STATE OF CALIFORNIA

Budget Change Proposal - Cover Sheet

DF-46 (REV 05/11)

Fiscal Year	BCP No.	Org. Code	Department	Priority No.
2012/13		0860	Board of Equalization	

Program	Element	Component
Sales and Use Tax Program		

Proposal Title

Timber Regulation and Forest Restoration Fee

Proposal Summary

The Board of Equalization requests the following resources:

- $1,921,000 (Special Fund) and 13.3 positions in FY 2012-13
- $2,311,000 (Special Fund) and 17.3 positions in FY 2013-14
- $1,814,000 (Special Fund) and 11.3 positions in FY 2014-15
- $1,696,000 (Special Fund) and 10.3 positions ongoing

To implement the new sales tax/fee imposed on retailers of lumber products (lumber fee). BOE based it's assumptions on language provided to the Governor's Office on Wednesday, May 2, 2012. If final trailer bill language is different, BOE will need to revisit the cost estimates provided for in this Budget Change Proposal.

BOE does not have sufficient current year (FY 2012-13) staff or financial resources that can be redirected to implement the Lumber Fee without severely impacting the Sales and Use Tax program.

Requires Legislation	Code Section(s) to be Added/Amended/Repealed
☒ Yes ☐ No	

Does this BCP contain information technology (IT) components? ☐ Yes ☒ No *If yes, departmental Chief Information Officer must sign.*	Department CIO	Date

For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the California Technology Agency, or previously by the Department of Finance.

☐ FSR ☐ SPR Project No. Date:

If proposal affects another department, does other department concur with proposal? ☒ Yes ☐ No

Attach comments of affected department, signed and dated by the department director or designee.

Budget Officer	Date	Chief, Financial Management Division	Date
Deputy Director, Administration	Date	Executive Director	Date

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Technology Agency

BCP Type: ☐ Policy ☐ Workload Budget per Government Code 13308.05

PPBA	Date submitted to the Legislature

A. Proposal Summary

The Board of Equalization requests the following resources:

- $1,921,000 (Special Fund) and 13.3 positions in FY 2012-13
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BOE does not have sufficient current year (FY 2012-13) staff or financial resources that can be redirected to implement the Lumber Fee without severely impacting the Sales and Use Tax program.

B. Background/History

Based on BOE's knowledge of the trailer bill language being proposed, effective January 1, 2013, the Lumber Fee will impose a new sales tax/fee and use tax on the retail sale, or storage, use, or other consumption of lumber products in this state. The initial draft language imposing the Lumber Fee does not provide a specific definition for the term "lumber products" nor does it specify the tax rate that will be imposed. Additionally, proposed language would allow Cal-Fire, rather than the BOE, to draft regulations regarding what is and what is not subject to the new tax/fee. For these reasons, we are unable to estimate with any degree of accuracy the number of taxpayers that may be affected by the proposed Lumber Fee.

Based on the number of existing taxpayers registered under the Sales and Use Tax program under specific North American Industry Classification System (NAICS) codes that we can reasonably assume would sell products subject to the Lumber Fee, we estimate the number of affected taxpayers may be as high as 60,000 retailers. For the purposes of determining the amount of resources necessary to implement the Lumber Fee, we are assuming 60,000 existing taxpayers will be subject to the new tax/fee. Since this is a new sales tax/fee that would be imposed on top of the existing sales and use tax imposed on retail sales, this new tax/fee should not result in any new taxpayers being required to register with the BOE that would not otherwise be required to register. If the number of actual taxpayers is more or less, the amount of resources necessary to implement the Lumber Fee may be different.

The BOE is statutorily mandated to administer the Sales and Use Tax program. Implementation of a new sales tax/fee imposed on the retail sale of lumber products would require the BOE to program the Integrated Revenue Information System (IRIS), midtier and web applications to accommodate changes to the various returns, revenue, audit, and accounting subsystems. Additionally, staff will need to prepare notifications to affected taxpayers and perform audit and collection activities related to the new tax. The Return Analysis and Allocation Section's ongoing workload will increase because changes to program and return forms increase complexity that will result in additional errors on the returns filed by taxpayers.

