now available on the BOE website.

**Actions**

- Send email list serv announcements showcasing the newly available products. List serv announcements related to specific programs will continue to be sent out as more products become available. OSD will use eleven email lists currently available that include approximately 14,000 taxpayers. In addition, staff will continue to work with BOE program staff and community partners to increase the number of email addresses available for our use.
- Create a 1/3 sheet insert to be placed in the return mailings.
- Include 1/3 sheet in the new permit packets.
- Write an article for the Tax Information Bulletin.
- Request Website links to be posted on ca.taxes.gov
- Request Website link on Governor's website.
- Place a hot link or announcement on the BOE homepage.
- Encourage Board Members to include information in their monthly e-newsletters.
- Write a press release and distribute to media outlets.
- Partner with associations to notify their membership of the new products. Request the BOE information be added to their websites and newsletters.
- Include online learning products in Publication 51, *Guide to Board of Equalization Services*.
- Provide marketing materials and information to the BOE Speaker's Bureau participants to so they can spread the message through speaking engagements.
- Provide online educational and learning product training and facilitation guides to our community partners on how to use the BOE online products in addition to or in lieu of an in-person presentation. In addition, the guide will assist them in teaching their clients how to use the BOE online products.



**Board of Equalization  
In-Person Seminars and Online Products  
Potential Issues and Solutions**

Potential Issues	Solution	Timeline
<p><i>The Digital Divide may affect the ability of some taxpayers who do not have computers or Internet to access online materials.</i></p>	<ol style="list-style-type: none"> <li>1. Step-by-step instructions on how to use the online products.</li> <li>2. Free or low cost computer and Internet access available at most local community colleges, libraries or small business development centers.</li> <li>3. Provide our community partners guides to help their members how to use the online products.</li> <li>4. Collect and analyze information to assist in finding ways of closing the “digital divide” for our taxpayers.</li> <li>5. Presentations available on CD/DVD for television viewing.</li> </ol>	<ol style="list-style-type: none"> <li>1. November 1, 2009.</li> <li>2. Currently Available.</li> <li>3. December 30, 2009.</li> <li>4. On-going.</li> <li>5. Currently Available.</li> </ol>
<p><i>Personal contact that is readily available at in-person seminars will not be available online.</i></p>	<ol style="list-style-type: none"> <li>1. The toll-free information call center number will be included on all online products.</li> <li>2. Information about how to get in-person assistance at the district office will be included.</li> </ol>	<ol style="list-style-type: none"> <li>1. November 1, 2009.</li> <li>2. November 1, 2009.</li> </ol>
<p><i>Immediate answers to questions at in-person seminars will not be provided with the virtual experience.</i></p>	<ol style="list-style-type: none"> <li>1. An email box will be set-up specifically for each presentation as it goes live.</li> <li>2. The taxpayer will receive a response within 24-48 hours.</li> </ol>	<ol style="list-style-type: none"> <li>1. November 1, 2009 and available immediately for future tutorials. Property Tax Exemptions for Nonprofit Organizations currently has a dedicated email box.</li> <li>2. Effective November 1, 2009.</li> </ol>
<p><i>Multiple in-person resources and additional information will not be provided with the virtual experience.</i></p>	<ol style="list-style-type: none"> <li>1. A virtual one-stop-shop will be available with links to the other agencies presentations and/or information, along with the BOE presentations and additional resource links.</li> <li>2. Contact information for other agency inquiries will be included.</li> </ol>	<ol style="list-style-type: none"> <li>1. Available December 30, 2009 for Small Business Fairs and Nonprofit Seminars.</li> <li>2. December 30, 2009</li> </ol>

**Board of Equalization  
In-Person Seminars and Online Products  
Potential Issues and Solutions**

<b>Potential Issues</b>	<b>Solution</b>	<b>Timeline</b>
	<ol style="list-style-type: none"> <li>3. Questions related to other agency programs received through email will be forwarded to the appropriate agency contact for response.</li> </ol>	<ol style="list-style-type: none"> <li>3. December 30, 2009</li> </ol>
<p><i>Copies of presentation slides and additional handouts referred to during presentations will not be provided with the virtual seminar.</i></p>	<ol style="list-style-type: none"> <li>1. Links to publications will be listed with each presentation.</li> <li>2. Printable versions of the BOE presentation will be available.</li> </ol>	<ol style="list-style-type: none"> <li>1. November 1, 2009. Currently available with Property Tax Exemptions for Nonprofit Organization Video</li> <li>2. November 1, 2009. Currently available with Property Tax Exemptions for Nonprofit Organization Video</li> </ol>
<p><i>Knowledge of online product availability is limited.</i></p>	<ol style="list-style-type: none"> <li>1. OSD has begun an aggressive marketing plan (see attached).</li> <li>2. New permit holders will be given information about the online products in their seller's permit packages.</li> </ol>	<ol style="list-style-type: none"> <li>1. In Progress.</li> <li>2. Available November 1, 2009</li> </ol>