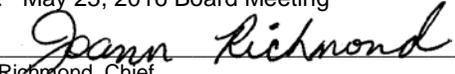


STATE BOARD OF EQUALIZATION



BOARD APPROVED

At the: May 25, 2016 Board Meeting



Joann Richmond, Chief
Board Proceedings Division

**POWERS CONFERRED ON THE EXECUTIVE DIRECTOR BY RESOLUTION
AS ADOPTED BY THE BOARD ON APRIL 26, 2016,
AND AMENDED ON MAY 25, 2016**

“Resolved, That David J. Gau, as Secretary of this Board, has been designated to act as its chief executive officer on and after April 1, 2016, with the title “Executive Director,”

“Resolved, That the Executive Director shall have full authority to exercise, perform and discharge any and all duties, powers and functions vested in or imposed upon the Board by any provision of law or otherwise, unless (1) the duty, power or function is one that can only be exercised, performed or discharged by the Board in session expressly for that purpose or (2) the Board expressly reserves the delegation of the duty, power or function subject to the approval of the Board; and be it further

“Resolved, That all of the authority hereby delegated is to be exercised under the general direction of the Board and in accordance with policies enunciated by the Board, and that such delegation shall not constitute the relinquishment of any power, jurisdiction or responsibility of the Board; and be it further

“Resolved, That the authority hereby granted to the Executive Director shall include, but shall not be limited to, the following:

(a) Execution of any and all personnel documents as the appointing power. Prior to the execution of such documents, the Executive Director shall: (1) obtain Board approval for all appointments of personnel at the Career Executive Assignment (CEA) level; (2) through the appropriate Assistant Chief of Field Operations, provide advance notice to the Board Member in whose District any District personnel appointments are to be made; (3) notice at least monthly the Board of all other personnel appointments and report on significant personnel transaction trends; and (4) obtain Board approval for all position upgrades that result in a change of classification at the CEA level and above before such requests are submitted to the California Department of Human Resources;

(b) Execution of any and all budgetary and fiscal documents for and on behalf of the Board. Prior to the submission of the annual budget and all Budget Change Proposals, the Executive Director shall obtain the explicit

approval of the Board before submission to the Department of Finance, except that Board Staff may develop, without prior Board approval, Budget Change Proposals resulting from newly enacted legislation within the ten-day Department of Finance deadline. If the Board majority does not act or the Board vote results in a tie, the Executive Director may submit the documents as proposed;

(c) Execution of any and all contracts for materials, services and supplies. Prior to the execution of such documents, the Executive Director shall provide weekly reports on all contracts over \$50,000 under consideration and obtain Board approval for any contract in which the amount of the contract exceeds \$1,000,000;

(d) Execution of any and all leases with respect to real and personal property. The Executive Director shall regularly report on significant changes to the use of existing lease space and, prior to execution of such documents for any new office space for a Member, the Executive Director shall obtain approval of that Member, and Board approval for all new office space.

(e) Execution of any and all releases of liens for which provision is made in those parts of the Revenue and Taxation Code wherein the Board is named as the administrative agency; this shall include the subrogation of such liens to other liens or encumbrances, as well as the determination for or on behalf of the Board of whether or not the taxes, interest and penalties secured by liens on property as to which liens are to be released or subordinated are sufficiently secured by a lien or liens on other property, as well as the determination for and on behalf of the Board that a release or subordination of any lien for which provision is made in the Revenue and Taxation Code will not endanger or jeopardize the collection of taxes, interest and penalties;

(f) Execution on behalf of the Board of any certificates for which provision is made by any part of the Revenue and Taxation Code with respect to the amount of taxes, interest and penalties that are due thereunder;

(g) Hiring of retired annuitants at the CEA level, but only after informing the Board as required by Board of Equalization Administrative Manual section 1236.2; and be it further

“Resolved, That in the absence of the Executive Director, the authority vested in the Executive Director by this resolution, or any other resolution now in effect or adopted hereafter by the Board, shall be exercised by the Executive Director’s designee, or by the person named by the Board as Acting Executive Director.”

Memorandum

To: Honorable Fiona Ma, CPA, Chairwoman
Honorable Diane L. Harkey, Vice Chair
Honorable George Runner, First District
Honorable Jerome E. Horton, Third District
Honorable Betty T. Yee, State Controller

Date: May 16, 2016

From: Randy Ferris
Chief Counsel



Subject: **Board Meeting, May 24-25, 2016**
Chief Counsel Matters - Item M
Further Discussion of Resolution Conferring Powers on the Executive Director

On April 26, 2016, pursuant to Government Code sections 15604 and 15623, the Board approved a resolution that conferred on Mr. David J. Gau the authority to act for and on behalf of the Board in the capacity of Executive Director. The resolution delegates to the Executive Director specific duties, powers, and functions to be exercised under the general direction of the Board and in accordance with policies enunciated by the Board.

Regarding the “[e]xecution of any and all leases with respect to real and personal property[.]” the April 26, 2016, resolution, as amended, states:

The Executive Director shall regularly report on significant changes to the use of existing lease space and, prior to execution of such documents for any new office space for a Member or a Member’s District, the Executive Director shall obtain approval of that Member and Board approval for all other new office space relating to the headquarters’ operation[.]

Chairwoman Ma has requested that the Board consider further amending this provision to read:

The Executive Director shall regularly report on significant changes to the use of existing lease space and, prior to execution of such documents for any new office space for a Member, the Executive Director shall obtain approval of that Member and Board approval for all other new office space[.]

Such an amendment would not require Board approval for the personal office space of a Member, but would require Board approval of all new office space for district field offices. The amendment would not affect the current requirement that all new office space relating to the headquarters’ operation be approved by the Board.

RMF:hp

cc: Mr. David J. Gau

MIC: 73

Item M
May 24-25, 2016