Due to the imposition of the new tax/fee, telephone calls and written inquiries received by the Taxpayer Information Section and the Audit and Information Section will increase.

C. State Level Considerations

The BOE is charged by the State Constitution, and by statute with, amongst other tasks, administering the state's sales and use tax, fuel, alcohol and tobacco taxes as well as collecting fees to fund numerous specific state programs. Successful administration of these tax and fee programs has resulted in the collection of approximately 35.6 percent of the annual revenue for state government and essential funding for counties, cities, and special taxing districts. The programs administered by the BOE produced $50.7 billion in FY 2009-10 for education, public safety, transportation, housing, health services, social services, and natural resource management.

Pursuant to Revenue and Taxation Code sections 6051.9 and 6201.9, a new retail tax is imposed upon any retailer selling lumber products. This new tax will result in additional staff needed to accommodate necessary education to taxpayers, return filing problems, misallocation of the new tax, underreporting of the new tax, over-reporting of the new tax, an increase in appealed cases, additional phone coverage required due to the increase in inquiries. This proposal conforms to four of the five BOE Strategic Plan Goals:

Maximize Voluntary Compliance in BOE's Programs
Through continued field presence and additional staff in BOE Headquarters, the BOE will continue its educational outreach efforts, such as notifying the targeted new taxpayers of the new tax, providing new and revised publications, answering telephone calls, letters and emails, providing educational services at the taxpayer's place of business, etc. Outreach to taxpayers regarding this new tax greatly reduces the number of errors on returns, the number of appealed cases, and the amount of phone calls and correspondence. This also leads to increased payments of the new tax.

Improve the Efficiency of BOE's Tax and Fee Programs
By increasing the number of staff the BOE will continue enhancing its communications with the newly identified taxpayers. We will provide prompt and accurate responses to their questions and issues resulting from the administration of this new tax. We will evaluate and analyze any feedback from these taxpayers and others within the business community, of which we will modify our processes to help streamline any issues, so that the administration of the new tax is less burdensome and more easily administered.

Improve the BOE's Organizational Efficiency
This new tax will promote cooperative working relationships with district staff, other departments within the BOE, and other agency and stakeholder organizations, as the new tax will require information sharing as well as analysis, where and when appropriate. Such efforts will strengthen the BOE's ability to communicate with taxpayers and stakeholders and its own internal staff both in the field and within its Headquarters.

Create an Expanded and Responsive Infrastructure
The BOE will work to expand its partnerships with the other agencies to help identify taxpayers that are required to collect and report the tax, of which were not previously identified. The BOE will share best practices that capitalize on the development and implementation of successful data exchange efforts. The BOE will utilize the field staff to investigate and advise when a seller is identified as a retailer of lumber products.

D. Justification

Revenue and Taxation Code sections 6051.9 and 6201.9 impose a new sales and use tax/fee on retailers of lumber products. The implementation of this new tax/fee will impact numerous BOE Departments. The addition of these new code sections will inherently prompt uncertainty and questions for many businesses that, while reporting their sales, are now required to report an additional tax/fee that they are not fully aware of how or when it is imposed.

BOE expects approximately 60,000 taxpayers that will be required to collect and remit a new sales and use tax/fee imposed upon the sale of lumber products, of which the taxpayers will not fully understand what is or is not included within the definition of "lumber products." Audit staff and Headquarters staff

assist in ensuring voluntary compliance. To properly implement and administer the provisions under these two new statutes, adequate staffing is necessary.

The resources requested in this proposal will allow the BOE to continue to provide high quality services to the taxpayers that now are required to report and pay the additional tax/fee. Resources are needed within the first two years to assist with the increase in communications between the taxpayers and the BOE. It is likely that additional resources will be needed should the population of the taxpayer base identified increase.

E. Outcomes and Accountability

This proposal is projected to generate $30 million in revenue annually.

Projected Outcomes

Workload Measure	2011-12	2012-13	2013-14
Revenue	N/A	$15 million	$30 million

F. Analysis of All Feasible Alternatives

Alternative 1 – Provide funding of $1,921,000 and 13.3 positions in FY 2012-13; $2,311,000 and 17.3 positions in FY 2013-14; $1,814,000 and 11.3 positions in FY 2014-15, and $1,696,000 and 10.3 positions ongoing to implement and administer the statutorily mandated Lumber Fee.

The requested resources would allow the BOE to continue to provide high quality service to taxpayers while protecting the Forest Protection and Adaptation Mitigation Account revenue. The following is a summary of the requested positions and blanket hours necessary to fully implement and administer the Lumber Fee.

Pros

- Provide the resources needed to timely and efficiently implement the statutorily mandated Lumber Fee.
- Provides funding to adequately protect the Forest Protection and Adaptation Mitigation Account.

Cons

- Requires additional resources

G. Implementation Plan

July 2012 through June 30, 2013 and on-going

- Hire and train staff
- Perform necessary IRIS, midtier and web application changes
- Identify and notify affected taxpayers
- Answer taxpayer inquiries
- Process incoming tax returns
- Issue determinations for delinquent returns
- Process claims for refunds
- Follow up on leads and perform routine audits

H. Supplemental Information *(Check box(es) below and provide additional descriptions.)*

☒ None ☐ Facility/Capital Costs ☐ Equipment ☐ Contracts ☐ Other _____

I. Recommendation

Alternative 1 is recommended. This alternative allows the BOE to meet its statutory obligation to efficiently administer the Lumber Fee.

SALES AND USE TAX DEPARTMENT (SUTD)

Field Operations

The SUTD Field Operations Divisions' function is to plan, organize, direct, and control all administrative activities and the Sales and Use Tax program functions such as registration, collection and audit for fourteen statewide district field offices, seven branch offices, and three out-of-state area offices. The Division also formulates, plans, and recommends for approval programs, budgetary matters, personnel issues and organization changes relating to the overall operation of the field offices.

1.0 Associate Tax Auditors (ATA) – Field Position (Permanent) Start Date 7-1-13

ATAs will be utilized to conduct sales and use tax audits, prepare audit reports, and conduct specialized audit procedures and techniques to address the additional workload by the imposition of the new tax/fee based upon approximately 60,000 taxpayers that are now identified as reporting an additional tax that they were not required to collect and remit prior thereto. Responsibilities include examining taxpayers' books and records and determining the appropriate amount due, which includes the additional new tax/fee. ATAs also determine the appropriate test or statistical sampling methodology, prepare audit working papers to support the audit findings, issue billings, and explain the audit findings to the taxpayer and the taxpayer's representative(s). The audit may also be involved in the appeals process related to audits or field billing orders including petitions for redetermination and hearings. The table below provides the estimate workload for these positions.

Workload Detail					
		Time Measure		On-going Activities	
Classification	Activity	M=Minutes H = Hours	Time Per Occurrence	Occurrences Per Year	Total Hours
ATA	Audit taxpayer records	H	840	1	840
	Prepare audit reports & issue Notices of Determinations	H	350	1	350
	Conduct appeals procedures	H	140	1	140
	Review and examine IRIS screens for registration and reporting issues	H	70	1	70
	Total ATA hours				1,400
	Total BTR Positions Requested (1,400 Hours/Position)				1.0

Headquarters Operations Division (HOD)

HOD in the SUTD is responsible for the Return Analysis Unit, Local Revenue and Allocation Unit, and Petitions Section.

Petitions Section

The Petitions Section (PS) is responsible for managing the BOE's statewide appeal (petition) process for the SUTD. This includes the initial creation and acknowledgment of new petitions, the creation and maintenance of the IRIS case record, audits of Consumer Use Tax petitioned cases, SUTD representation at appeals conferences, review and analysis of each petitioned case in relation to laws, rules, and/or policies.

1.0 Associate Tax Auditor (ATA) – Permanent (Start Date 7-1-13)

The ATA is responsible for reviewing petitions for redetermination and preparing a summary analysis for submission to the Appeals Section for conference and creation and maintenance of the IRIS case record. Due to the new tax/fee being imposed on the sale of lumber products, there will be an increase in petition cases. ATA staff also confers with taxpayers and their representatives to gather additional information regarding the petition case.

Workload Detail					
		Time Measure		On-going Activities	
Classification	Activity	M=Minutes H = Hours	Time Per Occurrence	Occurrences Per Year	Total Hours
ATA	Prepare summary analysis of petition cases	H	8	200	1600
	Create and update IRIS records	H	.5	200	100
	Confer with taxpayers and their representative	H	1	100	100
	Total ATA hours				1,800
	Total ATA Positions Requested (1,800 Hours/Position)				1

Audit Determination and Refund Section (ADRS)

1.0 Associate Tax Auditor (ATA) – Permanent (Start Date 7-1-13)

The ATA evaluates and researches claims for refund with respect to the new tax/fee imposed. The ATA is responsible for communicating by both phone and written correspondence with taxpayers and their representatives in relation to the claims filed and payments of the taxes/fees paid.

Workload Detail					
		Time Measure		On-going Activities	
Classification	Activity	M=Minutes H = Hours	Time Per Occurrence	Occurrences Per Year	Total Hours
ATA	Evaluate and research claims for refund related to the new tax/fee imposed and paid.	H	8	200	1,600
	Correspond both orally and in writing with taxpayers and representatives related to the claims filed and payments made.	H	.5	400	200
	Total ATA hours				1,800
	Total ATA Positions Requested (1,800 Hours/Position)				1.0

Return Analysis Unit (RAU)

2.0 Business Taxes Representative (BTR) – 2-Year Limited Term (Start Date 1-1-13)

The BTRs will perform desk reviews of returns with errors or questionable returns with amounts or missing amounts with respect to the new tax/fee. BTRs will make contact directly with the taxpayers to resolve the issue, and issue Notices of Determinations to assess additional tax due. It is anticipated that these after the 2-year period has passed since the inception of the new tax/fee, that the work required of these BTRs will no longer be necessary.

Workload Detail					
		Time Measure		On-going Activities	
Classification	Activity	M=Minutes H = Hours	Time Per Occurrence	Occurrences Per Year	Total Hours
BTR	Analyze returns and make necessary taxpayer contact	H	0.25	7,500	1,875
	Replies and follow up actions	H	0.25	7,500	1,875
	Total BTR hours				3,750
	Total BTR Positions Requested (1,800 Hours/Position)				2.08

1.0 Tax Technician I (TT I) – 1-Year Limited Term (Start Date 7-1-12)

The TTI performs return verification functions of the sales and use tax return and accounts receivable documents. The TTI also provides for basic correspondence to the taxpayer. It is anticipated that with the 60,000 tax/fee payers filing new returns and collecting new tax

reimbursement, there will be an increase of TTI duties, such as return verification and accounts receivable maintenance verification, and providing standard correspondence and taxpayer contact. It is anticipated that this position is only necessary for one year because once the program is running, the additional duties and increased workload will subside as the errors will diminish.

Workload Detail					
		Time Measure		On-going Activities	
Classification	**Activity**	**M=Minutes H = Hours**	**Time Per Occurrence**	**Occurrences Per Year**	**Total Hours**
TTI	Correct key data in IRIS, clear returns, maintain accurate reporting by taxpayers, review and prepare standard correspondence reply to taxpayers and other government agencies, review taxpayer account history, and assist cashiering staff.	H			1,800
	Total TTI hours				1,800
	Total TTI Positions Requested (1,800 Hours/Position)				1,800

Local Revenue Allocation Unit

The Board of Equalization is charged with the administration of the State sales and use tax, the Bradley-Burns Local Sales and Use Tax and the Local Transactions and Use Tax. The Local Revenue Allocation Unit (LRAU) administers the district taxes adopted by the voters. New district taxes generate approximately $81,798,000.00 in district tax revenues per fiscal year that are distributed to the districts imposing the taxes. The Board is expected to collect approximately $1,482,000 in administrative fees per year.[1]

2.0 Tax Auditor (TA) – 2-Year Limited Term (Start Date 7-1-12)

Although the new tax/fee is not a local tax per se, the tax is enigmatic because it will only apply to some taxpayers and not all taxpayers currently registered with the BOE. As such, there are likely to be issues with those taxpayers' returns, which could impede upon the accurate and timely distribution of local and district taxes during the implantation phase (likely two years) of this new tax/fee. The TAs analyze and bill accounts for district taxes and amended returns, review allocation assignments of subordinate staff, analyze and process complex district tax and local tax questionable reallocations on accounts. It is anticipated that after two years of inception of the new tax/fee most of the issues that require the additional examination of returns will diminish significantly and thus the positions will no longer be required.

Workload Detail					
		Time Measure		On-going Activities	
Classification	**Activity**	**M=Minutes H = Hours**	**Time Per Occurrence**	**Occurrences Per Year**	**Total Hours**
TA	Analyze and bill accounts for district taxes and amended returns. Review the allocation of assignments distributed to subordinate staff. Analyze and process district tax and local tax questionable reallocations on accounts.	H	5.50	655	3603
	Total TA hours				3603
	Total TA Positions Requested (1,800 Hours/Position)				2.0

[1] Compensation for services related to the administration of new district tax programs. These costs exclude "start up" costs, which are reimbursable through preparatory fees.

Tax Policy Division

1.0 Business Taxes Specialist I (BTS I) – Permanent (Start Date 7-1-12)

The BTS I in the Tax Policy Division (TPD) is responsible for creating, facilitating, and administering high level projects including the development policies and procedures for audit functions. The position will also be responsible for drafting special notices to notify the targeted new tax/fee payer base as well the public at large and responding to written inquiries from district staff as well as the public.

Workload Detail					
		Time Measure		On-going Activities	
Classification	Activity	M=Minutes H = Hours	Time Per Occurrence	Occurrences Per Year	Total Hours
BTS I	Create and facilitate projects resulting from the new lumber tax/fee imposed (i.e. special notices, Tax Information Bulletins, coordinate communications with external stakeholders, etc.)	H	1,170		1,170
	Administer the implementation of new policy and procedures for administering the new tax	H	280		280
	Facilitate meetings with staff and management	H	280		280
	Assist staff both in Headquarters and the field with questions etc.	H	70		70
	Total BTS I hours				1,800
	Total BTS I Positions Requested (1,800 Hours/Position)				1.0

1.0 Associate Tax Auditor (ATA) – Permanent (Start Date 7-1-12)

The ATA in TPD is responsible for answering telephone calls, letters and emails of a complex tax nature from the general public. The imposition of the new tax/fee will generate taxpayer questions from a population of approximately 60,000 tax/fee payers and consumers who may purchase products subject to the new tax. These tax/fee payers and consumers will likely have questions as to when to impose the new tax, how to seek reimbursement, and to what the tax/fee does and does not apply to.

Workload Detail					
		Time Measure		On-going Activities	
Classification	Activity	M=Minutes H = Hours	Time Per Occurrence	Occurrences Per Year	Total Hours
ATA	Answer complex tax issue telephone calls	H	1,120	1	1,440
	Answer complex tax issue questions via letter and email	H	280	1	360
	Total ATA hours				1,800
	Total ATA Positions Requested (1,800 Hours/Position)				14.0

1.0 Supervising Tax Auditor I (Generic Placement) – Permanent (Start Date 7-1-12)

Audit Supervisors are classified at the Supervising Tax Auditor I (STA I) level within SUTD due to the type and classifications of positions supervised. The STA I directs investigations of an audit staff group of ATAs and Tax Auditors, who will investigate issues related to the new tax/fee. The STA I creates assignments, and conducts reviews of those assignments to provide guidance on completion of the assignments. The STA I also performs online reviews and approvals of assignments through the BOE's online system. The STA I will also be responsible for reviewing the disputed new tax/fee assessments and payments.

Workload Detail					
		Time Measure		On-going Activities	
Classification	**Activity**	**M=Minutes H = Hours**	**Time Per Occurrence**	**Occurrences Per Year**	**Total Hours**
STA I	Directly supervise audit staff. Approve assignments. Provide direction and guidance to staff with the imposition of the new timber tax/fee.	H	1,170		1,380
	Confer with taxpayers and their representatives to resolve disputed assessments and amounts paid.	H	280		280
	Review and approve staff time reports.	H	70		70
	Assist staff both in Headquarters and the field with questions etc. related to the new tax/fee.	H	70		70
	Total STA I hours				1,800
	Total STA I Positions Requested (1,800 Hours/Position)				1.0

1.0 Office Technician –Typing (OT) – Clerical Support – Permanent (Start Date 7-1-12)

An Office Technician (OT) performs typical clerical revenue supporting functions related to the audit and compliance programs**.** These clerical functions include filing, copying, answering phones, attendance coordination, maintaining personnel files, preparing miscellaneous recurring reports, and receiving and distributing mail. This position is requested to handle clerical workload handled previously by Tax Auditors.

Workload Detail					
		Time Measure		On-going Activities	
Classification	**Activity**	**M=Minutes H = Hours**	**Time Per Occurrence**	**Occurrences Per Year**	**Total Hours**
OT	Support Teams and Managers; setting up meetings, reviewing documents for quality, ordering team supplies, attendance coordinator, and other clerical duties as needed.	H	1,800		1,800
	Total OT hours				1,800
	Total OT Positions Requested (1,800 Hours/Position)				1.0

Legal Department

1.0 Tax Counsel III – Tax and Fees Division – Permanent (Start Date 7-1-12)

The Tax Counsel III (Specialist) within the Tax and Fee Programs Division, Business Taxes Section, will research and render the more complex oral and written legal advice to taxpayers and their representatives, other governmental agencies, the Board, and its staff concerning business tax matters. This individual appears before the Board to orally present the staff's position with respect to Board hearings on the more complex business taxes petitions for redetermination and claims for refund. With respect to these Board hearings, this individual researches and writes Board hearing briefs as well as reviews complex audits, including audit working papers and related materials. Other duties include preparing or assisting in the preparation of various Board publications, including but not limited to, Tax Information Bulletins and Tax Tip Pamphlets. This individual works closely and under the general guidance of the Assistant Chief Counsel, Tax Counsel IV, and Supervising Tax Counsel.

Workload Detail			
Activity	**Cases (Yearly)**	**Hours/ Case**	**Total Hours**
Research and analyze statutes, regulations, and case law; draft written legal opinions	30	30	900
Appear before the Board in Board hearings; research and draft Board hearing briefs	15	40	600
Respond to inquiries from public and staff; assist staff in preparation/revision of publications	20	20	400
Total legal hours			1900
Total legal positions requested (1800 hours per position)			1.1

1.0 Tax Counsel III (Legal Counsel) – Appeals Division – Permanent (Start Date 7-1-13)

The Tax Counsel III (TC III) in the Business Taxes Section of the Appeals Division will decide difficult and complex cases involving the legislation. The TC III will hold appeals conferences and independently analyze and apply legal principals to issue decisions and recommendations. The TC III position will permit the appeals associated with the legislation to be effectively and efficiently processed in a timely manner without delay.

Activity	Cases (Yearly)	Hours/ Case	Total Hours
File review and preparation	40	10	400
Travel	40	.5	20
Conferences	40	1	40
Post-conference gathering	40	5	200
Research and writing	40	20	800
Board Hearings	14	4	56
Post Decision	14	20	280
Post Board Hearing	4	1	4
Total legal hours			1,800
Total legal position requested (1800 hours per position)			1.0

EXTERNAL AFFAIRS DEPARTMENT

Taxpayer Information Section (TIS)

2.0 Tax Technician II – 2 Year Limited Term Positions (Start Date 7-1-12)

As a result of this legislation the TIS estimates an additional 24,000 calls for both the new tax/fee payers and consumers annually and ongoing calls for each year thereafter. In order to handle the increase in call volumes the TIS is requesting 2.0 Tax Technician II positions on a limited term basis. The Tax Technicians will provide answers to general questions, guidance to BOE resources, and refer callers to the appropriate sections and units. We expect that after two years has passed since the inception of the new tax/fee that most of the issues which cause those taxpayers and consumers to phone the Call Center to be resolved and thus the need for the positions will no longer be present.

Workload Detail				
		Time Measure		Ongoing Activities
Classification	Activity	M = Minute H = Hours	Occurrences Per Year	Total Hours
Tax Technician II	Answer taxpayer and public inquiries received on the BOE toll free 800 phone number concerning the new program and the application of tax.	8.9 M	24,000	3,560
	Process account maintenance requests.	12 M	300	60
	Total Tax Technician II Hours			3,620
	Total TT II Positions Needed (1,800 Hours/Position)			2.01

ADMINISTRATION DEPARTMENT

Accounting Branch

1.0 Accounting Officer (AO) Permanent (Start Date 7-1-12)

The AO is needed to handle the increased accounting workload resulting from this legislation.

Workload Detail			
Activity	**Time per Occurrence (Hours)**	**Occurrences per Year**	**Total (Hours)**
Reconcile accounts with the State Controller's Office (SCO).	20	12	240
Compile fiscal year-end information and complete financial statements.	80	1	80
Post entries to the general ledger and accounting registers.	30	12	360
Process SCO journal entries.	10	12	120
Process documents and fund adjustments from Cashiers.	10	12	120
Process refunds from the program area.	5	12	60
Balance reports received from TSD against electronic fund transfer (EFT) transactions reported by the State Treasurer's Office (STO).	10	12	120
Reconcile non-EFT and EFT deposits to bank statements.	10	12	120
Prepare transmittals.	20	12	240
Report revenue to control agencies (SCO, STO, Dept. of Finance, and Bureau of State Audits) and BOE units.	10	12	120
Prepare monthly allocation of total payments, less expenditures, refunds, or adjustments.	10	12	120
Analyze fund cash daily/weekly.	5	12	60
Issue interim statements for management, other agencies, or special interest groups as needed.	5	12	60
Total Hours			**1820**
Total Permanent Position Requested (1,800 hours per position)			**1**

DF-46 *(REV 05/11)*

Fiscal Summary

(Dollars in thousands)

BCP No.	Proposal Title	Program
	Timber Regulation and Forest Restoration Fee	

Personal Services	**Positions**			**Dollars**		
	CY	**BY**	**BY + 1**	**11/12**	**12/13**	**13/14**
Total Salaries and Wages [1]	0.0	13.3	17.3		$714	$1,021
Total Staff Benefits [2]					$257	$369
Distributed Administration					$140	$168
Total Personal Services	0.0	13.3	17.3		$1,111	$1,558
Operating Expenses and Equipment						
General Expense					$166	$82
Distributed Administration					$35	$42
Printing					$47	
Communications					$55	$44
Postage					$10	
Travel-In State					$5	$50
Travel-Out of State						
Training					$11	$14
Facilities Operations					$173	$207
Utilities					$2	$3
Consulting & Professional Services: Interdepartmental [3]						
Consulting & Professional Services: External [3]					$20	$20
Data Center Services					$59	$72
Information Technology					$227	$219
Equipment [3]						
Other/Special Items of Expense: [4]						
Total Operating Expenses and Equipment					$810	$753
Total State Operations Expenditures					$1,921	$2,311
Fund Source	**Item Number**					
	Org	**Ref**	**Fund**			
General Fund	0860	001	0001			
Special Funds[5]	860	1	3212		$1,921	$2,311
Federal Funds						
Other Funds (Specify)						
Reimbursements	0860	001	0995			
Total Local Assistance Expenditures						
Fund Source	**Item Number**					
	Org	**Ref**	**Fund**			
General Fund						
Special Funds[5]						
Federal Funds						
Other Funds (Specify)						
Reimbursements						
Grand Total, State Operations and Local Assistance					$1,921	$2,311

[1] Itemize positions by classification on the Personal Services Detail worksheet.
[2] Provide benefit detail on the Personal Services Detail worksheet.
[3] Provide list on the Supplemental Information worksheet.
[4] Other/Special Items of Expense must be listed individually. Refer to the Uniform Codes Manual for a list of standard titles.
[5] Attach a Fund Condition Statement that reflects special fund or bond fund expenditures (or revenue) as proposed.

Personal Services Detail

(Whole dollars)

BCP No.	Proposal Title
0	**Timber Regulation and Forest Restoration Fee**

Salaries and Wages Detail

Classification [1] [2]	Positions			Salary Range	Dollars		
	CY	BY	BY + 1		CY	BY	BY + 1
Admin							
Accounting Officer _a/		1.0	1.0	$51,072	$0	$51,072	$51,072
External Affairs							
Tax Technician II (BOE) _b/		2.0	2.0	$35,088	$0	$70,176	$70,176
Legal							
Tax Counsel III (Specialist) _c/		1.0	2.0	$102,960	$0	$102,960	$205,920
SUTD							
Associate Tax Auditor (BOE) _d/			1.0	$63,096	$0	$0	$63,096
Associate Tax Auditor (BOE) _d/			1.0	$63,096	$0	$0	$63,096
Associate Tax Auditor (BOE) _d/			1.0	$63,096	$0	$0	$63,096
Associate Tax Auditor (BOE) _a/		1.0	1.0	$63,096	$0	$63,096	$63,096
Business Taxes Representative _e/		1.0	2.0	$46,656	$0	$46,656	$93,312
Business Taxes Specialist I _a/		1.0	1.0	$70,824	$0	$70,824	$70,824
Office Technician (General) _a/		1.0	1.0	$35,088	$0	$35,088	$35,088
Supervising Tax Auditor I (BOE) _a/		1.0	1.0	$69,312	$0	$69,312	$69,312
Tax Auditor (BOE) _b/		2.0	2.0	$48,060	$0	$96,120	$96,120
Tax Technician I (BOE) _f/		1.0		$31,536	$0	$31,536	$0
Blanket Funds:							
Overtime	0.0	0.5	0.5		0	7,452	6,921
Temporary Help	0.0	1.3	1.3		0	69,402	69,402
Total Salaries and Wages [3]	0.0	13.3	17.3		$0	$713,694	$1,020,531

Staff Benefits Detail	CY	BY	BY + 1
OASDI		54,598	78,071
Health/Dental/Vision Insurance		93,535	134,243
Retirement		104,722	150,298
Miscellaneous			
Workers' Compensation		424	608
Industrial Disability Leave		607	872
Non-Industrial Disability Leave		544	780
Unemployment Insurance		353	507
Other:		2,373	3,406
Total Staff Benefits [3]	$0	$257,156	$368,785
Grand Total, Personal Services	$0	$970,850	$1,389,316

[1] Use standard abbreviations per the Salaries and Wages Supplement. Show any effective date or limited-term expiration date in parentheses if the position is not proposed for a full year or is not permanent, e.g. (exp 6-30-13) or (eff 1-1-13)
Note: Information provided should appear in the same format as it would on the Changes in Authorized Positions.

[2] If multiple programs require positions, please include a subheading under the classification section to identify positions by

[3] Totals must be rounded to the nearest thousand dollars before posting to the Fiscal Summary.

_a/ Permanent position(s) starting July 1, 2012

_b/ Two-year limited term position(s) starting July 1, 2012

_c/ Permanent positions, one starting July 1, 2012, the second starting July 1, 2013

_d/ Permanent position(s) starting July 1, 2013

_e/ Two-year limited term position(s) starting January 1, 2013

_f/ One-year limited term position starting July 1, 2012

Supplemental Information

(Dollars in thousands)

BCP No.	Proposal Title
8	Timber Regulation and Forest Restoration Fee

Equipment	CY	BY	BY +1
Standard Complement		$436	$396
Laser Printer			$5
Total		$436	$401

Consulting & Professional Services			
Contract Services		$20	$20
OTECH		$200	$200
Total		$220	$220

Facility/Capital Costs			
Facility Operations		$173	$207
Utilities		$2	$3
Total			

One-Time/Limited-Term Costs Yes [x] No [ ]

Description	BY		BY +1		BY +2	
	Positions	Dollars	Positions	Dollars	Positions	Dollars
General Expense		$165		$43		
Communications		$19		$4		
Information Tech.		$18		$4		
Postage		$10				
Printing		$47				
		$259		$51	0.0	

Full-Year Cost Adjustment Yes [x] No [ ]

Provide the incremental change in dollars and positions by fiscal year.

Item Number	BY		BY +1		BY +2	
	Positions	Dollars	Positions	Dollars	Positions	Dollars
	13.3	$1,921	17.3	$2,311	11.3	$1,814
Total	13.3	$1,921	17.3	$2,311	11.3	$1,814

Future Savings Yes [ ] No [ ]

Specify fiscal year and estimated savings, including any decrease in positions.

Item Number	BY		BY +1		BY +2	
	Positions	Dollars	Positions	Dollars	Positions	Dollars
Total	0.0		0.0		0.0	